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# RAY NKONYENI MUNICIPALITY

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## TREASURY DEPARTMENT

### MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 JULY 2022 (M01)

Prepared By: Budget and Treasury Office

# **STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2022/2023 BUDGET FOR THE PERIOD ENDING 31 July 2022**

## **1. PURPOSE**

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2022/23 Budget of the Ray Nkonyeni Municipality for the period ending 31 July 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 July 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. Monthly Budget Statement Summary

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

6.4. Cash Flow

6.5. Financial Position

## 5.1 Monthly Budget Statement of Financial Performance

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

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M01 July

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	464 477	498 623	-	43 123	43 123	44 983	(1 860)	-4%	498 623
Service charges	214 941	253 618	-	16 743	16 743	21 671	(4 928)	-23%	253 618
Investment revenue	4 737	5 397	-	17	17	446	(429)	-96%	5 397
Transfers and subsidies	256 804	285 102	-	101 651	101 651	83	101 568	121882%	285 102
Other own revenue	118 800	131 888	-	4 297	4 297	11 037	(6 740)	-61%	131 888
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 059 758</b>	<b>1 174 628</b>	<b>-</b>	<b>165 831</b>	<b>165 831</b>	<b>78 221</b>	<b>87 610</b>	<b>112%</b>	<b>1 174 628</b>
Employee costs	445 668	447 279	-	37 516	37 516	37 454	62	0%	447 279
Remuneration of Councillors	26 249	31 434	-	2 367	2 367	2 620	(252)	-10%	31 434
Depreciation & asset impairment	103 310	101 619	-	-	-	9 950	(9 950)	-100%	101 619
Finance charges	338	12 922	-	0	0	3	(2)	-83%	12 922
Inventory consumed and bulk purchases	-	149 809	-	220	220	2 150	(1 930)	-90%	149 809
Transfers and subsidies	9 890	13 178	-	-	-	963	(963)	-100%	13 178
Other expenditure	346 963	415 344	-	22 036	22 036	30 308	(8 271)	-27%	415 344
<b>Total Expenditure</b>	<b>932 418</b>	<b>1 171 585</b>	<b>-</b>	<b>62 140</b>	<b>62 140</b>	<b>83 446</b>	<b>(21 306)</b>	<b>-26%</b>	<b>1 171 585</b>
<b>Surplus/(Deficit)</b>	<b>127 340</b>	<b>3 043</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>3 043</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 850	132 360	-	-	-	-	-	-	132 360
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)	17 988	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>135 403</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>135 403</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>189 040</b>	<b>180 739</b>	<b>-</b>	<b>10 102</b>	<b>10 102</b>	<b>10 854</b>	<b>(752)</b>	<b>-7%</b>	<b>180 739</b>
Capital transfers recognised	144 172	115 052	-	10 068	10 068	9 150	918	10%	115 052
Borrowing	1 876	7 166	-	-	-	-	-	-	7 166
Internally generated funds	23 645	58 521	-	34	34	1 704	(1 670)	-98%	58 521
<b>Total sources of capital funds</b>	<b>169 694</b>	<b>180 739</b>	<b>-</b>	<b>10 102</b>	<b>10 102</b>	<b>10 854</b>	<b>(752)</b>	<b>-7%</b>	<b>180 739</b>
<b>Financial position</b>									
Total current assets	607 617	553 761	-	-	768 223	-	-	-	553 761
Total non current assets	1 885 761	1 878 708	-	-	1 895 863	-	-	-	1 878 708
Total current liabilities	311 809	321 834	-	-	370 349	-	-	-	321 834
Total non current liabilities	201 091	150 842	-	-	209 567	-	-	-	150 842
Community wealth/Equity	<b>2 021 045</b>	<b>1 959 793</b>	<b>-</b>	<b>-</b>	<b>2 084 169</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 959 793</b>
<b>Cash flows</b>									
Net cash from (used) operating	259 684	167 979	-	130 294	130 294	(12 260)	(142 555)	1163%	167 979
Net cash from (used) investing	(185 208)	(179 130)	-	(13 278)	(13 278)	(6 508)	6 769	-104%	(179 130)
Net cash from (used) financing	(36 067)	(19 098)	-	(3 697)	(3 697)	(2 178)	1 519	-70%	(19 098)
<b>Cash/cash equivalents at the month/year end</b>	<b>181 482</b>	<b>112 823</b>	<b>-</b>	<b>-</b>	<b>250 607</b>	<b>122 125</b>	<b>(128 482)</b>	<b>-105%</b>	<b>107 038</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	66 130	8 890	4 295	15 062	13 923	12 713	55 864	326 294	503 171
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

