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# RAY NKONYENI MUNICIPALITY

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## TREASURY DEPARTMENT

### MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 MARCH 2022 (M09)

Prepared By: Budget and Treasury Office

# **STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2021/2022 BUDGET FOR THE PERIOD ENDING 31 MARCH 2022**

## **1. PURPOSE**

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2021/22 Budget of the Ray Nkonyeni Municipality for the period ending 31 March 2022 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 2022 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. 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	2020/21	Budget Year 2021/22							
	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	-	475,785	475,785	41,148	423,487	356,839	66,648	19%	542,434
Service charges	-	238,253	238,186	17,154	172,862	188,365	(15,503)	-8%	222,750
Investment revenue	-	4,500	5,150	508	3,139	3,635	(496)	-14%	4,004
Transfers and subsidies	-	257,885	259,456	-	193,816	196,246	(2,431)	-1%	255,454
Other own revenue	-	148,215	147,464	4,382	76,261	111,154	(34,893)	-31%	113,323
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>1,124,639</b>	<b>1,126,042</b>	<b>63,192</b>	<b>869,565</b>	<b>856,240</b>	<b>13,326</b>	<b>2%</b>	<b>1,137,965</b>
Employee costs	-	415,480	423,092	738	288,873	316,466	(27,593)	-9%	387,887
Remuneration of Councillors	-	31,434	27,222	-	17,480	23,576	(6,095)	-26%	25,339
Depreciation & asset impairment	-	91,916	91,916	8,007	72,067	68,766	3,301	5%	95,217
Finance charges	-	5,673	5,673	78	260	4,212	(3,952)	-94%	1,721
Inventory consumed and bulk purchases	-	137,906	139,367	11,792	94,251	105,399	(11,148)	-11%	126,758
Transfers and subsidies	-	7,349	7,982	803	7,716	5,691	2,025	36%	9,374
Other expenditure	-	427,054	430,497	32,038	252,597	345,725	(93,128)	-27%	333,926
<b>Total Expenditure</b>	-	<b>1,116,811</b>	<b>1,125,748</b>	<b>53,457</b>	<b>733,244</b>	<b>869,835</b>	<b>(136,591)</b>	<b>-16%</b>	<b>980,221</b>
<b>Surplus/(Deficit)</b>	-	<b>7,828</b>	<b>293</b>	<b>9,735</b>	<b>136,321</b>	<b>(13,595)</b>	<b>149,916</b>	<b>-1103%</b>	<b>157,744</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	133,599	149,510	-	66,496	110,122	###	-40%	89,973
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	11,668	11,668	-	-	8,751	(8,751)	-100%	2,917
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>	<b>97,539</b>	<b>93%</b>	<b>250,633</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>	<b>97,539</b>	<b>93%</b>	<b>250,633</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>161,345</b>	<b>177,876</b>	<b>18,546</b>	<b>114,451</b>	<b>128,120</b>	<b>(13,669)</b>	<b>-11%</b>	<b>164,207</b>
Capital transfers recognised	-	127,134	136,126	14,801	99,129	98,904	226	0%	136,352
Borrowing	-	8,476	10,316	1,167	4,565	7,628	(3,063)	-40%	7,253
Internally generated funds	-	25,735	31,433	2,578	10,756	21,587	(10,831)	-50%	20,602
<b>Total sources of capital funds</b>	-	<b>161,345</b>	<b>177,876</b>	<b>18,546</b>	<b>114,451</b>	<b>128,120</b>	<b>(13,669)</b>	<b>-11%</b>	<b>164,207</b>
<b>Financial position</b>									
Total current assets	-	408,055	537,501	-	743,282	-	-	-	724,705
Total non current assets	-	1,843,645	1,888,416	-	1,878,261	-	-	-	1,912,834
Total current liabilities	-	255,305	280,001	-	411,234	-	-	-	361,333
Total non current liabilities	-	121,596	160,054	-	181,267	-	-	-	178,041
Community wealth/Equity	-	1,874,799	1,985,862	-	2,029,043	-	-	-	2,098,165
<b>Cash flows</b>									
Net cash from (used) operating	-	149,684	121,760	51,575	421,358	114,432	(306,927)	-268%	108,738
Net cash from (used) investing	-	(162,919)	(171,926)	(19,202)	(121,648)	(116,107)	5,540	-5%	(171,926)
Net cash from (used) financing	-	(1,590)	(1,590)	(38)	(500)	(1,966)	(1,466)	75%	(1,590)
<b>Cash/cash equivalents at the month/year end</b>	-	<b>81,541</b>	<b>91,316</b>	<b>291,000</b>	<b>1,594,417</b>	<b>(3,642)</b>	<b>#####</b>	<b>43880%</b>	<b>(64,778)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	61,315	27,618	16,752	14,496	12,965	14,163	56,429	307,441	511,181
<b>Creditors Age Analysis</b>									
Total Creditors	22	-	-	-	-	-	-	320	342

## 5.2 Financial Performance -Revenue by Source

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

Description	Ref	2020/21	Budget Year 2021/22							
		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 By Source</b>										
Property rates		–	475,785	475,785	41,148	423,487	356,839	66,648	19%	542,434
Service charges - electricity revenue		–	169,514	170,147	12,571	120,720	127,167	(6,447)	-5%	163,068
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		–	68,739	68,039	4,583	52,142	61,198	(9,056)	-15%	59,683
Rental of facilities and equipment		–	466	2,443	248	2,085	1,160	925	80%	1,391
Interest earned - external investments		–	4,500	5,150	508	3,139	3,635	(496)	-14%	4,004
Interest earned - outstanding debtors		–	24,092	23,272	2,665	22,870	18,098	4,772	26%	28,865
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	20,764	21,064	71	15,733	16,621	(888)	-5%	19,877
Licences and permits		–	11,698	7,424	615	5,943	5,639	304	5%	12,002
Agency services		–	4,000	4,670	402	3,725	3,468	257	7%	4,257
Transfers and subsidies		–	257,885	259,456	–	193,816	196,246	(2,431)	-1%	255,454
Other revenue		–	87,194	88,590	381	25,905	66,168	(40,263)	-61%	46,931
Gains		–	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		–	<b>1,124,639</b>	<b>1,126,042</b>	<b>63,192</b>	<b>869,565</b>	<b>856,240</b>	<b>13,326</b>	<b>2%</b>	<b>1,137,965</b>
<b>Expenditure By Type</b>										
Employee related costs		–	415,480	423,092	738	288,873	316,466	(27,593)	-9%	387,887
Remuneration of councillors		–	31,434	27,222	–	17,480	23,576	(6,095)	-26%	25,339
Debt impairment		–	9,600	9,600	352	2,837	7,200	(4,363)	-61%	5,237
Depreciation & asset impairment		–	91,916	91,916	8,007	72,067	68,766	3,301	5%	95,217
Finance charges		–	5,673	5,673	78	260	4,212	(3,952)	-94%	1,721
Bulk purchases - electricity		–	125,067	125,067	9,575	83,779	93,800	(10,022)	-11%	115,046
Inventory consumed		–	12,839	14,300	2,217	10,472	11,599	(1,127)	-10%	11,712
Contracted services		–	250,244	257,445	21,744	156,188	202,758	(46,570)	-23%	203,674
Transfers and subsidies		–	7,349	7,982	803	7,716	5,691	2,025	36%	9,374
Other expenditure		–	167,210	163,452	9,942	93,572	135,767	(42,195)	-31%	125,014
Losses		–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		–	<b>1,116,811</b>	<b>1,125,748</b>	<b>53,457</b>	<b>733,244</b>	<b>869,835</b>	<b>(136,591)</b>	<b>-16%</b>	<b>980,221</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	7,828	293	9,735	136,321	(13,595)	149,916	(0)	157,744
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	133,599	149,510	–	66,496	110,122	(43,626)	(0)	89,973
Transfers and subsidies - capital (in-kind - all)		–	11,668	11,668	–	–	8,751	(8,751)	(0)	2,917
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		–	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Taxation		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after taxation</b>		–	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Attributable to minorities		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		–	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		–	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>

