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# RAY NKONYENI MUNICIPALITY

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## TREASURY DEPARTMENT

### MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 30 APRIL 2022 (M10)

Prepared By: Budget and Treasury Office

# **STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2021/2022 BUDGET FOR THE PERIOD ENDING 30 APRIL 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 30 April 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 30 April 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 - M10 April**

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	41.278	464.765	396.488	68.277	17%	544.063
Service charges	-	238.253	238.186	16.989	189.851	209.235	(19.383)	-9%	218.870
Investment revenue	-	4.500	5.150	638	3.777	4.140	(363)	-9%	4.137
Transfers and subsidies	-	257.885	259.456	59.806	253.622	218.228	35.394	16%	293.279
Other own revenue	-	148.215	147.464	23.221	99.483	128.785	(29.303)	-23%	118.913
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>1.124.639</b>	<b>1.126.042</b>	<b>141.933</b>	<b>1.011.498</b>	<b>956.875</b>	<b>54.622</b>	<b>6%</b>	<b>1.179.261</b>
Employee costs	-	415.480	423.092	73.216	362.090	353.021	9.069	3%	424.549
Remuneration of Councillors	-	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
Depreciation & asset impairment	-	91.916	91.916	8.007	80.075	76.369	3.706	5%	95.621
Finance charges	-	5.673	5.673	0	260	4.700	(4.440)	-94%	1.233
Inventory consumed and bulk purchases	-	137.906	139.367	10.189	104.440	117.408	(12.967)	-11%	124.939
Transfers and subsidies	-	7.349	7.982	14	7.730	6.469	1.260	19%	8.609
Other expenditure	-	427.054	430.497	24.930	277.527	387.181	(109.655)	-28%	317.399
<b>Total Expenditure</b>	-	<b>1.116.811</b>	<b>1.125.748</b>	<b>120.449</b>	<b>853.693</b>	<b>967.131</b>	<b>(113.438)</b>	<b>-12%</b>	<b>1.003.374</b>
<b>Surplus/(Deficit)</b>	-	<b>7.828</b>	<b>293</b>	<b>21.483</b>	<b>157.804</b>	<b>(10.256)</b>	<b>168.060</b>	<b>-1639%</b>	<b>175.888</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	133.599	149.510	40.508	107.003	118.744	(11.741)	-10%	121.858
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	-	-	9.724	(9.724)	-100%	1.945
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>	<b>146.596</b>	<b>124%</b>	<b>299.691</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>	<b>146.596</b>	<b>124%</b>	<b>299.691</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>161.345</b>	<b>177.876</b>	<b>21.502</b>	<b>135.953</b>	<b>146.273</b>	<b>(10.321)</b>	<b>-7%</b>	<b>167.555</b>
Capital transfers recognised	-	127.134	136.126	19.880	119.010	111.557	7.452	7%	143.578
Borrowing	-	8.476	10.316	374	4.940	9.396	(4.456)	-47%	5.860
Internally generated funds	-	25.735	31.433	1.247	12.003	25.320	(13.316)	-53%	18.117
<b>Total sources of capital funds</b>	-	<b>161.345</b>	<b>177.876</b>	<b>21.502</b>	<b>135.953</b>	<b>146.273</b>	<b>(10.321)</b>	<b>-7%</b>	<b>167.555</b>
<b>Financial position</b>									
Total current assets	-	408.055	537.501		708.732				686.178
Total non current assets	-	1.843.645	1.888.416		1.891.756				1.919.601
Total current liabilities	-	255.305	280.001		328.187				280.127
Total non current liabilities	-	121.596	160.054		181.267				178.424
Community wealth/Equity	-	1.874.799	1.985.862		2.091.034				2.147.228
<b>Cash flows</b>									
Net cash from (used) operating	-	149.684	121.760	(60.957)	360.401	127.139	(233.262)	-183%	108.738
Net cash from (used) investing	-	(162.919)	(171.926)	(22.743)	(144.391)	(126.041)	18.350	-15%	(171.926)
Net cash from (used) financing	-	(1.590)	(1.590)	(65)	(565)	(1.119)	(554)	50%	(1.590)
<b>Cash/cash equivalents at the month/year end</b>	-	<b>81.541</b>	<b>91.316</b>	<b>207.235</b>	<b>1.801.652</b>	<b>(20)</b>	<b>(1.801.672)</b>	<b>8978285%</b>	<b>(64.778)</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	57.910	28.889	17.836	14.544	13.306	12.191	63.682	306.552	514.910
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	320	320