## 5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Vote Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		464 477	468 623	-	43 123	43 123	44 983	(1 860)	-4%	468 623
Service charges - electricity revenue		157 958	182 857	-	11 322	11 322	15 238	(3 916)	-26%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 383	70 781	-	5 421	5 421	8 433	(1 012)	-16%	70 781
Rental of facilities and equipment		3 807	2 610	-	222	222	223	(1)	0%	2 610
Interest earned - external investments		4 737	5 367	-	17	17	448	(429)	-8%	5 367
Interest earned - outstanding debtors		31 155	24 389	-	2 716	2 716	2 018	698	35%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		15 818	22 158	-	18	18	1 836	(1 818)	-99%	22 158
Licences and permits		8 138	7 824	-	574	574	649	(75)	-12%	7 824
Agency services		4 965	4 884	-	433	433	405	28	7%	4 884
Transfers and subsidies		256 804	285 102	-	101 651	101 651	83	101 568	121882%	285 102
Other revenue		54 718	70 013	-	334	334	5 907	(5 573)	-84%	70 013
Gains		110	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 059 758</b>	<b>1 174 628</b>	<b>-</b>	<b>168 831</b>	<b>168 831</b>	<b>79 221</b>	<b>87 610</b>	<b>112%</b>	<b>1 174 628</b>
<b>Expenditure By Type</b>										
Employee related costs		445 988	447 279	-	37 516	37 516	37 454	62	0%	447 279
Remuneration of councilors		26 249	31 434	-	2 367	2 367	2 620	(252)	-10%	31 434
Debt impairment		4 424	9 984	-	584	584	-	584	#DIV/0!	9 984
Depreciation & asset impairment		103 310	101 619	-	-	-	9 950	(9 950)	-100%	101 619
Finance charges		338	12 922	-	0	0	3	(2)	-83%	12 922
Bulk purchases - electricity		-	137 074	-	-	-	838	(838)	-100%	137 074
Inventory consumed		-	12 735	-	220	220	1 212	(992)	-82%	12 735
Contracted services		212 385	244 881	-	9 211	9 211	16 384	(7 173)	-44%	244 881
Transfers and subsidies		9 890	13 178	-	-	-	963	(963)	-100%	13 178
Other expenditure		129 943	160 480	-	12 261	12 261	13 544	(1 283)	-12%	160 480
Losses		211	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>932 418</b>	<b>1 171 585</b>	<b>-</b>	<b>62 140</b>	<b>62 140</b>	<b>83 446</b>	<b>(21 306)</b>	<b>-28%</b>	<b>1 171 585</b>
<b>Surplus/(Deficit)</b>		<b>127 340</b>	<b>3 043</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>(8)</b>	<b>3 043</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		148 850	132 360	-	-	-	-	-	-	132 360
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		12 015	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		5 972	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>			<b>135 403</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>			<b>135 403</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>			<b>135 403</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>			<b>135 403</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) - M01 July

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates		404 477	408 623	-	43 123	43 123	44 983	(1 860)	-4%	408 623
Service charges - electricity revenue		157 558	182 857	-	11 322	11 322	15 238	(3 916)	-26%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 383	70 781	-	5 421	5 421	6 433	(1 012)	-16%	70 781
Rental of facilities and equipment		3 897	2 610	-	222	222	223	(1)	0%	2 610
Interest earned - external investments		4 737	5 397	-	17	17	446	(429)	-9%	5 397
Interest earned - outstanding debtors		31 155	24 389	-	2 716	2 716	2 018	698	35%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		15 616	22 158	-	18	18	1 836	(1 818)	-99%	22 158
Licences and permits		8 138	7 824	-	574	574	649	(75)	-12%	7 824
Agency services		4 905	4 894	-	433	433	405	28	7%	4 894
Transfers and subsidies		256 804	285 102	-	101 651	101 651	83	101 568	121882%	285 102
Other revenue		54 718	70 013	-	334	334	5 907	(5 573)	-94%	70 013
Gains		110	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 069 768</b>	<b>1 174 828</b>	<b>-</b>	<b>165 831</b>	<b>166 831</b>	<b>78 221</b>	<b>87 810</b>	<b>112%</b>	<b>1 174 828</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 R498.62 million and The YTD actual billing is R43.12 million, compared to the YTD budget of R44.98 million. The R1.86 variance which is 4% less than the YTD Budget.

## Electricity Revenue

The YTD Actual for the electricity billing for the period ended 31 July 2022 is R11.32 million while the YTD Budget is R 15.24 million. There is a variance of R3.92 million between the YTD actual and YTD budget. This variance is due to low usage of electricity resulting from the recent spurs of increased load shedding which has had an impact on the electricity consumption.

## Refuse Revenue

The overall YTD actual billing for refuse removals is R5.42 million and the YTD Budget billing is R6.43 million, with YTD variance of R1.01 million. Some of the customers are billed in August.

### **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 R17 thousand, YTD budget is R446 thousand, and there is a variance of R429 thousand. The municipality did not manage to generate the estimated interest in its investments due to the low amount invested and the fluctuation of repo rate of the country caused by the current economic status of the country.

### **Interest earned on arrear debtors**

The interest charged on arrear debtors to date is R2.72 million, 35% more compared to the YTD budget of R2.02 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 and third parties on payroll section. The annual projected revenue is R4.8 million, with the YTD actual of R433 thousand against YTD Budget of R 405 thousand. This shows that the municipality is doing very well in collecting revenues on behalf of their principals and earns 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 R21.48 million and the total budget being R22.16 million. The YTD actual is R18 thousand, there is a 99% variance which was a result of less fines charged in the month.

### **Licenses and Permits**

Licenses and permits actuals to date amounts to R574 thousand, Annual Budget is R7.8 million and there is a 12% variance against year-to-date budget of R 649 thousand which shows that the municipality is on the right track with this item.

### **Rental of Facilities**

Rental of facilities amounts annual budget is R2.6 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 R223 thousand, with the actuals of R 222 to date.

## 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 R56 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 R334 thousand, YTD Budget is R5.91 million. The municipality has not received any payment from the Department of Human Settlement.

