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RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 30 NOVEMBER 2023 (M05)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 30 NOVEMBER 2023

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2023/24 Budget of the Ray Nkonyeni Municipality for the period ending 30 November 2023 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 November 2023 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

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6.1. Monthly Budget Statement Summary

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

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5.1 Monthly Budget Statement of Financial Performance

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

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M05 - November

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	-	37 675	283 569	277 858	5 711	2%	509 406
Service charges	212 429	245 147	-	21 887	112 926	110 221	2 705	2%	245 147
Investment revenue	10 845	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 845	8 511	-	469	4 494	3 546	948	27%	8 511
Other own revenue	406 634	488 043	-	8 875	164 223	203 351	(39 128)	-19%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	-	68 906	565 213	594 977	(29 764)	-5%	1 251 108
Employee costs	455 419	483 929	-	41 399	198 467	187 223	11 243	-	483 929
Remuneration of Councillors	29 567	31 164	-	10 527	20 058	12 466	7 592	-	31 164
Depreciation and amortisation	94 294	104 756	-	7 273	36 363	43 661	(7 298)	-	104 756
Interest	24 062	9 958	-	0	480	4 145	(3 665)	-	9 958
Inventory consumed and bulk purchases	119 244	168 819	-	13 050	57 896	68 367	(10 472)	-	168 819
Transfers and subsidies	14 465	13 838	-	3 421	5 828	4 732	1 096	23%	13 838
Other expenditure	377 212	440 726	-	49 744	164 633	184 880	(20 247)	-11%	440 726
Total Expenditure	1 114 263	1 253 191	-	125 413	483 723	505 473	(21 750)	-4%	1 253 191
Surplus/(Deficit)	12 632	(2 083)	-	(56 507)	81 490	89 503	(8 014)	-9%	(2 083)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	-	42 873	45 770	(2 897)	-6%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	199 743	107 765	-	(56 507)	124 362	135 273	(10 911)	-8%	107 765
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	199 743	107 765	-	(56 507)	124 362	135 273	(10 911)	-8%	107 765
Capital expenditure & funds sources									
Capital expenditure	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Capital transfers recognised	155 862	95 520	-	10 553	48 282	40 608	7 674	19%	95 520
Borrowing	6 412	21 452	-	-	-	8 581	(8 581)	-100%	21 452
Internally generated funds	56 641	37 921	-	(723)	11 073	17 300	(6 228)	-36%	37 921
Total sources of capital funds	218 915	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Financial position									
Total current assets	735 851	645 023	-	-	873 115	-	-	-	645 023
Total non current assets	2 162 440	2 037 876	-	-	2 185 432	-	-	-	2 037 876
Total current liabilities	395 179	335 379	-	-	423 548	-	-	-	335 379
Total non current liabilities	189 711	158 975	-	-	197 237	-	-	-	158 975
Community wealth/Equity	2 313 400	2 188 546	-	-	2 437 763	-	-	-	2 188 546
Cash flows									
Net cash from (used) operating	86 106	86 106	-	(33 656)	103 502	300 135	196 633	66%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(12 334)	(70 489)	580 033	650 523	112%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(4 177)	(17 293)	580 033	597 326	103%	(18 414)
Cash/cash equivalents at the month/year end	30 925	30 925	-	-	15 719	1 591 793	1 576 073	99%	(100 666)
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	67 768	40 528	19 836	43 683	15 428	21 383	3 804	417 140	629 571
Creditors Age Analysis									
Total Creditors	(47)	5	-	-	-	-	-	-	(42)