## 5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

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	41.278	464.765	396.488	68.277	17%	544.063
Service charges - electricity revenue		-	169.514	170.147	11.831	132.551	141.345	(8.794)	-6%	160.720
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	68.739	68.039	5.158	57.300	67.889	(10.589)	-16%	58.150
Rental of facilities and equipment		-	466	2.443	216	2.301	1.596	705	44%	1.171
Interest earned - external investments		-	4.500	5.150	638	3.777	4.140	(363)	-9%	4.137
Interest earned - outstanding debtors		-	24.092	23.272	2.772	25.643	19.981	5.661	28%	29.753
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	20.764	21.064	8	15.742	18.770	(3.028)	-16%	17.736
Licences and permits		-	11.698	7.424	570	6.513	9.963	(3.449)	-35%	8.249
Agency services		-	4.000	4.670	321	4.046	4.002	44	1%	4.044
Transfers and subsidies		-	257.885	259.456	59.806	253.622	218.228	35.394	16%	293.279
Other revenue		-	87.194	88.590	19.334	45.238	74.473	(29.235)	-39%	57.959
Gains		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	<b>1.124.639</b>	<b>1.126.042</b>	<b>141.933</b>	<b>1.011.498</b>	<b>956.875</b>	<b>54.622</b>	<b>6%</b>	<b>1.179.261</b>
<b>Expenditure By Type</b>										
Employee related costs		-	415.480	423.092	73.216	362.090	353.021	9.069	3%	424.549
Remuneration of councillors		-	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
Debt impairment		-	9.600	9.600	350	3.188	8.000	(4.812)	-60%	4.788
Depreciation & asset impairment		-	91.916	91.916	8.007	80.075	76.369	3.706	5%	95.621
Finance charges		-	5.673	5.673	0	260	4.700	(4.440)	-94%	1.233
Bulk purchases - electricity		-	125.067	125.067	9.917	93.696	104.223	(10.527)	-10%	114.540
Inventory consumed		-	12.839	14.300	272	10.744	13.185	(2.441)	-19%	10.398
Contracted services		-	250.244	257.445	16.312	172.500	228.559	(56.059)	-25%	194.185
Transfers and subsidies		-	7.349	7.982	14	7.730	6.469	1.260	19%	8.609
Other expenditure		-	167.210	163.452	8.267	101.839	150.622	(48.783)	-32%	118.426
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	<b>1.116.811</b>	<b>1.125.748</b>	<b>120.449</b>	<b>853.693</b>	<b>967.131</b>	<b>(113.438)</b>	<b>-12%</b>	<b>1.003.374</b>
<b>Surplus/(Deficit)</b>		-	<b>7.828</b>	<b>293</b>	<b>21.483</b>	<b>157.804</b>	<b>(10.256)</b>	<b>168.060</b>	<b>(0)</b>	<b>175.888</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	133.599	149.510	40.508	107.003	118.744	(11.741)	(0)	121.858
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	-	-	9.724	(9.724)	(0)	1.945
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>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		-	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		-	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		-	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</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) - M10 April**

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	41.278	464.765	396.488	68.277	17%	544.063
Service charges - electricity revenue		–	169.514	170.147	11.831	132.551	141.345	(8.794)	-6%	160.720
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		–	68.739	68.039	5.158	57.300	67.889	(10.589)	-16%	58.150
Rental of facilities and equipment		–	466	2.443	216	2.301	1.596	705	44%	1.171
Interest earned - external investments		–	4.500	5.150	638	3.777	4.140	(363)	-9%	4.137
Interest earned - outstanding debtors		–	24.092	23.272	2.772	25.643	19.981	5.661	28%	29.753
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	20.764	21.064	8	15.742	18.770	(3.028)	-16%	17.736
Licences and permits		–	11.698	7.424	570	6.513	9.963	(3.449)	-35%	8.249
Agency services		–	4.000	4.670	321	4.046	4.002	44	1%	4.044
Transfers and subsidies		–	257.885	259.456	59.806	253.622	218.228	35.394	16%	293.279
Other revenue		–	87.194	88.590	19.334	45.238	74.473	(29.235)	-39%	57.959
Gains		–	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		–	<b>1.124.639</b>	<b>1.126.042</b>	<b>141.933</b>	<b>1.011.498</b>	<b>956.875</b>	<b>54.622</b>	<b>6%</b>	<b>1.179.261</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 R464.8 million, compared to the YTD budget of R396.5 million. There is a variance of R62.3 million because some properties are billed once annually in the month of August. At the end of the financial year will have the difference of R 11.02 million, meaning that property rates were overbudgeted by R11.02 million. The variance is due to the reviews of the Property values and categories, this is unpredicted since its only done once there are applications sent by the ratepayers.

## **Electricity Revenue**

The YTD Actual for the electricity billing for the period ended 30 April 2022 is R132.6 million while the YTD Budget is R141.3 million. There is an overall variance of R8.8 million 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.

## **Refuse Revenue**

The overall YTD actual billing for refuse removals is R57.3 million and the YTD Budget billing is R67.9 million, with YTD variance of R10.6 million. Thus, means that Refuse revenue billing was overbudgeted by R10.7 million since April was the last month of billing. The municipality will take this into account on the next financial year budget.

## **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 3.8 million, YTD budget is R 4.1 million, interest and there is a variance of R363 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.

## **Interest earned on arrear debtors**

The interest charged on arrear debtors to date is R25.6 million, 28% more compared to the YTD budget of R19.9 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, yet we reduced our budget during the adjustment period.

## **Agency Services**

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R4.7 million, with the YTD actual of R4.1 million compared to the YTD budget of R 4.0 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 R18.8 million, there is a 16% 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 R6.5 million, Annual Budget is R7.4 million and there is a 13% variance which shows that the municipality is on the right track with this item.

## **Rental of Facilities**

Rental of facilities amounts annual budget is R2.4 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 R2.3 million, YTD budget of R1.6 million and there is an 44% variance. The variance is caused by the fact that the budget was adjusted during the adjustment budget, as it was picked up during the mid-year assessment that this item was performing well.



## 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 are R45.3 million, YTD Budget is R74.5 million and there is an 39% variance.

## Overall revenue YTD budget to date

The YTD Actual revenue excluding capital transfers is R 1.01 billion for the period ending 30 April 2022, YTD Budget is R956.9 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) - M10 April

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
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		-	415.480	423.092	73.216	362.090	353.021	9.069	3%	424.549
Remuneration of councillors		-	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
Debt impairment		-	9.600	9.600	350	3.188	8.000	(4.812)	-60%	4.788
Depreciation & asset impairment		-	91.916	91.916	8.007	80.075	76.369	3.706	5%	95.621
Finance charges		-	5.673	5.673	0	260	4.700	(4.440)	-94%	1.233
Bulk purchases - electricity		-	125.067	125.067	9.917	93.696	104.223	(10.527)	-10%	114.540
Inventory consumed		-	12.839	14.300	272	10.744	13.185	(2.441)	-19%	10.398
Contracted services		-	250.244	257.445	16.312	172.500	228.559	(56.059)	-25%	194.185
Transfers and subsidies		-	7.349	7.982	14	7.730	6.469	1.260	19%	8.609
Other expenditure		-	167.210	163.452	8.267	101.839	150.622	(48.783)	-32%	118.426
Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		-	<b>1.116.811</b>	<b>1.125.748</b>	<b>120.449</b>	<b>853.693</b>	<b>967.131</b>	<b>(113.438)</b>	<b>-12%</b>	<b>1.003.374</b>

## Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R362.1 million as of 30 April 2022, YTD Budget is R353.0 million and there is a 3% variance. Remuneration of councillors YTD actuals are sitting at R 21.6 million with YTD Budget of R 21.9 million and there is a 2% variance.