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

## Revenue by Source

This table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and details explained below.

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

Description	Ref	2020/21	Budget Year 2021/22							
		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 By Source</b>										
Property rates		-	475,785	475,785	41,148	423,487	356,839	66,648	19%	542,434
Service charges - electricity revenue		-	169,514	170,147	12,571	120,720	127,167	(6,447)	-5%	163,068
Service charges - water revenue		-	-	-	-	-	-	-		-
Service charges - sanitation revenue		-	-	-	-	-	-	-		-
Service charges - refuse revenue		-	68,739	68,039	4,583	52,142	61,198	(9,056)	-15%	59,683
Rental of facilities and equipment		-	466	2,443	248	2,085	1,160	925	80%	1,391
Interest earned - external investments		-	4,500	5,150	508	3,139	3,635	(496)	-14%	4,004
Interest earned - outstanding debtors		-	24,092	23,272	2,665	22,870	18,098	4,772	26%	28,865
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	20,764	21,064	71	15,733	16,621	(888)	-5%	19,877
Licences and permits		-	11,698	7,424	615	5,943	5,639	304	5%	12,002
Agency services		-	4,000	4,670	402	3,725	3,468	257	7%	4,257
Transfers and subsidies		-	257,885	259,456	-	193,816	196,246	(2,431)	-1%	255,454
Other revenue		-	87,194	88,590	381	25,905	66,168	(40,263)	-61%	46,931
Gains		-	-	-	-	-	-	-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	<b>1,124,639</b>	<b>1,126,042</b>	<b>63,192</b>	<b>869,565</b>	<b>856,240</b>	<b>13,326</b>	<b>2%</b>	<b>1,137,965</b>

## 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 R475.7 million and The YTD actual billing is R423.5 million, compared to the YTD budget of R356.8 million. There is a variance of R66.6 million because some properties are billed once annually in the month of August. The variance decreases as the financial year progresses.

## Electricity Revenue

The YTD Actual for the electricity billing for the period ended 31 March 2022 is R120.7 million while the YTD Budget is R127.2 million. There is an overall variance of R6.4 million (5%) between the YTD actual and YTD budget. This variance could be the result of low usage of electricity and the recent spurs of increased load shedding has had an impact on the electricity consumption. WE however expect that there will be increase in consumption in the upcoming winter months

## Refuse Revenue

The overall YTD actual billing for refuse removals is R52.1 million and the YTD Budget billing is R61.2 million, with YTD variance of R9.1 million (15%). The variance is caused by the fact that some properties are billed for refuse removals annually, and the difference will be minimized as the financial year progresses.

## **Interest on Investment**

Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The investment revenue YTD Actual is R 3.1 million, YTD budget is R 3.6 million, interest and there is a variance of (14%) R496 thousand. The municipality did not manage to generate the estimated interest in its investments due to the fluctuation of repo rate of the country caused by the unstable economy. There is a high possibility that the municipality will be able to generate the total budgeted interest by the end of the year.

## **Interest earned on arrear debtors**

The interest charged on arrear debtors to date is R22.9 million, 26% more compared to the YTD budget of R18.1 million and this is due to an increase in our debtors and has yielded more interest charged than anticipated which is in line with our revenue enhancement strategies.

## **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. The annual projected revenue is R4 million, with the YTD actual of R3.7 million compared to the YTD budget of R 3.5 million. This shows that the municipality is doing very well in collecting revenues on behalf of their principals and it will earn more commission than estimated.

## **Fines**

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines for R20 million and the total budget being R20.7 million. The YTD actual is R15.7 million and YTD Budget is R16.6 million, there is a 5% variance which was a result of less fines charged in the month since there were less big events held with the municipal jurisdiction.

## **Licenses and Permits**

Licenses and permits actuals to date amounts to R5.9 million, YTD Budget is R5.6 million and there is a 5% variance which shows that the municipality charged more licenses and permits than estimated which is in line with the economic recovery.

## **Rental of Facilities**

Rental of facilities amounts annual budget is R2,44 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 R2.1 million, YTD budget of R1.2 million and there is an 80% variance. The variance is caused by the fact that government has eased some of the COVID 19 lockdown restrictions and more



municipal facilities such as halls and libraries were hired. This is also in line with the revenue enhancement strategies.

### Other revenue

Other revenue is made up of numerous miscellaneous items (e.g., town planning fees, market income, cemetery fees, clinics subsidies, etc.) and gains on disposal of assets are included. Other revenue also includes construction contract revenue that is revenue recognized on receipt of funding for housing projects with a budget of R75 million, this revenue is contingent on the actual expenditure as the funding is based on claims for work done on the various housing projects. The actuals of other revenue to date is R25.9 million, YTD Budget is R66.2 million and there is an 61% variance due to lower spending on the implementation of the housing projects.

### Overall revenue YTD budget to date

The YTD Actual revenue excluding capital transfers is R 869.6 million for the period ending 31 March 2022, YTD Budget is R856.2 million, the variance is caused by the differences within the different revenue streams and how they have been performing.

## 5.3 Expenditure by Type

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

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<u>Expenditure By Type</u>										
Employee related costs		-	415,480	423,092	738	288,873	316,466	(27,593)	-9%	387,887
Remuneration of councillors		-	31,434	27,222	-	17,480	23,576	(6,095)	-26%	25,339
Debt impairment		-	9,600	9,600	352	2,837	7,200	(4,363)	-61%	5,237
Depreciation & asset impairment		-	91,916	91,916	8,007	72,067	68,766	3,301	5%	95,217
Finance charges		-	5,673	5,673	78	260	4,212	(3,952)	-94%	1,721
Bulk purchases - electricity		-	125,067	125,067	9,575	83,779	93,800	(10,022)	-11%	115,046
Inventory consumed		-	12,839	14,300	2,217	10,472	11,599	(1,127)	-10%	11,712
Contracted services		-	250,244	257,445	21,744	156,188	202,758	(46,570)	-23%	203,674
Transfers and subsidies		-	7,349	7,982	803	7,716	5,691	2,025	36%	9,374
Other expenditure		-	167,210	163,452	9,942	93,572	135,767	(42,195)	-31%	125,014
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	<b>1,116,811</b>	<b>1,125,748</b>	<b>53,457</b>	<b>733,244</b>	<b>869,835</b>	<b>(136,591)</b>	<b>-16%</b>	<b>980,221</b>

### Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R288.9 million as of 31 March 2022, YTD Budget is R316.5 million and there is a 9% variance. Remuneration of councillors YTD actuals are sitting at R 17.5 million with YTD Budget of R 23.6 million and there is a 26% variance. These relates to Employee related cost and remuneration of councillors for the month which was erroneously not posted in Munsoft due to system error between VIP & Munsoft system. This issue is being address and will be updated in the April reports.