5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	-	16 084	78 020	76 015	2 005	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	5 803	34 907	34 206	700	0	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	1 580	4 075	3 988	87	0	9 571
Agency services		5 341	5 371	-	486	2 378	2 238	140	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	720	3 077	2 909	168	0	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	469	4 494	3 546	948	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	339	2 118	1 457	660	0	3 498
Licence and permits		596	636	-	49	251	265	(14)	(0)	636
Operational Revenue		3 673	1 106	-	62	260	461	(200)	(0)	1 106
Non-Exchange Revenue										
Property rates		486 141	509 406	-	37 675	283 569	277 858	5 711	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	2 166	7 695	12 942	(5 247)	(0)	31 062
Licence and permits		7 734	9 628	-	845	4 500	4 012	489	0	9 628
Transfers and subsidies - Operational		285 417	390 026	-	-	127 215	162 511	(35 296)	(0)	390 026
Interest		28 075	30 164	-	2 627	12 653	12 568	85	0	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	-	68 906	565 213	594 977	(29 764)	-5%	1 251 108
Expenditure By Type										
Employee related costs		455 419	483 929	-	41 399	198 467	187 223	11 243	0	483 929
Remuneration of councillors		29 567	31 164	-	10 527	20 058	12 466	7 592	0	31 164
Bulk purchases - electricity		107 470	158 320	-	10 824	51 013	63 328	(12 315)	(0)	158 320
Inventory consumed		11 774	10 499	-	2 226	6 882	5 039	1 843	0	10 499
Debt impairment		(29 418)	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 294	104 756	-	7 273	36 363	43 661	(7 298)	(0)	104 756
Interest		24 062	9 958	-	0	480	4 145	(3 665)	(0)	9 958
Contracted services		211 569	273 776	-	33 404	98 369	114 692	(16 323)	(0)	273 776
Transfers and subsidies		14 465	13 838	-	3 421	5 828	4 732	1 096	0	13 838
Irrecoverable debts written off		27 590	10 513	-	606	2 116	4 380	(2 265)	(0)	10 513
Operational costs		161 955	156 437	-	15 734	64 799	65 808	(1 008)	(0)	156 437
Losses on Disposal of Assets		5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
Total Expenditure		1 114 263	1 253 191	-	125 413	483 723	505 473	(21 750)	-4%	1 253 191
Surplus/(Deficit)		12 632	(2 083)	-	(56 507)	81 490	89 503	(8 014)	(0)	(2 083)
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	-	-	42 873	45 770	(2 897)	(0)	109 848
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		199 743	107 765	-	(56 507)	124 362	135 273			107 765

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

Revenue

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

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	-	16 084	78 020	76 015	2 005	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	5 803	34 907	34 206	700	0	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	1 580	4 075	3 988	87	0	9 571
Agency services		5 341	5 371	-	486	2 378	2 238	140	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	720	3 077	2 909	168	0	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	469	4 494	3 546	948	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	339	2 118	1 457	660	0	3 498
Licence and permits		596	636	-	49	251	265	(14)	(0)	636
Operational Revenue		3 673	1 106	-	62	260	461	(200)	(0)	1 106
Non-Exchange Revenue										
Property rates		486 141	509 406	-	37 675	283 569	277 858	5 711	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	2 166	7 695	12 942	(5 247)	(0)	31 062
Licence and permits		7 734	9 628	-	845	4 500	4 012	489	0	9 628
Transfers and subsidies - Operational		285 417	390 026	-	-	127 215	162 511	(35 296)	(0)	390 026
Interest		28 075	30 164	-	2 627	12 653	12 568	85	0	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	-	68 906	565 213	594 977	(29 764)	-5%	1 251 108

Revenue from Exchange Transactions

Service charges - Electricity

The YTD Actual for electricity billing for the period ended 30 November 2023 is R78 million while the YTD Budget is R76 million. There is a positive variance of R2 million between the YTD actual and YTD budget. The YTD actual is in line with the budget.

Service charges – Waste Management

The overall YTD actual billing for refuse removals is R34.9 million and the YTD Budget billing is R34.2 million, which indicates a positive variance of R700 thousand.

Sale of goods and Rendering of Services

The YTD actual amounts to R4 million with a YTD budget of R3.9 million. The R87 thousand positive variances attributed to seasonal revenue streams such as beach parking which has shown an increase in revenue.