## Overall revenue YTD budget to date

The YTD Actual revenue excluding capital transfers is R 165.83 million for the period ending 31 July 2022, YTD Budget is R78.22 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) - M01 July

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Expenditure By Type</b>										
Employee related costs		445 068	447 270	-	37 510	37 510	37 454	62	0%	447 270
Remuneration of councillors		26 249	31 434	-	2 307	2 307	2 620	(252)	-10%	31 434
Debt Impairment		4 424	9 984	-	504	504	-	504	#DIV/0!	9 984
Depreciation & asset impairment		103 310	101 610	-	-	-	9 950	(9 950)	-100%	101 610
Finance charges		338	12 922	-	0	0	3	(2)	-83%	12 922
Bulk purchases - electricity		-	137 074	-	-	-	938	(938)	-100%	137 074
Inventory consumed		-	12 735	-	220	220	1 212	(992)	-82%	12 735
Contracted services		212 385	244 881	-	9 211	9 211	10 304	(7 153)	-44%	244 881
Transfers and subsidies		9 890	13 178	-	-	-	963	(963)	-100%	13 178
Other expenditure		129 943	160 480	-	12 201	12 201	13 944	(1 683)	-12%	160 480
Losses		211	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>882 418</b>	<b>1 171 686</b>	<b>-</b>	<b>82 140</b>	<b>82 140</b>	<b>88 448</b>	<b>(21 308)</b>	<b>-28%</b>	<b>1 171 686</b>

## Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R37.51 million as of 31 July 2022, YTD Budget is R37.45 million. Remuneration of councillors YTD actuals are sitting at R 2.37 million with YTD Budget of R 2.62 million and there is a 10% variance. Employee related cost is further detailed under table 5.9 Salaries Expenditure Details.



### **Contracted Services**

Contracted services are made up of various operational projects such as Housing, Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 July 2022 amounts to R9.21 million, the YTD Budget is R16.36 million and there is a 44% variance. The variance in contracted services is mostly attributed by the housing projects, the annual budget on housing projects amounts to R56 million with the nil YTD actual.

### **Inventory Consumed**

YTD Inventory consumed amounts to R220 thousand as of 31 July 2022 with the YTD Budget being R1.21 million and the 8% variance is attributed 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 R12.26 million, YTD Budget is R13.94 million and there is a 12% 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**

Depreciation has not been calculated for the new financial year since the Asset section is still busy with the Fixed Asset Register for the last financial year for the Annual Financial Statements.

### **Debt Impairment**

The YTD actuals for Debt Impairment amounts to R564 thousand, Annual Budget of R 9.98 million. No budget was allocated for first month.

### **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 R13.18 million. No donations was paid in the month of July.

## Overall expenditure budget

The overall expenditure YTD Actual is R62.14 million as of 31 July 2022, YTD Budget is R83.45 million. There is 12% variance, due to the trends of different types of expenditure as explained above such as contracted services having housing projects that have been directly paid by the department of human settlements reducing the expenditure incurred by the municipality on behalf of the department of human settlements, as well as some of the cost containment measures in other items of expenditure.

## Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). YTD Surplus excluding capital transfers is R103.69 million compared to the YTD Budget deficit of R5.23 million due to budget spread over the months.

## 5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2022/23										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. 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	36	34	37	35	111	347	679	564	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	17 798	4 754	1 376	916	1 036	815	3 297	9 715	39 707	15 778	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	39 566	514	87	9 625	8 643	7 827	34 699	195 469	296 430	296 262	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-	
Receivables from Exchange Transactions - Waste Management	1600	5 523	25	3	1 672	1 479	1 348	5 623	36 894	52 567	47 016	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	2 766	2 798	2 722	2 663	2 592	2 529	11 636	74 951	102 657	94 371	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	434	760	71	152	137	159	499	8 917	11 130	9 864	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>66 130</b>	<b>8 890</b>	<b>4 295</b>	<b>15 062</b>	<b>13 923</b>	<b>12 713</b>	<b>55 864</b>	<b>326 294</b>	<b>503 171</b>	<b>423 855</b>	<b>-</b>	<b>-</b>	
<b>2022/23 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	3 340	690	568	721	841	848	5 524	37 600	50 131	45 533	-	-	
Commercial	2300	23 317	2 943	1 034	3 132	2 996	2 545	11 182	56 534	103 684	76 390	-	-	
Households	2400	39 473	5 258	2 693	11 209	10 086	9 319	39 158	232 160	349 356	301 933	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>66 130</b>	<b>8 890</b>	<b>4 295</b>	<b>15 062</b>	<b>13 923</b>	<b>12 713</b>	<b>55 864</b>	<b>326 294</b>	<b>503 171</b>	<b>423 855</b>	<b>-</b>	<b>-</b>	

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

## 5.5 Creditors Age Analysis

Description R thousands	NT Code	Budget Year 2022/23								Total
		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>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	52	20	-	-	-	-	-	320	391
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>52</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>391</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) - M01 July