### **Contracted Services**

Contracted services are made up of various operational projects such as Housing, Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 March 2022 amounts to R156.2 million, the YTD Budget is R202.8 million and there is a 23% variance. There were less invoices received for the contracted services in the month of March and the bulk of these relate to housing projects that are behind schedule and as such no claims have been processed yet.

### **Inventory Consumed**

YTD Inventory consumed amounts to R10.5 million as of 31 March 2022 with the YTD Budget being R11.6 million and there is a 10% variance and this is due to committed expenditure such as pending purchases orders that have not been delivered.

### **Other operating expenditure**

Other expenditure includes items such as audit fees, subsistence and travelling, professional fees, legal fees, bank charges, Budget Road shows, municipal running cost such as electricity consumption and water services. YTD Actuals for Other operating expenditure are R93.6 million, YTD Budget is R135.8 million and there is a 31% variance. The variance is a result of cost containment measures implemented by the municipality to ensure that the financial resources of the municipality are used efficiently, for example the use of Microsoft teams to attend meetings and trainings.

### **Depreciation and Asset Impairment**

The YTD actuals for Depreciation and Asset Impairment amounts to R72.1 million as of 31 March 2022, YTD budget of R 68.8 million and there is a 5% variance. This variance may be caused by more assets impaired after the physical verification of assets by Asset Management. Asset verification has commenced, and any impairments identified will be processed in due course.

### **Debt Impairment**

The YTD actuals for Debt Impairment amounts to R2.8 million, YTD budget of R7.2 million and there is a 61% variance. This variance shows that there were less debt impaired on March as estimated, and this gap will be closed from the month of June where all the journals for the close-off of the financial year will be prepared in line with the year end processes.

### **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 annual budget for transfers and subsidies is R8 million, YTD expenditure is R7.7 million and YTD budget is R5.7 million. This is due to most LED projects being paid for in the beginning of the financial year to the beneficiaries.

### **Overall expenditure budget**

The overall expenditure YTD Actual is R733,2 million as of 31 March 2022, YTD Budget is R869.8 million. There is 16% variance, due to the trends of different types of expenditure as explained above such as contracted services having projects that have not yet been implemented and some of the cost containment measures.

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

Total Revenue less Total Expenditure equals to Surplus (Deficit). YTD Surplus excluding capital transfers is R136.3 million compared to the YTD Budget deficit of R13.6 million due to less spending to date.

### **5.4 Debtors Age Analysis**

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	NT Code	Budget Year 2021/22									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 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	42	38	31	45	21	6	30	348	560	449	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15,429	6,117	1,534	1,076	865	892	4,461	7,903	38,276	15,197	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	37,424	15,859	10,540	9,061	8,088	9,402	32,435	187,609	310,619	246,795	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-
Receivables from Exchange Transactions - Waste Management	1600	5,246	2,631	1,846	1,573	1,395	1,282	6,116	34,855	54,943	45,221	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	2,770	2,718	2,645	2,590	2,514	2,454	10,908	69,583	96,182	88,049	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	404	255	158	151	83	128	2,480	6,943	10,601	9,785	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>61,315</b>	<b>27,618</b>	<b>16,752</b>	<b>14,496</b>	<b>12,965</b>	<b>14,163</b>	<b>56,429</b>	<b>307,441</b>	<b>511,181</b>	<b>405,495</b>	-	-
<b>2020/21 - totals only</b>	<b>2000</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2,552	1,083	880	863	814	2,342	10,093	33,055	51,681	47,167	-	-
Commercial	2300	20,877	8,158	3,584	3,046	2,714	2,630	12,639	51,359	105,007	72,388	-	-
Households	2400	37,887	18,376	12,289	10,587	9,438	9,192	33,697	223,027	354,493	285,940	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>61,315</b>	<b>27,618</b>	<b>16,752</b>	<b>14,496</b>	<b>12,965</b>	<b>14,163</b>	<b>56,429</b>	<b>307,441</b>	<b>511,181</b>	<b>405,495</b>	-	-

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

## 5.5 Creditors Age Analysis

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

Description	NT Code	Budget Year 2021/22									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>R thousands</b>												
<b>Creditors Age Analysis By Customer Type</b>	M09											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	22	-	-	-	-	-	-	320	342	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>342</b>	<b>-</b>	<b>-</b>

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


## 5.6 Capital Expenditure

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

Vote Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive 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 - Environmental 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 - Executive and Council		-	225	225	-	182	187	(6)	-3%	219
Vote 2 - Finance and Administration		-	3,164	3,905	522	994	2,845	(1,852)	-65%	2,054
Vote 3 - Internal Audit		-	100	154	-	93	94	(1)	-1%	153
Vote 4 - Community and Social Services		-	5,087	2,617	-	1,434	2,621	(1,187)	-45%	1,430
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	3,940	6,940	6	2,185	3,955	(1,770)	-45%	5,170
Vote 7 - Housing		-	-	140	-	-	-	-	-	140
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	86,781	93,283	12,440	58,007	63,513	(5,506)	-9%	87,777
Vote 10 - Road Transport		-	40,382	45,111	2,645	39,421	36,911	2,510	7%	47,622
Vote 11 - Environmental Protection		-	900	900	-	437	810	(374)	-46%	527
Vote 12 - Energy Sources		-	13,566	15,576	2,222	7,844	11,457	(3,613)	-32%	11,963
Vote 13 - Other		-	3,173	4,983	360	3,000	2,382	618	26%	5,601
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	4,026	4,042	351	855	3,344	(2,489)	-74%	1,552
<b>Total Capital single-year expenditure</b>	4	-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207
<b>Total Capital Expenditure</b>		-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	3,489	4,284	522	1,269	3,127	(1,858)	-59%	2,426
Executive and council		-	225	225	-	182	187	(6)	-3%	219
Finance and administration		-	3,164	3,962	522	994	2,864	(1,870)	-65%	2,091
Internal audit		-	100	98	-	93	75	18	24%	116
<b>Community and public safety</b>		-	9,027	9,697	6	3,619	6,576	(2,956)	-45%	6,740
Community and social services		-	5,087	2,617	-	1,434	2,621	(1,187)	-45%	1,430
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	3,940	6,940	6	2,185	3,955	(1,770)	-45%	5,170
Housing		-	-	140	-	-	-	-	-	140
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	128,064	139,294	15,086	97,864	101,234	(3,369)	-3%	135,925
Planning and development		-	86,781	93,283	12,440	58,007	63,513	(5,506)	-9%	87,777
Road transport		-	40,382	45,111	2,645	39,421	36,911	2,510	7%	47,622
Environmental protection		-	900	900	-	437	810	(374)	-46%	527
<b>Trading services</b>		-	17,593	19,618	2,573	8,699	14,801	(6,103)	-41%	13,515
Energy sources		-	13,566	15,576	2,222	7,844	11,457	(3,613)	-32%	11,963
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4,026	4,042	351	855	3,344	(2,489)	-74%	1,552
<b>Other</b>		-	3,173	4,983	360	3,000	2,382	618	26%	5,601
<b>Total Capital Expenditure - Functional Classification</b>	3	-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207
<b>Funded by:</b>										
National Government		-	113,638	115,300	14,220	85,119	84,092	1,026	1%	116,326
Provincial Government		-	3,350	10,680	360	3,864	7,202	(3,337)	-46%	7,343
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	10,146	10,146	221	10,146	7,610	2,537	33%	12,683
<b>Transfers recognised - capital</b>		-	127,134	136,126	14,801	99,129	98,904	226	0%	136,352
<b>Borrowing</b>	6	-	8,476	10,316	1,167	4,565	7,628	(3,063)	-40%	7,253
<b>Internally generated funds</b>		-	25,735	31,433	2,578	10,756	21,587	(10,831)	-50%	20,602
<b>Total Capital Funding</b>		-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R114.5 million, the YTD budgeted is R128.1 million and there is 11% variance. The variance is caused by the fact that some projects are waiting for procurement processes to be finalized for example since the old computer tender was ending in March only R24 thousand was spent on computers. The R114.5 million of YTD actuals for capital expenditure, R85.1 million is funded by national grants, R3.9 million funded by provincial grants, R10.1 million from Ugu transfers, R4.6 million from DBSA loan and R10.8 million from internally generated funds.