Agency Services

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R5.4 million, with the YTD actual of R2.4 million showing a positive variance of R140 thousand variance.

Interest earned from receivables

The YTD budget amounts to R2.9 million compared to the YTD actual amount of R3 million, YTD actual performance is in line with budgeted projections.

Interest from Investments

The YTD actual is R4.5 million and a YTD budget of R3.5 million. This shows a positive variance since there was more interest earned than the amount anticipated mainly from the main bank account.

Rental from fixed assets

Rental of facilities amounts annual budget is R3.5 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R2.1 million compared to YTD budget of R1.5 million, resulting to a R660 thousand positive variance. This indicates that more rental revenue was collected than anticipated.

Licenses and Permits

Licenses and permits for exchange revenue actuals to date amounts to R251 thousand with a YTD budget of R265 thousand resulting in a negative variance of R14 thousand.

Revenue from Non-exchange transactions

Property Rates

Property rates comprise of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R509.4 million and the YTD actual billing is R283.6 million, compared to the YTD budget of R277.9 million and a positive variance of R5.7 million due to the application of annual rate payers for public benefit organizations, residential properties, and state-owned entities.

Fines

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines and the total budget being R31 million. The YTD actual is R7.7 million compared to a YTD budget of R12.9 million. The variance is mainly caused by low collection of building fines in the first quarter. Fines are expected to be reconciled during peak season to match budget versus actual figures.

Licenses and Permits

Licenses and permits for non-exchange revenue performance to date amount to R4.5 million with a YTD budget of R4 million. The YTD actual revenue mainly comprises of public driver permits and taxi rank fees and is performing in line with the budget.

Transfers and Subsidies -Operational

The YTD as of 30 November 2023 for operational grant recognized /received to date amounts to R127.2 million, YTD Budget is R162.5 million with a variance of R35.3 million as operational conditional grants are recognized as revenue when conditions being met as per the set guidelines which results in the YTD variance.

Interest on Property Rates

The YTD actual amounts to R12.7 million compared to YTD budget of R12.6 million. The item is in line with budget projections.

Total Revenue

The YTD Actual revenue excluding capital transfers is R565.2 million for the period ending 30 November 2023, YTD Budget is R595 million, the variance is caused by the differences within the different revenue streams as stated above and how they have been performing.

5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		455 419	483 929	-	41 399	198 467	187 223	11 243	0	483 929
Remuneration of councillors		29 567	31 164	-	10 527	20 058	12 466	7 592	0	31 164
Bulk purchases - electricity		107 470	158 320	-	10 824	51 013	63 328	(12 315)	(0)	158 320
Inventory consumed		11 774	10 499	-	2 226	6 882	5 039	1 843	0	10 499
Debt impairment		(29 418)	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 294	104 756	-	7 273	36 363	43 661	(7 298)	(0)	104 756
Interest		24 062	9 958	-	0	480	4 145	(3 665)	(0)	9 958
Contracted services		211 569	273 776	-	33 404	98 369	114 692	(16 323)	(0)	273 776
Transfers and subsidies		14 465	13 838	-	3 421	5 828	4 732	1 096	0	13 838
Irrecoverable debts written off		27 590	10 513	-	606	2 116	4 380	(2 265)	(0)	10 513
Operational costs		161 955	156 437	-	15 734	64 799	65 808	(1 008)	(0)	156 437
Losses on Disposal of Assets		5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
Total Expenditure		1 114 263	1 253 191	-	125 413	483 723	505 473	(21 750)	-4%	1 253 191

Employee related costs and Remuneration of Councillors

The YTD actuals for employee related costs amount to R198.5 million as of 30 November 2023 which comprises of salaries, bonuses and various allowances amongst other items that are directly attributable to employee remuneration. Remuneration of councillors YTD actuals are sitting at R20 million. Employee-related cost is further detailed under table 5.9 Salaries Expenditure Details.

Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 30 November 2023 amounts to R98.4 million, the YTD Budget is R114.7 million. The R16.3 million variance is due to a delay in the implementation of road maintenance projects which expenditure has begun from the month of November which will account for the variance in upcoming months as the projects continue.

Inventory Consumed

YTD Inventory consumed amounts to R6.9 million as of 30 November 2023 with the YTD Budget being R5 million. The consumption of inventory is higher than budget projections.

Depreciation and Amortization

The YTD actual for this item has been calculated for the quarter as R36.4 million compared to the YTD budget of R43.7 million. The variance between the budgeted figure and the actual figure is due to depreciation being accounted for on assets that are currently in use, and the budget being based on additional assets planned to be procured during the financial year.

Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects with the jurisdiction of Ray Nkonyeni Municipality. The YTD actual for November 2023 stands at R5.8 million with a YTD budget of R4.7 million. The annual budget for transfers and subsidies is R13.8 million.

Overall expenditure budget

The overall expenditure YTD Actual is R483.7 million, YTD Budget is R505.5 million. There is R21.7 million variance, due to the trends of different types of expenditure as explained above such as transfers and subsidies and contracted services which reflect a large variance compared to YTD budget.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). The YTD Surplus excluding capital transfers is R81.5 million compared to the YTD Budget surplus of R89.5 million due to the performance of the various line items detailed above.

5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 - November

Description	NT Code	Budget Year 2023/24									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts LLo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr					
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	16	19	21	4	28	29	18	932	1 067	1 011	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18 750	6 957	2 083	1 312	995	746	653	12 262	43 758	15 967	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	39 495	26 835	12 465	34 279	9 359	1 376	156	252 221	376 186	297 391	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-	
Receivables from Exchange Transactions - Waste Management	1600	5 717	3 073	2 164	5 006	1 651	13	0	50 046	67 672	56 717	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	3 388	3 254	2 970	2 885	2 874	18 992	2 877	90 791	128 032	118 420	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	401	389	133	198	521	227	100	10 887	12 856	11 933	-	-	
Total By Income Source	2000	67 768	40 528	19 836	43 683	15 428	21 383	3 804	417 140	629 571	501 439	-	-	
2022/23 - totals only		60 868	30 519	17 565	43 613	13 799	4 167	46 922	340 637	598 089	449 138	-	-	
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 654	8 463	778	17 094	642	946	382	31 989	62 947	51 053	-	-	
Commercial	2300	25 307	10 935	5 060	6 062	3 767	4 052	956	77 965	134 104	92 802	-	-	
Households	2400	39 807	21 130	13 998	20 527	11 019	16 385	2 466	307 186	432 520	357 584	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	67 768	40 528	19 836	43 683	15 428	21 383	3 804	417 140	629 571	501 439	-	-	

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

5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 - November

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	406
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	(47)	5	-	-	-	-	-	-	-	(42)	76
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	(47)	5	-	-	-	-	-	-	-	(42)	482