## 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 30 April 2022 amounts to R172.5 million, the YTD Budget is R228.6 million and there is a 25% variance. There were less invoices received for the contracted services in the month of April, this is as the result of poor performance housing projects.

### **Inventory Consumed**

YTD Inventory consumed amounts to R10.7 million as of 30 April 2022 with the YTD Budget being R13.2 million and there is a 19% variance this might be due to cost containment measures put in place by the Municipality.

### **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 R101.8 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 R80.1 million as of 30 April 2022, YTD budget of R 68.8 million and there is a 5% variance. This variance is caused by, new assets acquired and more assets impaired after the physical verification of assets by Asset Management.

### **Debt Impairment**

The YTD actuals for Debt Impairment amounts to R3.2 million, YTD budget of R7.2 million and there is a 61% variance. This variance shows that there was less debt impaired in April 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.

### **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. The variance of 36% is caused by the LED project of donating the markets stalls to the community which costed R803 thousand.

### **Overall expenditure budget**

The overall expenditure YTD Actual is R853,7 million as of 30 April 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 R157.8 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 - M10 April

Description	NT Code	Budget Year 2021/22										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	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	39	40	36	30	43	21	32	347	587	473	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	13.921	6.388	2.220	1.053	938	758	3.752	8.494	37.523	14.995	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	35.698	16.744	10.835	9.141	8.217	7.561	39.300	185.168	312.665	249.387	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-
Receivables from Exchange Transactions - Waste Management	1600	5.062	2.761	1.872	1.586	1.426	1.305	7.033	34.391	55.437	45.741	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	2.807	2.737	2.671	2.598	2.547	2.472	11.077	71.183	98.091	89.877	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	383	220	202	135	135	74	2.489	6.969	10.607	9.803	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>57.910</b>	<b>28.889</b>	<b>17.836</b>	<b>14.544</b>	<b>13.306</b>	<b>12.191</b>	<b>63.682</b>	<b>306.552</b>	<b>514.910</b>	<b>410.275</b>	-	-
<b>2020/21 - totals only</b>		-	-	-	-	-	-	-	-	-	-	-	-
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2.111	1.075	936	840	843	781	11.128	33.008	50.722	46.601	-	-
Commercial	2300	19.319	8.625	4.172	2.995	2.800	2.561	13.016	51.637	105.126	73.009	-	-
Households	2400	36.480	19.189	12.728	10.709	9.663	8.849	39.538	221.908	359.063	290.665	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>57.910</b>	<b>28.889</b>	<b>17.836</b>	<b>14.544</b>	<b>13.306</b>	<b>12.191</b>	<b>63.682</b>	<b>306.552</b>	<b>514.910</b>	<b>410.275</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 - M10 April

Description	NT Code	Budget Year 2021/22									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			
<b>R thousands</b>												
<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	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	320	320	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	-	-	-	-	-	-	-	-	<b>320</b>	<b>320</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) - M10 April