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Capital Expenditure - Functional Classification</b>										
Governance and administration		20 871	8 280	-	-	-	288	(288)	-100%	8 280
Executive and council		188	20	-	-	-	-	-	-	20
Finance and administration		20 693	3 075	-	-	-	288	(288)	-100%	3 075
Internal audit		92	185	-	-	-	-	-	-	185
Community and public safety		15 648	6 813	-	34	34	482	(428)	-93%	6 813
Community and social services		9 005	200	-	-	-	17	(17)	-100%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	5 340	-	34	34	445	(421)	-95%	5 340
Housing		115	273	-	10	10	-	10	#DIV/0!	273
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		144 885	154 485	-	10 088	10 088	9 807	202	3%	154 485
Planning and development		90 316	90 380	-	8 717	8 717	7 200	1 427	20%	90 380
Road transport		53 586	55 106	-	1 351	1 351	2 516	(1 165)	-40%	55 106
Environmental protection		803	-	-	-	-	-	-	-	-
Trading services		4 880	17 152	-	-	-	298	(298)	-100%	17 152
Energy sources		2 520	15 348	-	-	-	138	(138)	-100%	15 348
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 110	1 804	-	-	-	150	(150)	-100%	1 804
Other		3 108	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	<b>188 040</b>	<b>180 738</b>	<b>-</b>	<b>10 102</b>	<b>10 102</b>	<b>10 854</b>	<b>(752)</b>	<b>-7%</b>	<b>180 738</b>
<b>Funded by:</b>										
National Government		128 672	115 052	-	10 088	10 088	9 150	918	10%	115 052
Provincial Government		4 615	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		10 885	-	-	-	-	-	-	-	-
Transfers recognised - capital		144 172	115 052	-	10 088	10 088	9 150	918	10%	115 052
Borrowing	<b>6</b>	<b>1 676</b>	<b>7 186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 186</b>
<b>Total</b>		<b>188 884</b>	<b>188 188</b>	<b>-</b>	<b>10 102</b>	<b>10 102</b>	<b>10 884</b>	<b>(782)</b>	<b>-7%</b>	<b>180 188</b>
<b>Total</b>		<b>188 884</b>	<b>188 188</b>	<b>-</b>	<b>10 102</b>	<b>10 102</b>	<b>10 884</b>	<b>(782)</b>	<b>-7%</b>	<b>180 188</b>

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R10.10 million, the YTD budgeted is R10.85 million and there is 7% variance. The R10.10 million of YTD actuals for capital expenditure, R10.07 million is funded by national grants, and R34 thousand million from internally generated funds.


## 5.7 Transfers and Grants Receipts

 <b>ZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b>						
<b>KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b> <b>JULY 2022</b>						
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 23	Expenditure: Capital (Revenue Recognised)/GRAP 23	Closing Balance as at	
<a href="#">INTERGRATED URBAN DEVELOPMENT (IUDG)</a>	R 2,320,901	R 32,544,000	R -	R 2,922,188	R 31,942,713	
<a href="#">COGTA ELEC GRANT</a>	R 784,811	R -	R -	R -	R 784,811	
<a href="#">MUNICIPAL DISASTER RECOVERY GRANT</a>	R 327,945				R 327,945	
<a href="#">MUNICIPAL DISASTER RELEIF GRANT</a>	R 8,100,000	R 11,000,000	R -	R -	R 19,100,000	
<a href="#">INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)</a>	R -	R 2,000,000			R 2,000,000	
<a href="#">EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPWP)</a>		R 1,519,000	R 415,170	R -	R 1,103,830	
<a href="#">INTERMODAL FACILITY</a>	R 5,383,380	R -	R -	R -	R 5,383,380	
<a href="#">NEIGHBOURHOOD DEV GRANT</a>	R 797,803	R 22,351,000	R -	R 8,379,524	R 14,769,279	
<a href="#">MARKET STALLS GRANT</a>	R 7,003,970	R -		R -	R 7,003,970	
<a href="#">MODULAR LIBRARIES GRANT</a>	R 272,452	R -		R -	R 272,452	
<b>TOTAL</b>	<b>R 24,991,262</b>	<b>R 69,414,000</b>	<b>R 415,170</b>	<b>R 11,301,712</b>	<b>R 82,688,380</b>	

## Transfers and Grants Receipts

The total grants received to date for period ending 31 July 2022 amounts to R69.41 million, which include R32.54 million from Integrated Urban Development Grant, R1.52 million from Expanded Public Work Programme, R22.35 million from Neighborhood Development Grant, R2 million from Integrated National Electrification Programme Grant, and R11 million disaster relief grant.

## 5.8 Transfers and Grants Expenditure

 <b>ZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b>						
<b>KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER</b> <b>JULY 2022</b>						
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 23	Expenditure: Capital (Revenue Recognised)/GRAP 23	Closing Balance as at	
<a href="#">INTERGRATED URBAN DEVELOPMENT (IUDG)</a>	R 2,320,901	R 32,544,000	R -	R 2,922,188	R 31,942,713	
<a href="#">COGTA ELEC GRANT</a>	R 784,811	R -	R -	R -	R 784,811	
<a href="#">MUNICIPAL DISASTER RECOVERY GRANT</a>	R 327,945				R 327,945	
<a href="#">MUNICIPAL DISASTER RELEIF GRANT</a>	R 8,100,000	R 11,000,000	R -	R -	R 19,100,000	
<a href="#">INTERGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)</a>	R -	R 2,000,000			R 2,000,000	
<a href="#">EXPANDED PUBLIC WORKS PROGRAMME INTERGATED GRANT FOR MUNICIPALITY (EPWP)</a>		R 1,519,000	R 415,170	R -	R 1,103,830	
<a href="#">INTERMODAL FACILITY</a>	R 5,383,380	R -	R -	R -	R 5,383,380	
<a href="#">NEIGHBOURHOOD DEV GRANT</a>	R 797,803	R 22,351,000	R -	R 8,379,524	R 14,769,279	
<a href="#">MARKET STALLS GRANT</a>	R 7,003,970	R -		R -	R 7,003,970	
<a href="#">MODULAR LIBRARIES GRANT</a>	R 272,452	R -		R -	R 272,452	
<b>TOTAL</b>	<b>R 24,991,262</b>	<b>R 69,414,000</b>	<b>R 415,170</b>	<b>R 11,301,712</b>	<b>R 82,688,380</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 July 2022, Operating

and Capital Expenditure has a closing balance of R82.69 million, with YTD spending of R415 thousand and R11.30 million, for operational grants and capital grants respectively.

### **Grant's expenditure**

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

An amount of R33.54 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 July 2022 is R2.92 million and has been spent on various capital projects.