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

5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 - November

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		19 043	3 801	-	-	163	3 600	(3 437)	-95%	3 801
Vote 3 - Internal Audit		676	200	-	(3)	157	83	73	88%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	(1 267)	384	1 878	(1 494)	-80%	4 340
Vote 7 - Housing		229	180	-	-	51	72	(21)	-30%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	115 220	-	10 020	51 091	48 358	2 733	6%	115 220
Vote 10 - Road Transport		77 794	7 200	-	1 079	7 058	2 900	4 158	143%	7 200
Vote 11 - Environment Protection		389	500	-	-	-	208	(208)	-100%	500
Vote 12 - Energy Sources		13 778	22 952	-	-	-	9 181	(9 181)	-100%	22 952
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	-	0	452	208	243	117%	500
Total Capital single-year expenditure	4	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Total Capital Expenditure		227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Capital Expenditure - Functional Classification										
Governance and administration		20 039	4 001	-	(3)	320	3 683	(3 364)	-91%	4 001
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	-	163	3 600	(3 437)	(0)	3 801
Internal audit		676	200	-	(3)	157	83	73	0	200
Community and public safety		(9 844)	4 520	-	(1 267)	435	1 950	(1 515)	-78%	4 520
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	(1 267)	384	1 878	(1 494)	(0)	4 340
Housing		229	180	-	-	51	72	(21)	(0)	180
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		199 682	122 920	-	11 100	58 149	51 466	6 683	13%	122 920
Planning and development		121 350	115 220	-	10 020	51 091	48 358	2 733	0	115 220
Road transport		77 943	7 200	-	1 079	7 058	2 900	4 158	0	7 200
Environmental protection		389	500	-	-	-	208	(208)	(0)	500
Trading services		18 283	23 452	-	0	452	9 389	(8 937)	-95%	23 452
Energy sources		13 778	22 952	-	-	-	9 181	(9 181)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	-	0	452	208	243	0	500
Other		(843)	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Funded by:										
National Government		125 344	93 781	-	10 553	48 282	39 912	8 370	0	93 781
Provincial Government		30 518	1 739	-	-	-	696	(696)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		155 862	95 520	-	10 553	48 282	40 608	7 674	19%	95 520
Borrowing	6	6 412	21 452	-	-	-	8 581	(8 581)	(0)	21 452
Internally generated funds		56 641	37 921	-	(723)	11 073	17 300	(6 228)	(0)	37 921
Total Capital Funding		218 915	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R59.4 million, the YTD budgeted is R66.5 million and there is R7.1 million variance. R 48.3 million of YTD actuals for capital expenditure, R48.2 million is funded by national grants, and R11 million from internally generated funds.

5.7 Transfers and Grants Receipts



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER NOV 2023							
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 23	Internally Funded	Closing Balance as at	
INTEGRATED URBAN DEVELOPMENT (IUDG)	R 311 285	R 35 500 000	R -	R 35 889 812	R 78 527		
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 19 003 908	R 3 511 245		
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 3 559 000	R 3 773 194	R -	R 214 194		
MUNICIPAL DISASTER RESPONSE	R 101 768	R -	R -	R -	R -	R	101 767.54
MUNICIPAL DISASTER RECOVERY	R -	R 31 000 000	R 23 388 584	R -	R -	R	7 611 415.89
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R	13 589.68
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R	326 519.55
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 215 848	R -	R -	R	1 734 151.76
MUSEUM GRANT	R -	R 476 000	R 1 175 506	R -	R 699 507	R	-
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R	5 763 373.50
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R	784 810.61
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R	2 452 315.18
TOTAL	R 8 954 323	R 88 777 000	R 28 553 132	R 54 893 720	R 4 503 473	R	18 787 944

Transfers and Grants Receipts

The total grants received to date for period ending 30 November 2023 amounts to R88.8 million, which include R35.5 million from Integrated Urban Development Grant, R14.3 million from Neighborhood Development Grant, R3.56 million from EPWP, R1.95 million from FMG, R31 million disaster recovery grant and R 476 thousand from Museum Grant.

Opening Balances -Grant Register

The total unspent grants as of 30 June 2023 is **R 8 954 323.00**. They are shown on the register as the Opening balances. The committee should note that the municipality has applied for a rollover of funds for these grants. Following is the list of the unspent grants:

- Integrated Urban Development – R311 285
- Neighborhood Grant – R1 200 663
- Municipal Disaster Response – R101 768
- Intermodal Facilities Grant – R13 590
- Integrated National Electrification Programme (INEP) – R326 520
- Airport Grant – R3 763 374
- COGTA Electrification Grant – R784 811
- Market Stalls Grant – R2 452 315