Vote Description	Ref	2020/21	Budget Year 2021/22							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<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	208	(27)	-13%	198
Vote 2 - Finance and Administration		-	3.164	3.905	76	1.070	3.214	(2.144)	-67%	1.761
Vote 3 - Internal Audit		-	100	154	-	93	120	(26)	-22%	127
Vote 4 - Community and Social Services		-	5.087	2.617	398	1.832	2.398	(566)	-24%	2.051
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	3.940	6.940	-	2.185	5.283	(3.098)	-59%	3.842
Vote 7 - Housing		-	-	140	-	-	70	(70)	-100%	70
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	86.781	93.283	10.463	68.470	74.255	(5.785)	-8%	87.498
Vote 10 - Road Transport		-	40.382	45.111	9.074	48.495	39.339	9.156	23%	54.267
Vote 11 - Environmental Protection		-	900	900	30	466	900	(434)	-48%	466
Vote 12 - Energy Sources		-	13.566	15.576	1.018	8.862	13.891	(5.029)	-36%	10.547
Vote 13 - Other		-	3.173	4.983	-	3.000	2.998	1	0%	4.984
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	4.026	4.042	442	1.297	3.596	(2.299)	-64%	1.742
<b>Total Capital single-year expenditure</b>	4	-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Total Capital Expenditure</b>		-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	3.489	4.284	76	1.345	3.542	(2.197)	-62%	2.087
Executive and council		-	225	225	-	182	208	(27)	-13%	198
Finance and administration		-	3.164	3.962	76	1.070	3.252	(2.182)	-67%	1.780
Internal audit		-	100	98	-	93	82	11	13%	109
<b>Community and public safety</b>		-	9.027	9.697	398	4.018	7.751	(3.734)	-48%	5.963
Community and social services		-	5.087	2.617	398	1.832	2.398	(566)	-24%	2.051
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	3.940	6.940	-	2.185	5.283	(3.098)	-59%	3.842
Housing		-	-	140	-	-	70	(70)	-100%	70
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	128.064	139.294	19.568	117.432	114.494	2.937	3%	142.232
Planning and development		-	86.781	93.283	10.463	68.470	74.255	(5.785)	-8%	87.498
Road transport		-	40.382	45.111	9.074	48.495	39.339	9.156	23%	54.267
Environmental protection		-	900	900	30	466	900	(434)	-48%	466
<b>Trading services</b>		-	17.593	19.618	1.460	10.159	17.487	(7.328)	-42%	12.289
Energy sources		-	13.566	15.576	1.018	8.862	13.891	(5.029)	-36%	10.547
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4.026	4.042	442	1.297	3.596	(2.299)	-64%	1.742
<b>Other</b>		-	3.173	4.983	-	3.000	2.998	1	0%	4.984
<b>Total Capital Expenditure - Functional Classification</b>	3	-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Funded by:</b>										
National Government		-	113.638	115.300	19.703	104.822	93.622	11.199	12%	126.499
Provincial Government		-	3.350	10.680	2	3.866	9.480	(5.614)	-59%	5.066
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	10.146	10.146	176	10.322	8.455	1.867	22%	12.013
<b>Transfers recognised - capital</b>		-	127.134	136.126	19.880	119.010	111.557	7.452	7%	143.578
<b>Borrowing</b>	6	-	8.476	10.316	374	4.940	9.396	(4.456)	-47%	5.860
<b>Internally generated funds</b>		-	25.735	31.433	1.247	12.003	25.320	(13.316)	-53%	18.117
<b>Total Capital Funding</b>		-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R135.9 million, the YTD budgeted is R128.1 million and there is 11% variance. The R136.0 million of YTD actuals for capital expenditure, R104.8 million is funded by national grants, R3.9 million funded by provincial grants, R10.3 million from European grant, R4.9 million from DBSA loan and R12.0 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>APRIL 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
INTERGRATED URBAN DEVELOPMENT (IUDG)	-	R -	R 99.131.000	R -	R 83.352.980		R 15.778.020
COGTA ELEC GRANT	-	R -	R 6.000.000	R -	R 3.170.164		R 2.829.836
INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	-	R 61.306	R 8.040.000	R 5.284.142			R 2.817.164
FINANCIAL MANGEMENT GRANT (FMG)	-	R -	R 1.950.000	R 1.143.972			R 806.028
EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPWP)	-	R -	R 5.558.000	R 7.605.095		R 3.714.095	
AIRPORT GRANT	-	R 2.727.044	R -	R 3.449.757		R 722.713	
PROVINCIALIZATION OF LIBRARIES GRANT	-	R -	R 12.017.000	R 12.017.000			R 0
COMMUNITY LIBRARY SERVICE GRANT	-	R -	R 306.000	R 243.250			R 62.750
MUSEUM SUBSIDY GRANT	-	R -	R 429.000	R 429.000			R -
CYBER CADET GRANT	-	R -	R 1.452.000	R 1.170.000			R 282.000
INTERMODAL FACILITY	-	R 5.383.380	R -	R -			R 5.383.380
NEIGHBOURHOOD DEV GRANT	-	R 14.584.808	R 31.257.000	R -	R 36.978.359		R 8.863.449
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 153.035		R 1.092.508
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 23.320.081</b>	<b>R 178.822.000</b>	<b>R 31.342.216</b>	<b>R 128.415.400</b>	<b>R 4.436.808</b>	<b>R 45.154.273</b>

## Transfers and Grants Receipts

The total grants received to date for period ending 30 April 2022 amounts to R178.8 million, which include R99.1 million from Integrated Urban Development Grant, R5.5 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 APRIL 2022							
Name of grant	Vole 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 83,352,980		R 15,778,020
COGTA ELEC GRANT	-	R -	R 6,000,000	R -	R 3,170,164		R 2,829,836
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	-	R 61,306	R 8,040,000	R 5,284,142			R 2,817,164
FINANCIAL MANGEMENT GRANT (FMG)	-	R -	R 1,950,000	R 1,143,972	R -		R 806,028
EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPWP)	-	R -	R 5,558,000	R 7,605,095	R -	R 3,714,095	
AIRPORT GRANT	-	R 2,727,044	R -	R 3,449,757		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 243,250	R -		R 62,750
MUSEUM SUBSIDY GRANT	-	R -	R 429,000	R 429,000	R -		R -
CYBER CADET GRANT	-	R -	R 1,452,000	R 1,170,000	R -		R 282,000
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 36,978,359		R 8,863,449
MARKET STALLS GRANT	-	R -	R 8,000,000	R -	R 994,152		R 7,005,848
MODULAR LIBRARIES GRANT	-	R 563,543	R 682,000	R -	R 153,035		R 1,092,508
ENERGY EFFICIENT AND DEMAND SIDE MANAGEMENT GRANT (EEDSM)	-	R -	R 4,000,000	R -	R 3,766,709		R 233,291
<b>TOTAL</b>		<b>R 23,320,081</b>	<b>R 178,822,000</b>	<b>R 31,342,216</b>	<b>R 128,415,400</b>	<b>R 4,436,808</b>	<b>R 45,154,273</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 30 April 2022, Operating and Capital Expenditure has a closing balance of R45.2 million, with YTD spending of R 31.3 million and R128.4 million, for operational grants and capital grants respectively. The table above also show the grants that spent more than the receipts like EPWP with R5.5 million and total spending of R 7.6 million. Therefore, spending of R 2.1 million is internal funded.

### Grant's 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 30 April 2022 is R83.4 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 is at 84% thus include the additional grant the municipality received in the month of March.

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

An amount of R 5.5 million has been received for EPWP grant. This is an operational grant and the YTD actual for the period ended 30 April 2022 is R7.6 million which is more than what has been allocated with R2.1 million internally funded, this is due to the increment of the EPWP staff employed as the approval of the Municipal Manager.

- **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 30 April 2022 is R37.0 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, but the spending is on track as the spending is sitting at 80% the end of April.