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

An amount of R 1.59 million has been received for EPWP grant. This is an operational grant and the YTD actual for the period ended 31 July 2022 is R415 thousand.

- **Neighborhood Development Partnership Grant**

An amount of R22.35 million has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R797 thousand which the municipality needs to apply for rollover. This is a capital grant and the YTD actual for the period ended 31 July 2022 is R8.38 million.

## 5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		23 352	28 393	-	2 126	2 126	2 366	(240)	-10%	28 393
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 897	3 042	-	241	241	253	(12)	-5%	3 042
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>26 249</b>	<b>31 434</b>	<b>-</b>	<b>2 367</b>	<b>2 367</b>	<b>2 620</b>	<b>(252)</b>	<b>-10%</b>	<b>31 434</b>
<b>% increase</b>	4		<b>19.8%</b>							<b>19.8%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		7 328	4 393	-	374	374	366	8	2%	4 393
Pension and UIF Contributions		80	189	-	16	16	16	0	1%	189
Medical Aid Contributions		72	78	-	17	17	6	11	169%	78
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		866	1 059	-	-	-	88	(88)	-100%	1 059
Motor Vehicle Allowance		495	1 158	-	99	99	97	3	3%	1 158
Cellphone Allowance		109	115	-	10	10	10	(0)	-1%	115
Housing Allowances		1 425	3 488	-	285	285	291	(6)	-2%	3 488
Other benefits and allowances		0	0	-	0	0	0	0	89%	0
Payments in lieu of leave		239	-	-	40	40	-	40	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>10 615</b>	<b>10 481</b>	<b>-</b>	<b>842</b>	<b>842</b>	<b>873</b>	<b>(32)</b>	<b>-4%</b>	<b>10 481</b>
<b>% increase</b>	4		<b>-1.3%</b>							<b>-1.3%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		275 965	276 977	-	23 165	23 165	23 098	67	0%	276 977
Pension and UIF Contributions		49 183	51 553	-	4 255	4 255	4 296	(41)	-1%	51 553
Medical Aid Contributions		18 869	20 813	-	1 634	1 634	1 734	(101)	-6%	20 813
Overtime		18 959	14 695	-	1 442	1 442	1 349	94	7%	14 695
Performance Bonus		21 372	23 805	-	1 357	1 357	1 984	(626)	-32%	23 805
Motor Vehicle Allowance		17 850	18 637	-	1 521	1 521	1 553	(32)	-2%	18 637
Cellphone Allowance		993	1 046	-	82	82	87	(5)	-6%	1 046
Housing Allowances		3 771	3 946	-	341	341	329	12	4%	3 946
Other benefits and allowances		5 113	3 006	-	412	412	290	121	42%	3 006
Payments in lieu of leave		3 460	4 200	-	1 784	1 784	350	1 434	410%	4 200
Long service awards		5 264	2 270	-	306	306	189	117	62%	2 270
Post-retirement benefit obligations		14 654	15 852	-	374	374	1 321	(947)	-72%	15 852
<b>Sub Total - Other Municipal Staff</b>		<b>435 053</b>	<b>436 798</b>	<b>-</b>	<b>36 674</b>	<b>36 674</b>	<b>36 580</b>	<b>94</b>	<b>0%</b>	<b>436 798</b>
<b>% increase</b>	4		<b>0.4%</b>							<b>0.4%</b>
<b>Total Parent Municipality</b>		<b>471 917</b>	<b>478 713</b>	<b>-</b>	<b>39 883</b>	<b>39 883</b>	<b>40 073</b>	<b>(190)</b>	<b>0%</b>	<b>478 713</b>

### Councillors Remuneration

The variance on Remuneration of councillors actuals to date is R252 thousand and YTD budgeted is R 2.62 million with the actual spending of R2.37 million.

### Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading with a YTD actual of R842 thousand and a YTD budget of R873 thousand.

### Other Municipal Staff

The municipal staff year to date spending is sitting at R36.67 million against the year to date budget of R 36.58 million with the only variance of R 94 thousand.

## 5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY  
LONG TERM LOANS REGISTER : 31 JULY 2022



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 JULY 2021	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	CAPITAL REPAYMENT	CLOSING BALANCE 30 JUNE 2022
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	R 3,221,820.21	R 8,476,000.00				R 11,697,820.21
<b>TOTAL DBSA LOANS</b>				R 3,221,820.21	R 8,476,000.00	R -	R -	R -	R 11,697,820.21
<b>TOTAL LOANS</b>				R 3,221,820.21	R 8,476,000.00	R -	R -	R -	R 11,697,820.21

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality entered into a loan agreement for the funding of Capital infrastructure projects, in the 2020/21 financial year the first drawdown of R3.5 million was received, as well as the second drawdown of R8.47 million and current loan balance outstanding is R11.69 million as of 31 July 2022. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2022/23 financial year have been funded by a portion of unspent borrowing and internally generated funds. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1<sup>st</sup> month of the financial year.

### ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

PROJECTS TO BE INCLUDED IN 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 - M01 July

Description of financial indicator	Basis of calculation	Ref	2021/22	Budget Year 2022/23			Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-3.9%	9.8%	0.0%	0.0%	3.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		1.0%	4.0%	0.0%	0.0%	4.0%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		15.0%	14.1%	0.0%	17.7%	14.1%
Gearing	Long Term Borrowing/ Funds & Reserves		57.0%	23.9%	0.0%	64.6%	23.9%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	194.9%	172.1%	0.0%	207.4%	172.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		44.0%	35.9%	0.0%	69.4%	35.9%
<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		43.8%	37.0%	0.0%	304.2%	37.0%
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		42.1%	38.1%	0.0%	22.6%	38.1%
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		9.8%	9.8%	0.0%	0.0%	3.8%
<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 July 2022 and the indicators are broken down below.