## 5.7 Transfers and Grants Receipts

 <b>KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b>							
<b>KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b> <b>MARCH 2022</b>							
Name of grant	Vote Account Number - Liability	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 -	R 99,131,000	R -	R 71,310,986		R 27,820,014
COGTA ELEC GRANT	-	R -	R 6,000,000	R -	R 3,170,164		R 2,829,836
MUNICIPAL DISASTER RECOVERY	-	R 327,945	R -	R -	R -		R 327,945
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	-	R 61,306	R 8,040,000	R 4,725,684			R 3,375,622
FINANCIAL MANGEMENT GRANT (FMG)	-	R -	R 1,950,000	R 897,722	R -		R 1,052,278
EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPW)	-	R -	R 3,891,000	R 6,931,215	R -	R 3,040,215	R -3,040,215
AIRPORT GRANT	-	R 2,727,044	R -	R 3,449,757		R 722,713	R -722,713
PROVINCIALIZATION OF LIBRARIES GRANT	-	R -	R 12,017,000	R 12,017,000	R -		R 0
COMMUNITY LIBRARY SERVICE GRANT	-	R -	R 306,000	R 217,750	R -		R 88,250
MUSEUM SUBSIDY GRANT	-	R -	R 429,000	R 429,000	R -		R -
CYBER CADET GRANT	-	R -	R 1,452,000	R 1,049,000	R -		R 403,000
INTERMODAL FACILITY	-	R 5,383,380	R -	R -	R -		R 5,383,380
NEIGHBOURHOOD DEV GRANT	-	R 14,584,808	R 31,257,000	R -	R 23,962,226		R 21,879,582
MARKET STALLS GRANT	-	R -	R 8,000,000		R 994,152		R 7,005,848
MODULAR LIBRARIES GRANT	-	R 563,543	R 682,000		R 93,502		R 1,152,041
ENERGY EFFIENT AND DEMAND SIDE MANAGEMENT GRANT (EEDSM)	-	R -	R 4,000,000	R -	R 3,766,709		R 233,291
<b>TOTAL</b>		<b>R 23,648,027</b>	<b>R 177,155,000</b>	<b>R 29,717,128</b>	<b>R 103,297,740</b>	<b>R 3,762,928</b>	<b>R 67,788,159</b>

## Transfers and Grants Receipts

The total grants received to date for period ending 31 March 2022 amounts to R177.2 million, which include R99.1 million from Integrated Urban Development Grant, R3.9 million from Expanded Public Work Programme, R31.3 million from Neighborhood Development Grant, R1.95 million from Financial Management Grant, R8 million from Market Stalls Grant, R4 million from Energy Efficient and Demand Side Management, R8 million from Integrated National Electrification Programme Grant, R12 Million provincialization of libraries grant, Museum Subsidies R429 thousand, Community Modular libraries grant R682 thousand, Community library services grant R306 thousand and COGTA Electrification Grant of R6 million.

## 5.8 Transfers and Grants Expenditure



### KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER FEB 2021							
Name of grant	Vote Account Number - Liability	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/G&AP 23	Expenditure: Capital (Revenue Recognised)/G&AP 23	Internally Funded	Closing Balance as at
INTEGRATED URBAN DEVELOPMENT (IUDG)	-	R -	R 61 151 000	R -	R 61 855 851	R 722 851	R -722 851
COGTA ELEC GRANT	-	-	R 6 000 000	-	-	-	R 6 000 000
MUNICIPAL DISASTER RECOVERY	-	R 327 545	-	-	-	-	R 327 545
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	-	R 41 304	R 6 000 000	R 3 718 184	-	-	R 2 343 120
FINANCIAL MANAGEMENT GRANT (FMG)	-	-	R 1 950 000	R 509 670	-	-	R 1 440 330
EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPWP)	-	-	R 3 891 000	R 4 193 365	-	R 1 461 458	R -2 302 365
AIRPORT GRANT	-	R 2 727 044	-	R 3 035 797	-	R 308 752	R -308 752
PROVINCIALIZATION OF LIBRARIES GRANT	-	-	R 12 017 000	R 12 017 000	-	-	R 0
COMMUNITY LIBRARY SERVICE GRANT	-	-	R 306 000	R 192 280	-	-	R 113 750
MUSEUM SUBSIDY GRANT	-	-	R 429 000	R 429 000	-	-	-
CYBER CADET GRANT	-	-	R 1 452 000	R 928 000	-	-	R 524 000
INTERMODAL FACILITY	-	R 5 385 380	-	-	-	-	R 5 385 380
NEIGHBOURHOOD DEV GRANT	-	R 14 554 808	R 20 439 000	-	R 18 481 474	-	R 16 542 332
MARKET STALLS GRANT	-	-	R 8 000 000	-	R 994 152	-	R 7 005 848
MODULAR LIBRARIES GRANT	-	R 548 545	R 682 000	-	-	-	R 1 245 545
ENERGY EFFICIENT AND DEMAND SIDE MANAGEMENT GRANT (EEDSM)	-	-	R 3 000 000	-	R 2 583 951	-	R 446 049
<b>TOTAL</b>		<b>R 23 648 027</b>	<b>R 126 797 000</b>	<b>R 27 023 267</b>	<b>R 84 083 430</b>	<b>R 2 483 058</b>	<b>R 37 838 329</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 2022, Operating and Capital Expenditure has a closing balance of R67.8 million, with YTD spending of R 29.7 million and R103.3 million, for operational grants and capital grants respectively. The table above also show the grants that spent more than the receipts like EPWP with R3.8 million as some portion is internally funded.