## 5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

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	3.610	19.159	19.593	434	2%	27.959
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	3.042	2.897	483	2.414	2.390	(24)	-1%	3.066
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		-	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		-	4.393	4.393	753	6.569	3.661	(2.908)	-79%	7.301
Pension and UIF Contributions		-	189	189	32	48	157	109	70%	79
Medical Aid Contributions		-	1.251	1.251	35	37	1.042	1.005	96%	246
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	957	778	-	-	708	708	100%	249
Motor Vehicle Allowance		-	1.158	1.158	198	297	965	668	69%	490
Cellphone Allowance		-	115	115	19	90	96	6	6%	109
Housing Allowances		-	3.488	3.488	570	855	2.907	2.052	71%	1.437
Other benefits and allowances		-	0	0	0	0	0	0	46%	0
Payments in lieu of leave		-	-	-	121	148	-	(148)	#DIV/0!	148
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		-	11.552	11.373	1.728	8.044	9.537	(1.493)	-16%	10.060
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		-	288.759	296.406	46.538	247.421	245.717	(1.704)	-1%	290.463
Pension and UIF Contributions		-	46.991	46.991	8.190	41.045	39.159	(1.886)	-5%	48.877
Medical Aid Contributions		-	17.599	17.599	3.220	15.692	14.665	(1.027)	-7%	18.626
Overtime		-	13.663	13.965	2.562	15.132	13.059	(2.073)	-16%	15.736
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	16.077	16.077	2.998	14.843	13.398	(1.445)	-11%	17.522
Cellphone Allowance		-	978	978	165	829	815	(13)	-2%	992
Housing Allowances		-	2.259	2.259	632	3.139	1.882	(1.257)	-67%	3.516
Other benefits and allowances		-	3.602	3.444	719	4.141	3.122	(1.019)	-33%	4.621
Payments in lieu of leave		-	8.338	8.338	5.229	7.405	6.948	(457)	-7%	8.795
Long service awards		-	1.841	1.841	471	697	1.534	836	55%	1.004
Post-retirement benefit obligations		-	3.821	3.821	764	3.701	3.184	(516)	-16%	4.337
<b>Sub Total - Other Municipal Staff</b>		-	403.928	411.719	71.488	354.045	343.484	10.561	3%	414.489
% increase	4		#DIV/0!	#DIV/0!						#DIV/0!
<b>Total Parent Municipality</b>		-	446.914	450.313	77.309	383.663	375.004	8.659	2%	455.573

## Councillors Remuneration

The variance on Remuneration of councillors actuals to date is R21.6 million and YTD budgeted is R21.9 million with the difference of R410 thousand.

## Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading. The variance is mainly caused by non-preparation of journal by Expenditure section to recognize the Performance bonus on the Munsoft system. This issue will be sorted out in the following month.

## 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 YTD actual is R354.0 million and YTD Budget is R 343.5 million. The variance on Remuneration of other municipal staff actuals to date and YTD budgeted is caused by the vacant post as result of deceased employees and bonuses which are paid on the different months.

## 5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY LONG TERM LOANS REGISTER : 30 APRIL 2022									
DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 April 2022	INTEREST CHARGED THIS MONTH	YTD INTEREST CHARGED	INTEREST PAID	CAPITAL REPAYMENT DURING PERIOD	CLOSING BALANCE 31 March 2022
				R				R	R
DBSA	10.5%	30-Dec-21	61003298						R -
DBSA	9.36%	31-Mar-31	61007684	R 3.284.796.08		R -	R -	R -	R 3.284.796.08
<b>TOTAL DBSA LOANS</b>				<b>R 3.284.796.08</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R 3.284.796.08</b>
<b>TOTAL LOANS</b>				<b>R 3.284.796.08</b>	<b>R -</b>	<b>R -</b>	<b>R -</b>	<b>R -</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 30 April 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 - M10 April

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%	3.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	5.3%	5.8%	3.6%	3.5%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	12.8%	12.3%	14.2%	11.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	28.0%	32.2%	37.4%	34.9%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	0.0%	159.8%	192.0%	216.0%	245.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	23.0%	31.6%	62.7%	60.1%
<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%	49.1%	43.3%
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%	35.8%	36.0%
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%	2.7%
<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 30 April 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 30 April 2022.

## Liquidity

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

**Budgeted Current Ratio:** R537 501 000/R280 001 000= **1.91:1**

**Actual Current Ratio as 30 April 2022:** R708 732 000/ R328 187 000= **2.15:1**

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 R1.91: R1 ratio and the actual ratio as of 30 April 2022 shows an improvement in the municipality's liquidity with a ratio of R2.15 for every R1 owed.