### **Borrowing Management**

The outstanding amount in the loan from DBSA is currently sitting at R11 697 820 as of 31 July 2022.

## Liquidity

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

**Budgeted Current Ratio:** R 553 761 000/ R321 834 000= **1.72:1**

**Actual Current Ratio as 31 July 2022:** R 768 223 000: R 370 349 000=**2.07:1**

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 R1.72: R1 ratio and the actual ratio as of 31 July 2022 is 2.07:1 which is still above the norm.

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

**Budgeted Acid test Ratio:** (R 553 761 000-R3 301 000) / R321 834 000= **1.71:1**

**Actual Acid test Ratio as 31 July 2022:** (R768 223 000– R6 712 000)/ R370 349 000= **2.05:1**

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

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
STANDARD BANK - CALL -378692984011			CALL							9 388	41			9 429
STANDARD BANK - CALL -378692984003			CALL							605	3			607
STANDARD BANK - CALL -378692984004			CALL							1 003	4			1 008
STANDARD BANK - CALL -378692984005			CALL							319	1			320
STANDARD BANK - CALL -378692984006			CALL							12	0			12
STANDARD BANK - CALL -378692984007			CALL							78	0			78
STANDARD BANK - CALL -378692984008			CALL							78	0			78
STANDARD BANK - CALL -378692984009			CALL							1 421	6			1 427
STANDARD BANK - CALL -378692984010			CALL							141	1			142
STANDARD BANK - CALL -89140/356988			CALL							32 184	112			32 296
STANDARD BANK - CALL -89139/356986			CALL							240	1			241
STANDARD BANK - CALL -89141/356989			CALL							11 389	40			11 429
STANDARD BANK - CALL -90439/364623			CALL							516	2			518
INVESTEC - CALL-74873852518			CALL							16 115	65			16 180
STANDARD BANK-CALL-89111/356985			CALL							49	0			49
STANDARD BANK-CALL-89111/357732			CALL							11	0			11
FNB - CALL-42726614151			CALL							47 141	602	(23 500)	145 000	169 243
FNB-74873852518			CALL							3 377	14			3 391
			CALL											-
														-
Municipality sub-total										124 065	893	(23 500)	145 000	246 458

The Investment register as of 31 July 2022 has the closing balance of R246 million, with R659 thousand total interest earned for the month from which R893 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.

## 6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M01 July

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	464 477	498 623	–	43 123	43 123	44 983	(1 860)	-4%	498 623
Service charges	214 941	253 618	–	16 743	16 743	21 671	(4 928)	-23%	253 618
Investment revenue	4 737	5 397	–	17	17	446	(429)	-96%	5 397
Transfers and subsidies	256 804	285 102	–	101 651	101 651	83	101 568	121882%	285 102
Other own revenue	118 800	131 888	–	4 297	4 297	11 037	(6 740)	-61%	131 888
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 059 758</b>	<b>1 174 628</b>	<b>–</b>	<b>165 831</b>	<b>165 831</b>	<b>78 221</b>	<b>87 610</b>	<b>112%</b>	<b>1 174 628</b>
Employee costs	445 668	447 279	–	37 516	37 516	37 454	62	0%	447 279
Remuneration of Councillors	26 249	31 434	–	2 367	2 367	2 620	(252)	-10%	31 434
Depreciation & asset impairment	103 310	101 619	–	–	–	9 950	(9 950)	-100%	101 619
Finance charges	338	12 922	–	0	0	3	(2)	-83%	12 922
Inventory consumed and bulk purchases	–	149 809	–	220	220	2 150	(1 930)	-90%	149 809
Transfers and subsidies	9 890	13 178	–	–	–	963	(963)	-100%	13 178
Other expenditure	346 963	415 344	–	22 036	22 036	30 308	(8 271)	-27%	415 344
<b>Total Expenditure</b>	<b>932 418</b>	<b>1 171 585</b>	<b>–</b>	<b>62 140</b>	<b>62 140</b>	<b>83 446</b>	<b>(21 306)</b>	<b>-26%</b>	<b>1 171 585</b>
<b>Surplus/(Deficit)</b>	<b>127 340</b>	<b>3 043</b>	<b>–</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>3 043</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 850	132 360	–	–	–	–	–	–	132 360
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)	17 988	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>292 178</b>	<b>135 403</b>	<b>–</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>135 403</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>292 178</b>	<b>135 403</b>	<b>–</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>	<b>108 916</b>	<b>-2085%</b>	<b>135 403</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>189 040</b>	<b>180 739</b>	<b>–</b>	<b>10 102</b>	<b>10 102</b>	<b>10 854</b>	<b>(752)</b>	<b>-7%</b>	<b>180 739</b>
Capital transfers recognised	144 172	115 052	–	10 068	10 068	9 150	918	10%	115 052
Borrowing	1 876	7 166	–	–	–	–	–	–	7 166
Internally generated funds	23 645	58 521	–	34	34	1 704	(1 670)	-98%	58 521
<b>Total sources of capital funds</b>	<b>169 694</b>	<b>180 739</b>	<b>–</b>	<b>10 102</b>	<b>10 102</b>	<b>10 854</b>	<b>(752)</b>	<b>-7%</b>	<b>180 739</b>
<b>Financial position</b>									
Total current assets	607 617	553 761	–	–	768 223	–	–	–	553 761
Total non current assets	1 885 761	1 878 708	–	–	1 895 863	–	–	–	1 878 708
Total current liabilities	311 809	321 834	–	–	370 349	–	–	–	321 834
Total non current liabilities	201 091	150 842	–	–	209 567	–	–	–	150 842
Community wealth/Equity	<b>2 021 045</b>	<b>1 959 793</b>	<b>–</b>	<b>–</b>	<b>2 084 169</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 959 793</b>
<b>Cash flows</b>									
Net cash from (used) operating	259 684	167 979	–	130 294	130 294	(12 260)	(142 555)	1163%	167 979
Net cash from (used) investing	(185 208)	(179 130)	–	(13 278)	(13 278)	(6 508)	6 769	-104%	(179 130)
Net cash from (used) financing	(36 067)	(19 098)	–	(3 697)	(3 697)	(2 178)	1 519	-70%	(19 098)
<b>Cash/cash equivalents at the month/year end</b>	<b>181 482</b>	<b>112 823</b>	<b>–</b>	<b>–</b>	<b>250 607</b>	<b>122 125</b>	<b>(128 482)</b>	<b>-105%</b>	<b>107 038</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	66 130	8 890	4 295	15 062	13 923	12 713	55 864	326 294	503 171
<b>Creditors Age Analysis</b>									
Total Creditors	–	–	–	–	–	–	–	–	–