### Grants expenditure

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

An amount of R99.1 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 March 2022 is R71.3 million and has been spent on various capital projects. The expenditure on this conditional capital grant is on track with the planned expenditure for IUDG funded projects as 95.6% of the portion of the grant that has been received has been spent already on the various capital projects.

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

An amount of R 3.89 million has been received for EPWP grant. This is an operational grant and the YTD actual for the period ended 31 March 2022 is R6.9 million which is more than what has been allocated with R3 million internally funded.

- **Neighborhood Development Partnership Grant**

An amount of R31.3 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 31 March 2022 is R23.9 million that has been spent. Upgrade of Main Harding and Road Upgrade Nelson Mandela Drive have commenced after a delay due the appeals that were received and finalized in December 2021.



## 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	2020/21	Budget Year 2021/22							
		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		-	28,393	24,325	-	15,549	21,294	5,745	27%	22,647
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	3,042	2,897	-	1,931	2,281	350	15%	2,692
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		-	<b>31,434</b>	<b>27,222</b>	-	<b>17,480</b>	<b>23,576</b>	<b>(6,095)</b>	<b>-26%</b>	<b>25,339</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	-	4,393	4,393	-	5,816	3,295	(2,521)	-77%	6,914
Pension and UIF Contributions		-	189	189	-	16	142	126	89%	63
Medical Aid Contributions		-	1,251	1,251	-	3	938	935	100%	315
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	957	778	-	-	673	673	100%	284
Motor Vehicle Allowance		-	1,158	1,158	-	99	869	770	89%	389
Cellphone Allowance		-	115	115	-	71	87	16	18%	100
Housing Allowances		-	3,488	3,488	-	285	2,616	2,331	89%	1,157
Other benefits and allowances		-	0	0	-	0	0	0	81%	0
Payments in lieu of leave		-	-	-	-	26	-	(26)	#DIV/0!	26
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		-	<b>11,552</b>	<b>11,373</b>	-	<b>6,316</b>	<b>8,619</b>	<b>(2,303)</b>	<b>-27%</b>	<b>9,249</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		-	288,759	296,406	-	200,145	220,071	19,926	9%	268,833
Pension and UIF Contributions		-	46,991	46,991	-	32,855	35,243	2,388	7%	44,603
Medical Aid Contributions		-	17,599	17,599	-	12,472	13,199	727	6%	16,872
Overtime		-	13,663	13,965	-	12,570	11,560	(1,010)	-9%	14,673
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	16,077	16,077	-	11,844	12,058	214	2%	15,864
Cellphone Allowance		-	978	978	-	664	734	70	10%	908
Housing Allowances		-	2,259	2,259	-	2,508	1,694	(813)	-48%	3,072
Other benefits and allowances		-	3,602	3,444	-	3,421	2,788	(633)	-23%	4,235
Payments in lieu of leave		-	8,338	8,338	-	2,176	6,253	4,077	65%	4,261
Long service awards		-	1,841	1,841	-	226	1,381	1,154	84%	686
Post-retirement benefit obligations	2	-	3,821	3,821	-	2,937	2,866	(71)	-2%	3,892
<b>Sub Total - Other Municipal Staff</b>		-	<b>403,928</b>	<b>411,719</b>	-	<b>281,819</b>	<b>307,847</b>	<b>(26,028)</b>	<b>-8%</b>	<b>377,900</b>
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Total Parent Municipality</b>		-	<b>446,914</b>	<b>450,313</b>	-	<b>305,616</b>	<b>340,042</b>	<b>(34,426)</b>	<b>-10%</b>	<b>412,488</b>

## Councillors Remuneration

These variances relates to Employee related cost and remuneration of councillors for the month which was erroneously not posted in Munsoft due to system error between VIP & Munsoft system. This issue is being address and will be updated in the April reports. The Section 66 report has also been prepared with the actual figures.

## Senior Managers of the Municipality

These variances relates to Employee related cost and remuneration of councillors for the month which was erroneously not posted in Munsoft due to system error between VIP & Munsoft system. This issue is being address and will be updated in the April reports. The Section 66 report has also been prepared with the actual figures.

## Other Municipal Staff

Basic salaries and wages are directly affected by the budgeted projected salary increase of 3.9% and as per the approved collective agreement the increment is 3.5%. UIF, Medical aid contributions, motor vehicle allowances and housing allowances. The variances relates to Employee related cost and remuneration of councillors for the month which was erroneously not posted in Munsoft due to system error between VIP & Munsoft system. This issue is being address and will be updated in the April reports. The Section 66 report has also been prepared with the actual figures.

## 5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY  
LONG TERM LOANS REGISTER : 31 MARCH

DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE	INTEREST CHARGED	YTD INTEREST	INTEREST PAID	CAPITAL REPAYMENT	CLOSING BALANCE
				01 March 2022	THIS MONTH	CHARGED		DURING PERIOD	31 March 2022
				R				R	R
DBSA	10.5%	30-Dec-21	61003298						R -
DBSA	9.36%	31-Mar-31	61007684	R 3,347,174.63		R 77,250.96	-R 77,250.96	-R 62,378.55	R 3,284,796.08
<b>TOTAL DBSA LOANS</b>				<b>R 3,347,174.63</b>	<b>R -</b>	<b>R 77,250.96</b>	<b>-R 77,250.96</b>	<b>-R 62,378.55</b>	<b>R 3,284,796.08</b>
<b>TOTAL LOANS</b>				<b>R 3,347,174.63</b>	<b>R -</b>	<b>R 77,250.96</b>	<b>-R 77,250.96</b>	<b>-R 62,378.55</b>	<b>R 3,284,796.08</b>

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality has entered into a loan agreement for the funding of Capital infrastructure projects, for the 2020/21 financial year the first drawdown of R3.5 million was received during the 2020/21 financial year, current loan balance outstanding is R3.3 million as of 31 March 2022. The municipality is still able to make loan repayments as and when they fall due. The loan agreement from DBSA is spread across four years funding various capital projects and an amount to be received in the 2021/22 financial year is R8.4 million as per the table shown below:

**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	
						-	
<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	2020/21	Budget Year 2021/22			
			Audited 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		0.0%	8.7%	8.7%	0.0%	2.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure ex cl. transfers and grants		0.0%	5.3%	5.8%	4.0%	4.4%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	12.8%	12.3%	18.7%	15.5%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	28.0%	32.2%	37.4%	34.6%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	0.0%	159.8%	192.0%	180.7%	200.6%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	23.0%	31.6%	60.8%	57.2%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	30.8%	39.8%	55.9%	44.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		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		0.0%	36.9%	37.6%	33.2%	34.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	8.7%	8.7%	0.0%	2.4%
<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 received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

The above table gives an overview of the financial indicators of the municipality for the period ended 31 March 2022 and the indicators are broken down below.

## Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R3 284 796.08 as of 31 March 2022.

## Liquidity

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

**Budgeted Current Ratio:** R408 055 000/R255 305 000= **1.598:1**

**Actual Current Ratio as 31 March 2022:** R743 282 000/ R411 234 000= **1.807:1**

Current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.60: R1 ratio and the actual ratio as of 31 March 2022 shows an improvement in the municipality's liquidity with a ratio of R1.81 for every R1 owed.

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

**Budgeted Cash Ratio:** (R408 055 000 - R255 305 000) / R255 304 750= **1.587:1**

**Actual Acid test Ratio as 31 March 2022:** (R743 282 000 – R6 746 000)/ R411 234 000= **1.791:1**

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 31/03/2022														
ACCOUNT NO	INVESTMENT DETAILS		CURRENT MONTH					YTD						
	INSTITUTION & TYPE	PROJECT NAME / DETAILS	MONTHLY OPENING BALANCES	INTEREST INVESTED 31/03/2022	BANK CHARGES 31/03/2022	DEPOSIT 31/03/2022	WITHDRAWALS 31/03/2022	CURRENT BALANCE	INVESTMENT BALANCES AS AT 01/07/2020	INTEREST	DEPOSITS	BANK CHARGES	WITHDRAWALS	INVESTMENT BALANCE AS AT 31/03/2022
91-0281-5623	ABSA BANK-CALL	LOUISIANA HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4947-4529	ABSA BANK-CALL	NZIMAKWE 1 HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4947-4927	ABSA BANK-CALL	NZIMAKWE 2 HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4947-5509	ABSA BANK-CALL	BHOBOYI SUB-HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4947-5753	ABSA BANK-CALL	BHOBOYI EST-HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4947-5208	ABSA BANK-CALL	DAMAGED HSES	-	-	-	-	-	-	-	-	-	-	-	-
91-4940-1627	ABSA BANK-CALL	UPLANDS HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-4940-1164	ABSA BANK-CALL	MKHOLOMBE HSG	-	-	-	-	-	-	-	-	-	-	-	-
91-5277-5491	ABSA BANK-CALL	AIDS PROJECT	-	-	-	-	-	-	-	-	-	-	-	-
89140356988	STANDARD BANK - CALL	MASINENGE HSG	31,796,020.01	85,370.14	-	-	-	31,881,390.15	31,146,363.92	735,026.23	-	-	-	31,881,390.15
89139356986	STANDARD BANK - CALL	KWAMAVUNDLA HSG	236,938.91	636.17	-	-	-	237,575.08	232,097.77	5,477.31	-	-	-	237,575.08
89141356989	STANDARD BANK - CALL	KWAKOLO HOUSING	11,252,011.43	30,210.88	-	-	-	11,282,222.31	11,022,110.39	260,111.92	-	-	-	11,282,222.31
90439364623	STANDARD BANK - CALL	KWADWALANE HOUSING	509,813.85	1,368.82	-	-	-	511,182.67	499,397.31	11,785.36	-	-	-	511,182.67
			43,794,784.20	117,586.01	-	-	-	43,912,370.21	42,899,969.39	1,012,400.82	-	-	-	43,912,370.21
74873852518	INVESTEC - CALL	MHOA(HOUSING DEVELOPMENT FUND)	15,894,713.56	51,385.65	-	-	-	15,946,099.21	15,540,718.21	405,381.00	-	-	-	15,946,099.21
			15,894,713.56	51,385.65	-	-	-	15,946,099.21	15,540,718.21	405,381.00	-	-	-	15,946,099.21
89111056985	STANDARD BANK-CALL	RNM- UNSPENT CONDITIONAL GRANTS	47,940.86	128.72	-	-	-	48,069.58	46,961.31	1,108.27	-	-	-	48,069.58
89111057732	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	10,602.60	28.47	-	-	-	10,631.07	10,385.94	245.13	-	-	-	10,631.07
			58,543.46	157.19	-	-	-	58,700.65	57,347.25	1,353.40	-	-	-	58,700.65
62728614151	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	92,933,177.01	483,068.70	-	123,000,000.00	-33,000,000.00	163,416,245.71	50,354,242.66	3,455,930.92	550,156,072.13	-	-420,550,000.00	183,416,245.71
			92,933,177.01	483,068.70	-	123,000,000.00	-33,000,000.00	163,416,245.71	50,354,242.66	3,455,930.92	550,156,072.13	-	-420,550,000.00	183,416,245.71
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3,329,702.91	11,024.51	-	-	-	3,340,727.42	2,952,258.45	86,357.41	302,111.56	-	-	3,340,727.42
			3,329,702.91	11,024.51	-	-	-	3,340,727.42	2,952,258.45	86,357.41	302,111.56	-	-	3,340,727.42
		GRAND TOTAL RNM INVESTMENT + INTEREST	156,010,921.14	663,222.06	-	123,000,000.00	-33,000,000.00	246,674,143.20	111,804,535.96	4,961,423.55	550,458,183.69	-	-420,550,000.00	246,674,143.20

The Investment register as of 31 March 2022 has the closing balance of R246.7 million as of 31 March 2022, with R663 thousand total interest earned for the month from which R483 thousand was made on primary investment and various investment accounts as shown in the above register including the housing development fund which is not a part of the interest earned shown on the statement of financial performance as this is not revenue generated for the municipality but rather interest earned on unspent housing development funds.