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

**Budgeted Acid test Ratio:** (R537 501 000 – R1 135 000) / R280 001 750= **1.91:1**

**Actual Acid test Ratio as 30 April 2022:** (R708 732 000 – R6 720 000)/ R328 187 000= **2.13:1**

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

## 5.12 Investment Register

 RAY NKONYENI MUNICIPALITY INVESTMENT REGISTER FOR THE PERIOD ENDING 30/04/2022															
ACCOUNT NO	INSTITUTION & TYPE	PROJECT NAME / DETAILS	CURRENT MONTH				YTD								
			MONTHLY OPENING BALANCES	INTEREST INVESTED '30/04/2022	BANK CHARGES '30/04/2022	DEPOSIT '30/04/2022	WITHDRAWALS '30/04/2022	CURRENT BALANCE	INVESTMENT BALANCES AS AT 01/07/2020	INTEREST	DEPOSITS	BANK CHARGES	WITHDRAWALS	INVESTMENT BALANCE AS AT '30/04/2022	
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	-	-	-	-	-	-	-	-	-	-	-	-	
91-4947-3509	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	-	-	-	-	-	-	-	-	-	-	-	-	
89140/356988	STANDARD BANK - CAL	MASINENGE HSG	31.881.390.15	96.299.27	-	-	-	31.977.689.42	31.146.363.92	831.325.50	-	-	-	31.977.689.42	
89139/356986	STANDARD BANK - CAL	KWAMAVUNDLA HSG	237.575.08	717.61	-	-	-	238.292.69	232.697.77	6.184.92	-	-	-	238.292.69	
89141/356989	STANDARD BANK - CAL	KWAXOLO HOUSING	11.282.222.31	34.078.50	-	-	-	11.316.300.81	11.022.110.39	294.190.42	-	-	-	11.316.300.81	
90439/364623	STANDARD BANK - CAL	KWADWALANE HOUSING	511.182.67	1.544.05	-	-	-	512.726.72	499.397.31	13.329.41	-	-	-	512.726.72	
			43.912.370.21	132.639.43	-	-	-	44.045.009.64	42.899.969.39	1.145.040.25	-	-	-	44.045.009.64	
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)	15.946.099.21	52.425.53	-	-	-	15.998.524.74	15.540.718.21	457.806.53	-	-	-	15.998.524.74	
			15.946.099.21	52.425.53	-	-	-	15.998.524.74	15.540.718.21	457.806.53	-	-	-	15.998.524.74	
89111/356985	STANDARD BANK-CALL	RNM-UNSPENT CONDITIONAL GRANT	48.069.58	145.20	-	-	-	48.214.78	46.961.31	1.253.47	-	-	-	48.214.78	
89111/357732	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	10.631.07	32.12	-	-	-	10.663.19	10.385.94	277.25	-	-	-	10.663.19	
			58.700.65	177.32	-	-	-	58.877.97	57.347.25	1.530.72	-	-	-	58.877.97	
6272661451	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	183.416.245.71	610.015.83	-	33.000.000.00	-	-8.500.000.00	148.526.261.54	50.354.242.66	4.065.946.75	583.156.072.13	-	-489.050.000.00	148.526.261.54
			183.416.245.71	610.015.83	-	33.000.000.00	-	-8.500.000.00	148.526.261.54	50.354.242.66	4.065.946.75	583.156.072.13	-	-489.050.000.00	148.526.261.54
74873852518	FNB	FNB-48 HOUR CASH ACCELERATOR	3.340.727.42	11.257.79	-	-	-	3.351.985.21	2.952.258.45	97.615.20	302.111.56	-	-	3.351.985.21	
			3.340.727.42	11.257.79	-	-	-	3.351.985.21	2.952.258.45	97.615.20	302.111.56	-	-	3.351.985.21	
		<b>GRAND TOTAL RNM INVESTMENT + INTEREST</b>	<b>246.674.143.20</b>	<b>806.515.90</b>	<b>-</b>	<b>33.000.000.00</b>	<b>-</b>	<b>-68.500.000.00</b>	<b>211.980.659.10</b>	<b>111.804.535.96</b>	<b>5.767.939.45</b>	<b>583.458.183.69</b>	<b>-</b>	<b>-489.050.000.00</b>	<b>211.980.659.10</b>

The Investment register as of 30 April 2022 has the closing balance of R212.0 million as of 30 April 2022, with R807 thousand total interest earned for the month from which R610 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 - M10 April**

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	41.278	464.765	396.488	68.277	17%	544.063
Service charges	-	238.253	238.186	16.989	189.851	209.235	(19.383)	-9%	218.870
Investment revenue	-	4.500	5.150	638	3.777	4.140	(363)	-9%	4.137
Transfers and subsidies	-	257.885	259.456	59.806	253.622	218.228	35.394	16%	293.279
Other own revenue	-	148.215	147.464	23.221	99.483	128.785	(29.303)	-23%	118.913
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>1.124.639</b>	<b>1.126.042</b>	<b>141.933</b>	<b>1.011.498</b>	<b>956.875</b>	<b>54.622</b>	<b>6%</b>	<b>1.179.261</b>
Employee costs	-	415.480	423.092	73.216	362.090	353.021	9.069	3%	424.549
Remuneration of Councillors	-	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
Depreciation & asset impairment	-	91.916	91.916	8.007	80.075	76.369	3.706	5%	95.621
Finance charges	-	5.673	5.673	0	260	4.700	(4.440)	-94%	1.233
Inventory consumed and bulk purchases	-	137.906	139.367	10.189	104.440	117.408	(12.967)	-11%	124.939
Transfers and subsidies	-	7.349	7.982	14	7.730	6.469	1.260	19%	8.609
Other expenditure	-	427.054	430.497	24.930	277.527	387.181	(109.655)	-28%	317.399
<b>Total Expenditure</b>	<b>-</b>	<b>1.116.811</b>	<b>1.125.748</b>	<b>120.449</b>	<b>853.693</b>	<b>967.131</b>	<b>(113.438)</b>	<b>-12%</b>	<b>1.003.374</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>7.828</b>	<b>293</b>	<b>21.483</b>	<b>157.804</b>	<b>(10.256)</b>	<b>168.060</b>	<b>-1639%</b>	<b>175.888</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	133.599	149.510	40.508	107.003	118.744	(11.741)	-10%	121.858
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	-	-	9.724	(9.724)	-100%	1.945
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>-</b>	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>	<b>146.596</b>	<b>124%</b>	<b>299.691</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>-</b>	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>	<b>146.596</b>	<b>124%</b>	<b>299.691</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>-</b>	<b>161.345</b>	<b>177.876</b>	<b>21.502</b>	<b>135.953</b>	<b>146.273</b>	<b>(10.321)</b>	<b>-7%</b>	<b>167.555</b>
Capital transfers recognised	-	127.134	136.126	19.880	119.010	111.557	7.452	7%	143.578
Borrowing	-	8.476	10.316	374	4.940	9.396	(4.456)	-47%	5.860
Internally generated funds	-	25.735	31.433	1.247	12.003	25.320	(13.316)	-53%	18.117
<b>Total sources of capital funds</b>	<b>-</b>	<b>161.345</b>	<b>177.876</b>	<b>21.502</b>	<b>135.953</b>	<b>146.273</b>	<b>(10.321)</b>	<b>-7%</b>	<b>167.555</b>
<b>Financial position</b>									
Total current assets	-	408.055	537.501		708.732				686.178
Total non current assets	-	1.843.645	1.888.416		1.891.756				1.919.601
Total current liabilities	-	255.305	280.001		328.187				280.127
Total non current liabilities	-	121.596	160.054		181.267				178.424
Community wealth/Equity	-	1.874.799	1.985.862		2.091.034				2.147.228
<b>Cash flows</b>									
Net cash from (used) operating	-	149.684	121.760	(60.957)	360.401	127.139	(233.262)	-183%	108.738
Net cash from (used) investing	-	(162.919)	(171.926)	(22.743)	(144.391)	(126.041)	18.350	-15%	(171.926)
Net cash from (used) financing	-	(1.590)	(1.590)	(65)	(565)	(1.119)	(554)	50%	(1.590)
<b>Cash/cash equivalents at the month/year end</b>	<b>-</b>	<b>81.541</b>	<b>91.316</b>	<b>207.235</b>	<b>1.801.652</b>	<b>(20)</b>	<b>(1.801.672)</b>	<b>8978285%</b>	<b>(64.778)</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	57.910	28.889	17.836	14.544	13.306	12.191	63.682	306.552	514.910
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	320	320