5.8 Transfers and Grants Expenditure



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER NOV 2023							
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2	Expenditure: Capital (Revenue Recognised)/GRAP 23	Internally Funded	Closing Balance as at	
INTEGRATED URBAN DEVELOPMENT (IUDG)	R 311 285	R 35 500 000	R -	R 35 889 812	R 78 527		
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 19 003 908	R 3 511 245		
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 3 559 000	R 3 773 194	R -	R 214 194		
MUNICIPAL DISASTER RESPONSE	R 101 768	R -	R -	R -	R -	R 101 767.54	
MUNICIPAL DISASTER RECOVERY	R -	R 31 000 000	R 23 388 584	R -	R -	R 7 611 415.89	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589.68	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -	R -	R 326 519.55	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 215 848	R -	R -	R 1 734 151.76	
MUSEUM GRANT	R -	R 476 000	R 1 175 506	R -	R 699 507	R -	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -	R -	R 5 763 373.50	
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810.61	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -	R -	R 2 452 315.18	
TOTAL	R 8 954 323	R 88 777 000	R 28 553 132	R 54 893 720	R 4 503 473	R 18 787 944	

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 November 2023, there is R28 553 132 operating expenditure recorded and capital expenditure amounting to R54 893 720.

Grant's expenditure

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

An amount of R35.5 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 30 November 2023 is R35.9 million and has been spent on various capital projects, with R78 thousand being internally funded.

- **Neighborhood Development Partnership Grant**

An amount of R14 292 000 has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R1.2 million from the previous year which the municipality needs to apply for rollover. This is a capital grant and the YTD actual for the period ended 30 November 2023 is R19 million, with R3.5 million being internally funded.

- **Expanded Public Works Programme**

An amount of R3 559 000 has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 30 November 2023 is R3 773 194, with R1214 194 being internally funded until the second tranche is received.

- **Finance Management Grant**

An amount of R1 950 000 has been received for the FMG grant. This is an operational grant and the YTD actual for the period ended 30 November 2023 is R215 848.

- **Museum Subsidy Grant**

An amount of R476 000 has been received for the museum grant. This is an operational grant and the YTD actual for the period ended 30 November 2023 is R1 175 506, with R699 507 being internally funded.

- **Disaster Recovery Grant**

An amount of R31 000 000 has been received for the disaster grant. This is an operational grant and the YTD actual for the period ended 30 November 2023 is R23 388 584.

5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 - November

Summary of Employee and Councillor remuneration R thousands	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	19 040	-	9 228	14 625	7 616	7 009	92%	19 040
Pension and UIF Contributions		-	758	-	63	313	303	10	3%	758
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	2 815	-	252	1 214	1 126	88	8%	2 815
Housing Allowances		-	5 953	-	729	2 662	2 381	281	12%	5 953
Other benefits and allowances		-	2 599	-	254	1 244	1 039	204	20%	2 599
Sub Total - Councillors		-	31 164	-	10 527	20 058	12 466	7 592	61%	31 164
% increase	4		#DIV/0!							#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 690	3 946	-	207	1 277	1 578	(301)	-19%	3 946
Pension and UIF Contributions		146	192	-	8	31	77	(46)	-59%	192
Medical Aid Contributions		198	230	-	4	34	92	(58)	-63%	230
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		960	1 059	-	-	-	423	(423)	-100%	1 059
Motor Vehicle Allowance		838	1 060	-	61	258	424	(166)	-39%	1 060
Cellphone Allowance		87	114	-	6	28	46	(18)	-40%	114
Housing Allowances		2 655	3 275	-	111	697	1 310	(613)	-47%	3 275
Other benefits and allowances		1	1	-	0	0	0	(0)	-34%	1
Payments in lieu of leave		327	332	-	(43)	(175)	133	(307)	-231%	332
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		76	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8 978	10 209	-	353	2 151	4 084	(1 933)	-47%	10 209
% increase	4		13.7%							13.7%
Other Municipal Staff										
Basic Salaries and Wages		274 917	289 060	-	23 963	120 135	115 616	4 518	4%	289 060
Pension and UIF Contributions		50 977	50 460	-	4 331	21 767	20 184	1 583	8%	50 460
Medical Aid Contributions		20 094	20 668	-	1 720	8 659	8 267	392	5%	20 668
Overtime		21 821	18 985	-	1 345	7 562	7 594	(32)	0%	18 985
Performance Bonus		22 443	22 473	-	3 557	12 022	8 989	3 032	34%	22 473
Motor Vehicle Allowance		18 911	18 975	-	1 661	8 363	7 590	773	10%	18 975
Cellphone Allowance		1 021	1 007	-	82	420	403	17	4%	1 007
Housing Allowances		4 152	4 059	-	282	1 409	1 624	(215)	-13%	4 059
Other benefits and allowances		5 224	6 038	-	423	2 083	2 415	(332)	-14%	6 038
Payments in lieu of leave		4 871	22 480	-	2 527	9 579	8 992	587	7%	22 480
Long service awards		4 268	2 751	-	686	2 244	1 100	1 144	104%	2 751
Post-retirement benefit obligations		17 103	15 852	-	400	1 587	-	1 587	#DIV/0!	15 852
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		638	912	-	69	487	365	122	33%	912
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		446 442	473 720	-	41 046	196 316	183 140	13 176	7%	473 720
% increase	4		6.1%							6.1%
Total Parent Municipality		455 419	515 094	-	51 926	218 525	199 689	18 836	9%	515 094