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

Description	2020/21	Budget Year 2021/22							
	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	-	475,785	475,785	41,148	423,487	356,839	66,648	19%	542,434
Service charges	-	238,253	238,186	17,154	172,862	188,365	(15,503)	-8%	222,750
Investment revenue	-	4,500	5,150	508	3,139	3,635	(496)	-14%	4,004
Transfers and subsidies	-	257,885	259,456	-	193,816	196,246	(2,431)	-1%	255,454
Other own revenue	-	148,215	147,464	4,382	76,261	111,154	(34,893)	-31%	113,323
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>1,124,639</b>	<b>1,126,042</b>	<b>63,192</b>	<b>869,565</b>	<b>856,240</b>	<b>13,326</b>	<b>2%</b>	<b>1,137,965</b>
Employee costs	-	415,480	423,092	738	288,873	316,466	(27,593)	-9%	387,887
Remuneration of Councillors	-	31,434	27,222	-	17,480	23,576	(6,095)	-26%	25,339
Depreciation & asset impairment	-	91,916	91,916	8,007	72,067	68,766	3,301	5%	95,217
Finance charges	-	5,673	5,673	78	260	4,212	(3,952)	-94%	1,721
Inventory consumed and bulk purchases	-	137,906	139,367	11,792	94,251	105,399	(11,148)	-11%	126,758
Transfers and subsidies	-	7,349	7,982	803	7,716	5,691	2,025	36%	9,374
Other expenditure	-	427,054	430,497	32,038	252,597	345,725	(93,128)	-27%	333,926
<b>Total Expenditure</b>	-	<b>1,116,811</b>	<b>1,125,748</b>	<b>53,457</b>	<b>733,244</b>	<b>869,835</b>	<b>(136,591)</b>	<b>-16%</b>	<b>980,221</b>
<b>Surplus/(Deficit)</b>	-	<b>7,828</b>	<b>293</b>	<b>9,735</b>	<b>136,321</b>	<b>(13,595)</b>	<b>149,916</b>	<b>-1103%</b>	<b>157,744</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	133,599	149,510	-	66,496	110,122	###	-40%	89,973
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	11,668	11,668	-	-	8,751	(8,751)	-100%	2,917
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>	<b>97,539</b>	<b>93%</b>	<b>250,633</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>	<b>97,539</b>	<b>93%</b>	<b>250,633</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>161,345</b>	<b>177,876</b>	<b>18,546</b>	<b>114,451</b>	<b>128,120</b>	<b>(13,669)</b>	<b>-11%</b>	<b>164,207</b>
Capital transfers recognised	-	127,134	136,126	14,801	99,129	98,904	226	0%	136,352
Borrowing	-	8,476	10,316	1,167	4,565	7,628	(3,063)	-40%	7,253
Internally generated funds	-	25,735	31,433	2,578	10,756	21,587	(10,831)	-50%	20,602
<b>Total sources of capital funds</b>	-	<b>161,345</b>	<b>177,876</b>	<b>18,546</b>	<b>114,451</b>	<b>128,120</b>	<b>(13,669)</b>	<b>-11%</b>	<b>164,207</b>
<b>Financial position</b>									
Total current assets	-	408,055	537,501		743,282				724,705
Total non current assets	-	1,843,645	1,888,416		1,878,261				1,912,834
Total current liabilities	-	255,305	280,001		411,234				361,333
Total non current liabilities	-	121,596	160,054		181,267				178,041
Community wealth/Equity	-	1,874,799	1,985,862		2,029,043				2,098,165
<b>Cash flows</b>									
Net cash from (used) operating	-	149,684	121,760	51,575	421,358	114,432	(306,927)	-268%	108,738
Net cash from (used) investing	-	(162,919)	(171,926)	(19,202)	(121,648)	(116,107)	5,540	-5%	(171,926)
Net cash from (used) financing	-	(1,590)	(1,590)	(38)	(500)	(1,966)	(1,466)	75%	(1,590)
<b>Cash/cash equivalents at the month/year end</b>	-	<b>81,541</b>	<b>91,316</b>	<b>291,000</b>	<b>1,594,417</b>	<b>(3,642)</b>	<b>#####</b>	<b>43880%</b>	<b>(64,778)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	61,315	27,618	16,752	14,496	12,965	14,163	56,429	307,441	511,181
<b>Creditors Age Analysis</b>									
Total Creditors	22	-	-	-	-	-	-	320	342

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 2021/22								
		2020/21 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 By Source</b>										
Property rates		-	475,785	475,785	41,148	423,487	356,839	66,648	19%	542,434
Service charges - electricity revenue		-	169,514	170,147	12,571	120,720	127,167	(6,447)	-5%	163,068
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	68,739	68,039	4,583	52,142	61,198	(9,056)	-15%	59,683
Rental of facilities and equipment		-	466	2,443	248	2,085	1,160	925	80%	1,391
Interest earned - external investments		-	4,500	5,150	508	3,139	3,635	(496)	-14%	4,004
Interest earned - outstanding debtors		-	24,092	23,272	2,665	22,870	18,098	4,772	26%	28,865
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	20,764	21,064	71	15,733	16,621	(888)	-5%	19,877
Licences and permits		-	11,698	7,424	615	5,943	5,639	304	5%	12,002
Agency services		-	4,000	4,670	402	3,725	3,468	257	7%	4,257
Transfers and subsidies		-	257,885	259,456	-	193,816	196,246	(2,431)	-1%	255,454
Other revenue		-	87,194	88,590	381	25,905	66,168	(40,263)	-61%	46,931
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	<b>1,124,639</b>	<b>1,126,042</b>	<b>63,192</b>	<b>869,565</b>	<b>856,240</b>	<b>13,326</b>	<b>2%</b>	<b>1,137,965</b>
<b>Expenditure By Type</b>										
Employee related costs		-	415,480	423,092	738	288,873	316,466	(27,593)	-9%	387,887
Remuneration of councillors		-	31,434	27,222	-	17,480	23,576	(6,095)	-26%	25,339
Debt impairment		-	9,600	9,600	352	2,837	7,200	(4,363)	-61%	5,237
Depreciation & asset impairment		-	91,916	91,916	8,007	72,067	68,766	3,301	5%	95,217
Finance charges		-	5,673	5,673	78	260	4,212	(3,952)	-94%	1,721
Bulk purchases - electricity		-	125,067	125,067	9,575	83,779	93,800	(10,022)	-11%	115,046
Inventory consumed		-	12,839	14,300	2,217	10,472	11,599	(1,127)	-10%	11,712
Contracted services		-	250,244	257,445	21,744	156,188	202,758	(46,570)	-23%	203,674
Transfers and subsidies		-	7,349	7,982	803	7,716	5,691	2,025	36%	9,374
Other expenditure		-	167,210	163,452	9,942	93,572	135,767	(42,195)	-31%	125,014
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	<b>1,116,811</b>	<b>1,125,748</b>	<b>53,457</b>	<b>733,244</b>	<b>869,835</b>	<b>(136,591)</b>	<b>-16%</b>	<b>980,221</b>
<b>Surplus/(Deficit)</b>		-	<b>7,828</b>	<b>293</b>	<b>9,735</b>	<b>136,321</b>	<b>(13,595)</b>	<b>149,916</b>	<b>(0)</b>	<b>157,744</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	133,599	149,510	-	66,496	110,122	(43,626)	(0)	89,973
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	11,668	11,668	-	-	8,751	(8,751)	(0)	2,917
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		-	<b>153,095</b>	<b>161,471</b>	<b>9,735</b>	<b>202,817</b>	<b>105,278</b>			<b>250,633</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 2022. The full year forecast provides a guideline in terms of overall performance, and it gives an overview 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) - M08 February**