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) - M01 July

Vote Description	Ref	Budget Year 2022/23								
		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		464 477	498 623	-	43 123	43 123	44 983	(1 860)	-4%	498 623
Service charges - electricity revenue		157 558	182 857	-	11 322	11 322	15 238	(3 916)	-26%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 383	70 761	-	5 421	5 421	6 433	(1 012)	-16%	70 761
Rental of facilities and equipment		3 897	2 610	-	222	222	223	(1)	0%	2 610
Interest earned - external investments		4 737	5 397	-	17	17	446	(429)	-96%	5 397
Interest earned - outstanding debtors		31 155	24 389	-	2 716	2 716	2 018	698	35%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		15 816	22 158	-	18	18	1 836	(1 818)	-99%	22 158
Licences and permits		8 138	7 824	-	574	574	649	(75)	-12%	7 824
Agency services		4 965	4 894	-	433	433	405	28	7%	4 894
Transfers and subsidies		256 804	285 102	-	101 651	101 651	83	101 568	121882%	285 102
Other revenue		54 718	70 013	-	334	334	5 907	(5 573)	-94%	70 013
Gains		110	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 059 758</b>	<b>1 174 628</b>	<b>-</b>	<b>165 831</b>	<b>165 831</b>	<b>78 221</b>	<b>87 610</b>	<b>112%</b>	<b>1 174 628</b>
<b>Expenditure By Type</b>										
Employee related costs		445 668	447 279	-	37 516	37 516	37 454	62	0%	447 279
Remuneration of councillors		26 249	31 434	-	2 367	2 367	2 620	(252)	-10%	31 434
Debt impairment		4 424	9 984	-	564	564	-	564	#DIV/0!	9 984
Depreciation & asset impairment		103 310	101 619	-	-	-	9 950	(9 950)	-100%	101 619
Finance charges		338	12 922	-	0	0	3	(2)	-83%	12 922
Bulk purchases - electricity		-	137 074	-	-	-	938	(938)	-100%	137 074
Inventory consumed		-	12 735	-	220	220	1 212	(992)	-82%	12 735
Contracted services		212 385	244 881	-	9 211	9 211	16 364	(7 153)	-44%	244 881
Transfers and subsidies		9 890	13 178	-	-	-	963	(963)	-100%	13 178
Other expenditure		129 943	160 480	-	12 261	12 261	13 944	(1 683)	-12%	160 480
Losses		211	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>932 418</b>	<b>1 171 585</b>	<b>-</b>	<b>62 140</b>	<b>62 140</b>	<b>83 446</b>	<b>(21 306)</b>	<b>-26%</b>	<b>1 171 585</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		127 340	3 043	-	103 692	103 692	(5 225)	108 916	(0)	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		146 850	132 360	-	-	-	-	-	-	132 360
Transfers and subsidies - capital (in-kind - all)		12 015	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		5 972	-	-	-	-	-	-	-	-
Taxation		292 178	135 403	-	103 692	103 692	(5 225)	-	-	135 403
Surplus/(Deficit) after taxation		-	-	-	-	-	-	-	-	-
Attributable to minorities		292 178	135 403	-	103 692	103 692	(5 225)	-	-	135 403
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		292 178	135 403	-	103 692	103 692	(5 225)	-	-	135 403
<b>Surplus/ (Deficit) for the year</b>		<b>292 178</b>	<b>135 403</b>	<b>-</b>	<b>103 692</b>	<b>103 692</b>	<b>(5 225)</b>			<b>135 403</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 July 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) - M01 July

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		130	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		20 671	3 075	-	-	-	289	(289)	-100%	3 075
Vote 3 - Internal Audit		115	185	-	-	-	-	-	-	185
Vote 4 - Community and Social Services		9 006	200	-	-	-	17	(17)	-100%	200
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		6 953	5 440	-	24	24	455	(431)	-95%	5 440
Vote 7 - Housing		115	273	-	10	10	-	10	#DIV/0!	273
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		90 372	99 409	-	8 717	8 717	7 290	1 427	20%	99 409
Vote 10 - Road Transport		53 138	55 006	-	1 351	1 351	2 506	(1 155)	-46%	55 006
Vote 11 - Environment Protection		803	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		2 520	15 348	-	-	-	138	(138)	-100%	15 348
Vote 13 - Other		3 108	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		2 110	1 804	-	-	-	159	(159)	-100%	1 804
<b>Total Capital single-year expenditure</b>	4	189 040	180 739	-	10 102	10 102	10 854	(752)	-7%	180 739
<b>Total Capital Expenditure</b>		189 040	180 739	-	10 102	10 102	10 854	(752)	-7%	180 739

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 31 July 2022.