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) - M10 April

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	41.278	464.765	396.488	68.277	17%	544.063
Service charges - electricity revenue		–	169.514	170.147	11.831	132.551	141.345	(8.794)	-6%	160.720
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		–	68.739	68.039	5.158	57.300	67.889	(10.589)	-16%	58.150
Rental of facilities and equipment		–	466	2.443	216	2.301	1.596	705	44%	1.171
Interest earned - external investments		–	4.500	5.150	638	3.777	4.140	(363)	-9%	4.137
Interest earned - outstanding debtors		–	24.092	23.272	2.772	25.643	19.981	5.661	28%	29.753
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	20.764	21.064	8	15.742	18.770	(3.028)	-16%	17.736
Licences and permits		–	11.698	7.424	570	6.513	9.963	(3.449)	-35%	8.249
Agency services		–	4.000	4.670	321	4.046	4.002	44	1%	4.044
Transfers and subsidies		–	257.885	259.456	59.806	253.622	218.228	35.394	16%	293.279
Other revenue		–	87.194	88.590	19.334	45.238	74.473	(29.235)	-39%	57.959
Gains		–	–	–	–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		–	<b>1.124.639</b>	<b>1.126.042</b>	<b>141.933</b>	<b>1.011.498</b>	<b>956.875</b>	<b>54.622</b>	<b>6%</b>	<b>1.179.261</b>
<b>Expenditure By Type</b>										
Employee related costs		–	415.480	423.092	73.216	362.090	353.021	9.069	3%	424.549
Remuneration of councillors		–	31.434	27.222	4.092	21.573	21.983	(410)	-2%	31.024
Debt impairment		–	9.600	9.600	350	3.188	8.000	(4.812)	-60%	4.788
Depreciation & asset impairment		–	91.916	91.916	8.007	80.075	76.369	3.706	5%	95.621
Finance charges		–	5.673	5.673	0	260	4.700	(4.440)	-94%	1.233
Bulk purchases - electricity		–	125.067	125.067	9.917	93.696	104.223	(10.527)	-10%	114.540
Inventory consumed		–	12.839	14.300	272	10.744	13.185	(2.441)	-19%	10.398
Contracted services		–	250.244	257.445	16.312	172.500	228.559	(56.059)	-25%	194.185
Transfers and subsidies		–	7.349	7.982	14	7.730	6.469	1.260	19%	8.609
Other expenditure		–	167.210	163.452	8.267	101.839	150.622	(48.783)	-32%	118.426
Losses		–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>		–	<b>1.116.811</b>	<b>1.125.748</b>	<b>120.449</b>	<b>853.693</b>	<b>967.131</b>	<b>(113.438)</b>	<b>-12%</b>	<b>1.003.374</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	7.828	293	21.483	157.804	(10.256)	168.060	(0)	175.888
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	40.508	107.003	118.744	(11.741)	(0)	121.858
Transfers and subsidies - capital (in-kind - all)		–	11.668	11.668	–	–	9.724	(9.724)	(0)	1.945
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		–	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Taxation		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after taxation</b>		–	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Attributable to minorities		–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		–	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</b>
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		–	<b>153.095</b>	<b>161.471</b>	<b>61.991</b>	<b>264.808</b>	<b>118.212</b>			<b>299.691</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 30 April 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) - M10 April

Vote 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>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	225	225	-	182	208	(27)	-13%	198
Vote 2 - Finance and Administration		-	3.164	3.905	76	1.070	3.214	(2.144)	-67%	1.761
Vote 3 - Internal Audit		-	100	154	-	93	120	(26)	-22%	127
Vote 4 - Community and Social Services		-	5.087	2.617	398	1.832	2.398	(566)	-24%	2.051
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	3.940	6.940	-	2.185	5.283	(3.098)	-59%	3.842
Vote 7 - Housing		-	-	140	-	-	70	(70)	-100%	70
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	86.781	93.283	10.463	68.470	74.255	(5.785)	-8%	87.498
Vote 10 - Road Transport		-	40.382	45.111	9.074	48.495	39.339	9.156	23%	54.267
Vote 11 - Environmental Protection		-	900	900	30	466	900	(434)	-48%	466
Vote 12 - Energy Sources		-	13.566	15.576	1.018	8.862	13.891	(5.029)	-36%	10.547
Vote 13 - Other		-	3.173	4.983	-	3.000	2.998	1	0%	4.984
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	4.026	4.042	442	1.297	3.596	(2.299)	-64%	1.742
<b>Total Capital single-year expenditure</b>	4	-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Total Capital Expenditure</b>		-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	3.489	4.284	76	1.345	3.542	(2.197)	-62%	2.087
Executive and council		-	225	225	-	182	208	(27)	-13%	198
Finance and administration		-	3.164	3.962	76	1.070	3.252	(2.182)	-67%	1.780
Internal audit		-	100	98	-	93	82	11	13%	109
<b>Community and public safety</b>		-	9.027	9.697	398	4.018	7.751	(3.734)	-48%	5.963
Community and social services		-	5.087	2.617	398	1.832	2.398	(566)	-24%	2.051
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	3.940	6.940	-	2.185	5.283	(3.098)	-59%	3.842
Housing		-	-	140	-	-	70	(70)	-100%	70
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	128.064	139.294	19.568	117.432	114.494	2.937	3%	142.232
Planning and development		-	86.781	93.283	10.463	68.470	74.255	(5.785)	-8%	87.498
Road transport		-	40.382	45.111	9.074	48.495	39.339	9.156	23%	54.267
Environmental protection		-	900	900	30	466	900	(434)	-48%	466
<b>Trading services</b>		-	17.593	19.618	1.460	10.159	17.487	(7.328)	-42%	12.289
Energy sources		-	13.566	15.576	1.018	8.862	13.891	(5.029)	-36%	10.547
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4.026	4.042	442	1.297	3.596	(2.299)	-64%	1.742
<b>Other</b>		-	3.173	4.983	-	3.000	2.998	1	0%	4.984
<b>Total Capital Expenditure - Functional Classification</b>	3	-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555
<b>Funded by:</b>										
National Government		-	113.638	115.300	19.703	104.822	93.622	11.199	12%	126.499
Provincial Government		-	3.350	10.680	2	3.866	9.480	(5.614)	-59%	5.066
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	10.146	10.146	176	10.322	8.455	1.867	22%	12.013
<b>Transfers recognised - capital</b>		-	127.134	136.126	19.880	119.010	111.557	7.452	7%	143.578
<b>Borrowing</b>	6	-	8.476	10.316	374	4.940	9.396	(4.456)	-47%	5.860
<b>Internally generated funds</b>		-	25.735	31.433	1.247	12.003	25.320	(13.316)	-53%	18.117
<b>Total Capital Funding</b>		-	161.345	177.876	21.502	135.953	146.273	(10.321)	-7%	167.555