Vote Description	Ref	2020/21	Budget Year 2021/22					YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget			
R thousands	1									
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	3,489	4,284	522	1,269	3,127	(1,858)	-59%	2,426
Executive and council		-	225	225	-	182	187	(6)	-3%	219
Finance and administration		-	3,164	3,962	522	994	2,864	(1,870)	-65%	2,091
Internal audit		-	100	98	-	93	75	18	24%	116
<b>Community and public safety</b>		-	9,027	9,697	6	3,619	6,576	(2,956)	-45%	6,740
Community and social services		-	5,087	2,617	-	1,434	2,621	(1,187)	-45%	1,430
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	3,940	6,940	6	2,185	3,955	(1,770)	-45%	5,170
Housing		-	-	140	-	-	-	-	-	140
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	128,064	139,294	15,086	97,864	101,234	(3,369)	-3%	135,925
Planning and development		-	86,781	93,283	12,440	58,007	63,513	(5,506)	-9%	87,777
Road transport		-	40,382	45,111	2,645	39,421	36,911	2,510	7%	47,622
Environmental protection		-	900	900	-	437	810	(374)	-46%	527
<b>Trading services</b>		-	17,593	19,618	2,573	8,699	14,801	(6,103)	-41%	13,515
Energy sources		-	13,566	15,576	2,222	7,844	11,457	(3,613)	-32%	11,963
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4,026	4,042	351	855	3,344	(2,489)	-74%	1,552
<b>Other</b>		-	3,173	4,983	360	3,000	2,382	618	26%	5,601
<b>Total Capital Expenditure - Functional Classification</b>	3	-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207
<b>Funded by:</b>										
National Government		-	113,638	115,300	14,220	85,119	84,092	1,026	1%	116,326
Provincial Government		-	3,350	10,680	360	3,864	7,202	(3,337)	-46%	7,343
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	10,146	10,146	221	10,146	7,610	2,537	33%	12,683
<b>Transfers recognised - capital</b>		-	127,134	136,126	14,801	99,129	98,904	226	0%	136,352
<b>Borrowing</b>	6	-	8,476	10,316	1,167	4,565	7,628	(3,063)	-40%	7,253
<b>Internally generated funds</b>		-	25,735	31,433	2,578	10,756	21,587	(10,831)	-50%	20,602
<b>Total Capital Funding</b>		-	161,345	177,876	18,546	114,451	128,120	(13,669)	-11%	164,207

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 2022.

## 6.4 Statement Cash Flow

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

Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		-	427,547	426,737	39,632	349,411	319,785	29,626	9%	426,737
Service charges		-	214,430	214,428	19,074	163,425	160,608	2,817	2%	214,428
Other revenue		-	41,190	37,534	3,932	142,531	29,391	113,140	385%	37,534
Transfers and Subsidies - Operational		-	334,018	347,133	9,903	249,371	255,357	(5,986)	-2%	347,133
Transfers and Subsidies - Capital		-	151,399	146,725	109,993	209,563	117,230	92,333	79%	146,725
Interest		-	4,500	5,150	-	-	4,310	(4,310)	-100%	5,150
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		-	(1,025,076)	(1,042,926)	(130,961)	(692,943)	(769,909)	76,966	-10%	(1,055,948)
Finance charges		-	(5,673)	(5,673)	-	-	(4,210)	4,210	-100%	(5,673)
Transfers and Grants		-	7,349	(7,349)	-	-	1,870	(1,870)	-100%	(7,349)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	<b>149,684</b>	<b>121,760</b>	<b>51,575</b>	<b>421,358</b>	<b>114,432</b>	<b>(306,927)</b>	<b>-268%</b>	<b>108,738</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		-	(162,919)	(171,926)	(19,202)	(121,648)	(116,107)	(5,540)	5%	(171,926)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	<b>(162,919)</b>	<b>(171,926)</b>	<b>(19,202)</b>	<b>(121,648)</b>	<b>(116,107)</b>	<b>5,540</b>	<b>-5%</b>	<b>(171,926)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	8,476	8,476	-	-	7,628	(7,628)	-100%	8,476
Increase (decrease) in consumer deposits		-	(471)	(471)	(38)	(500)	-	(500)	#DIV/0!	(471)
<b>Payments</b>										
Repayment of borrowing		-	(9,595)	(9,595)	-	-	(9,595)	9,595	-100%	(9,595)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		-	<b>(1,590)</b>	<b>(1,590)</b>	<b>(38)</b>	<b>(500)</b>	<b>(1,966)</b>	<b>(1,466)</b>	<b>75%</b>	<b>(1,590)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	<b>(14,824)</b>	<b>(51,756)</b>	<b>32,335</b>	<b>299,210</b>	<b>(3,642)</b>			<b>(64,778)</b>
Cash/cash equivalents at beginning:		-	96,365	143,072	258,666	1,295,207	-			-
Cash/cash equivalents at month/year end:		-	81,541	91,316	291,000	1,594,417	(3,642)			(64,778)

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources. As of 31 March 2022, Cash received from operations YTD actual is more than the anticipated cash collection such as Property Rates R349.4.3 million, 9% more than the YTD budget of R319.8 million, other revenue R142.5 million compared to the YTD budget of 29.3 million which is 385% more than what is budgeted, and Transfers and subsidies – capital R209.6 million, 79% more than the YTD budget of R117.2 million.

## 6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		–	(28,505)	(33,533)	(6,193)	(49,402)
Call investment deposits		–	87,251	122,051	256,237	256,237
Consumer debtors		–	274,809	308,409	328,010	346,008
Other debtors		–	71,671	139,295	158,338	165,028
Current portion of long-term receivables		–	–	143	143	143
Inventory		–	2,830	1,135	6,746	6,690
<b>Total current assets</b>		–	<b>408,055</b>	<b>537,501</b>	<b>743,282</b>	<b>724,705</b>
<b>Non current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		–	200,147	205,741	220,154	220,154
Investments in Associate		–	–	–	–	–
Property, plant and equipment		–	1,639,984	1,679,519	1,655,726	1,690,313
Biological		–	–	–	–	–
Intangible		–	1,672	1,086	246	231
Other non-current assets		–	1,841	2,071	2,136	2,136
<b>Total non current assets</b>		–	<b>1,843,645</b>	<b>1,888,416</b>	<b>1,878,261</b>	<b>1,912,834</b>
<b>TOTAL ASSETS</b>		–	<b>2,251,700</b>	<b>2,425,917</b>	<b>2,621,544</b>	<b>2,637,539</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		–	8,519	475	(22,587)	(30,073)
Consumer deposits		–	31,162	32,510	32,539	32,696
Trade and other payables		–	199,302	207,991	360,186	317,614
Provisions		–	16,321	39,025	41,095	41,095
<b>Total current liabilities</b>		–	<b>255,305</b>	<b>280,001</b>	<b>411,234</b>	<b>361,333</b>
<b>Non current liabilities</b>						
Borrowing		–	31,255	35,947	41,810	38,584
Provisions		–	90,341	124,108	139,457	139,457
<b>Total non current liabilities</b>		–	<b>121,596</b>	<b>160,054</b>	<b>181,267</b>	<b>178,041</b>
<b>TOTAL LIABILITIES</b>		–	<b>376,901</b>	<b>440,055</b>	<b>592,501</b>	<b>539,374</b>
<b>NET ASSETS</b>	2	–	<b>1,874,799</b>	<b>1,985,862</b>	<b>2,029,043</b>	<b>2,098,165</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		–	1,763,155	1,874,217	1,917,399	1,986,521
Reserves		–	111,644	111,644	111,644	111,644
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	–	<b>1,874,799</b>	<b>1,985,862</b>	<b>2,029,043</b>	<b>2,098,165</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 2022. Total assets are R2621.5 million over the total liabilities of R592.5 million this therefore mean the municipality is still able to meet its financial obligations.