## 6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		437 642	468 731	-	12 767	12 767	39 048	(26 281)	-67%	468 731
Service charges		212 962	228 256	-	14 371	14 371	19 021	(4 651)	-24%	228 256
Other revenue		227 495	44 677	-	10 848	10 848	3 821	7 027	184%	44 677
Transfers and Subsidies - Operational		314 029	341 677	-	104 121	104 121	6 714	97 406	1451%	341 677
Transfers and Subsidies - Capital		159 345	132 360	-	67 895	67 895	10 613	57 282	540%	132 360
Interest		1 520	5 397	-	-	-	446	(446)	-100%	5 397
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(1 086 059)	(1 027 019)	-	(79 707)	(79 707)	(91 105)	(11 398)	13%	(1 027 019)
Finance charges		(336)	(12 922)	-	-	-	(3)	(3)	100%	(12 922)
Transfers and Grants		(6 913)	(13 178)	-	-	-	(817)	(817)	100%	(13 178)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>259 684</b>	<b>167 979</b>	<b>-</b>	<b>130 294</b>	<b>130 294</b>	<b>(12 260)</b>	<b>(142 555)</b>	<b>1163%</b>	<b>167 979</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		(185 208)	(179 130)	-	(13 278)	(13 278)	(6 508)	6 769	-104%	(179 130)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(185 208)</b>	<b>(179 130)</b>	<b>-</b>	<b>(13 278)</b>	<b>(13 278)</b>	<b>(6 508)</b>	<b>6 769</b>	<b>-104%</b>	<b>(179 130)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	7 976	-	-	-	-	-	-	7 976
Increase (decrease) in consumer deposits		649	1 412	-	54	54	118	(63)	-54%	1 412
<b>Payments</b>										
Repayment of borrowing		(36 716)	(28 486)	-	(3 751)	(3 751)	(2 296)	1 455	-63%	(28 486)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(36 067)</b>	<b>(19 098)</b>	<b>-</b>	<b>(3 697)</b>	<b>(3 697)</b>	<b>(2 178)</b>	<b>1 519</b>	<b>-70%</b>	<b>(19 098)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>38 410</b>	<b>(30 248)</b>	<b>-</b>	<b>113 320</b>	<b>113 320</b>	<b>(20 947)</b>			<b>(30 248)</b>
Cash/cash equivalents at beginning:		143 072	143 072	-		137 286	143 072			137 286
Cash/cash equivalents at month/year end:		181 482	112 823	-		250 607	122 125			107 038

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources. As of 31 July 2022, Cash received from operations YTD actual is more than the anticipated cash collection due to that the municipality received more grants on the first month of the financial year.

## 6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		16 696	(6 528)	–	14 930	(6 528)
Call investment deposits		120 590	122 051	–	242 090	122 051
Consumer debtors		284 677	294 403	–	323 345	294 403
Other debtors		179 210	140 390	–	181 145	140 390
Current portion of long-term receivables		–	143	–	–	143
Inventory		6 443	3 301	–	6 712	3 301
<b>Total current assets</b>		<b>607 617</b>	<b>553 761</b>	<b>–</b>	<b>768 223</b>	<b>553 761</b>
<b>Non current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		205 741	205 741	–	205 741	205 741
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1 676 958	1 668 460	–	1 687 036	1 668 460
Biological		–	–	–	–	–
Intangible		857	2 436	–	881	2 436
Other non-current assets		2 205	2 071	–	2 205	2 071
<b>Total non current assets</b>		<b>1 885 761</b>	<b>1 878 708</b>	<b>–</b>	<b>1 895 863</b>	<b>1 878 708</b>
<b>TOTAL ASSETS</b>		<b>2 493 378</b>	<b>2 432 469</b>	<b>–</b>	<b>2 664 086</b>	<b>2 432 469</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		(31 756)	1 378	–	(35 507)	1 378
Consumer deposits		32 688	33 452	–	32 743	33 452
Trade and other payables		271 123	247 979	–	331 680	247 979
Provisions		39 753	39 025	–	41 434	39 025
<b>Total current liabilities</b>		<b>311 809</b>	<b>321 834</b>	<b>–</b>	<b>370 349</b>	<b>321 834</b>
<b>Non current liabilities</b>						
Borrowing		63 690	26 734	–	72 166	26 734
Provisions		137 401	124 108	–	137 401	124 108
<b>Total non current liabilities</b>		<b>201 091</b>	<b>150 842</b>	<b>–</b>	<b>209 567</b>	<b>150 842</b>
<b>TOTAL LIABILITIES</b>		<b>512 900</b>	<b>472 676</b>	<b>–</b>	<b>579 916</b>	<b>472 676</b>
<b>NET ASSETS</b>	<b>2</b>	<b>1 980 478</b>	<b>1 959 793</b>	<b>–</b>	<b>2 084 169</b>	<b>1 959 793</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1 909 401	1 848 149	–	1 972 525	1 848 149
Reserves		111 644	111 644	–	111 644	111 644
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>2 021 045</b>	<b>1 959 793</b>	<b>–</b>	<b>2 084 169</b>	<b>1 959 793</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 July 2022. Total assets are R2.08 billion over the total liabilities of R576 million this therefore mean the municipality is still able to meet its financial obligations.