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 30 April 2022.

## 6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M10 April

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	39.470	388.881	355.252	33.629	9%	426.737
Service charges		-	214.430	214.428	17.671	181.096	178.406	2.690	2%	214.428
Other revenue		-	41.190	37.534	2.343	144.874	36.450	108.424	297%	37.534
Transfers and Subsidies - Operational		-	334.018	347.133	58.545	307.916	286.489	21.427	7%	347.133
Transfers and Subsidies - Capital		-	151.399	146.725	(58.303)	151.260	128.506	22.754	18%	146.725
Interest		-	4.500	5.150	-	-	4.890	(4.890)	-100%	5.150
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		-	(1.025.076)	(1.042.926)	(113.511)	(806.454)	(856.968)	50.513	-6%	(1.055.948)
Finance charges		-	(5.673)	(5.673)	(260)	(260)	(4.698)	4.438	-94%	(5.673)
Transfers and Grants		-	7.349	(7.349)	(6.913)	(6.913)	(1.188)	(5.725)	482%	(7.349)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		-	149.684	121.760	(60.957)	360.401	127.139	(233.262)	-183%	108.738
<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)	(22.743)	(144.391)	(126.041)	(18.350)	15%	(171.926)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		-	(162.919)	(171.926)	(22.743)	(144.391)	(126.041)	18.350	-15%	(171.926)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	8.476	8.476	-	-	8.476	(8.476)	-100%	8.476
Increase (decrease) in consumer deposits		-	(471)	(471)	(65)	(565)	-	(565)	#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>		-	(1.590)	(1.590)	(65)	(565)	(1.119)	(554)	50%	(1.590)
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		-	(14.824)	(51.756)	(83.765)	215.445	(20)			(64.778)
Cash/cash equivalents at beginning:		-	96.365	143.072	291.000	1.586.207	-			-
Cash/cash equivalents at month/year end:		-	81.541	91.316	207.235	1.801.652	(20)			(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 30 April 2022, Cash received from operations YTD actual is more than the anticipated cash collection such as Property Rates R388.9 million, 9% more than the YTD budget of R355.3 million, other revenue R144.9 million compared to the YTD budget of 36.5 million which is 297% more than what is budgeted. The outflow showed under Capital Transfers and subsidies of R 58.3is correction of an error. Last tranche of Equitable Share received in March was receipted on the incorrect account that falls under capital grants, hence why we are having the inflow of R 58 million under operational grants.



## 6.5 Statement financial Position

### KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M10 April

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)	(9.741)	(47.254)
Call investment deposits		-	87.251	122.051	215.532	215.532
Consumer debtors		-	274.809	308.409	331.746	341.822
Other debtors		-	71.671	139.295	164.332	168.784
Current portion of long-term receivables		-	-	143	143	143
Inventory		-	2.830	1.135	6.720	7.150
<b>Total current assets</b>		-	<b>408.055</b>	<b>537.501</b>	<b>708.732</b>	<b>686.178</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	1.669.220	1.697.097
Biological		-	-	-	-	-
Intangible		-	1.672	1.086	246	214
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>1.891.756</b>	<b>1.919.601</b>
<b>TOTAL ASSETS</b>		-	<b>2.251.700</b>	<b>2.425.917</b>	<b>2.600.488</b>	<b>2.605.778</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		-	8.519	475	(25.407)	(26.211)
Consumer deposits		-	31.162	32.510	32.604	32.722
Trade and other payables		-	199.302	207.991	279.895	232.522
Provisions		-	16.321	39.025	41.095	41.095
<b>Total current liabilities</b>		-	<b>255.305</b>	<b>280.001</b>	<b>328.187</b>	<b>280.127</b>
<b>Non current liabilities</b>						
Borrowing		-	31.255	35.947	41.810	38.966
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>178.424</b>
<b>TOTAL LIABILITIES</b>		-	<b>376.901</b>	<b>440.055</b>	<b>509.454</b>	<b>458.551</b>
<b>NET ASSETS</b>	2	-	<b>1.874.799</b>	<b>1.985.862</b>	<b>2.091.034</b>	<b>2.147.228</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		-	1.763.155	1.874.217	1.979.390	2.035.583
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>2.091.034</b>	<b>2.147.228</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 30 April 2022. Total assets are R2.6 billion over the total liabilities of R509.5 million this therefore mean the municipality is still able to meet its financial obligations.