Councillors Remuneration

The annual budget is R31.16 million with a monthly budget of R10.5 million. The YTD actual performance stands at R20 million. The increase in council remuneration was due to COGTA upgrading council remuneration to a new task grade.

Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading with a YTD actual of R2.1 million and a YTD budget of R4 million. The variance is attributed to the vacant post of senior management.

Other Municipal Staff

The annual budget is R473.7 million with a monthly budget of R41 million. The YTD actual of R196.3 million is in line with the YTD budget for this item.

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 30 NOVEMBER 2023



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING		LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE	
				01 November 2023						30 November 2023	
				R					R	R	
DBSA	9.96%	31-Mar-31	61007684	-R	10 647 036.07					-R	10 647 036.07
DBSA	12.67%	22-Nov-30	61007761	-R	7 711 087.73					-R	7 711 087.73
TOTAL DBSA LOANS				-R	18 358 123.80	R	-	R	-	-R	18 358 123.80
TOTAL LOANS				-R	18 358 123.80	R	-	R	-	-R	18 358 123.80

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality entered into a loan agreement for the funding of Capital infrastructure projects, in the 2020/21 financial year the first drawdown of R3.5 million was received, as well as the second drawdown of R8.47, as well as the third drawdown of R7.9 million and current loan balance outstanding is R18.4 million as of 30 November 2023. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2023/24 financial year have been funded by a portion of unspent borrowing. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1st month of the financial year.

ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

PROJECTS TO BE INCLUDED IN RNLM BUDGET	Year 1			Year 2			Year 3			Year 4			Total
	Year 1	Year 2	Year 3	Totals	Year 4	Total							
Electricity Meters Replacement	3,000,000	2,000,000	2,000,000	7,000,000									
Network infrastructure studies	500,000												
Electrical Cables Replacement	-	1,000,000	500,000	1,500,000									
Mini-substations Replacement	-	1,000,000	1,000,000	2,000,000									
Inter-switches (RMU) Replacement	-	1,000,000	1,000,000	2,000,000									
11kV Interconnector - Marburg to Port Shepstone Substation	-	-	-	-	14,500,000.00								
Memorial & Reynolds Sw/Sta Refurbishment & Replace Switchgear	-	3,476,000	3,476,000	6,952,000	6,952,000.00								
Totals	R 3,500,000.00	R 8,476,000.00	R 7,976,000.00	R 19,952,000.00	21,452,000.00	41,404,000.00							

5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M05 - November

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Revised Estimate	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.5%	9.2%	0.0%	0.1%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		2.8%	13.8%	0.0%	0.0%	36.1%
Safety of Capital							
Debt to Equity Gearing	Loans, Accounts Payable, Overdraft & Tax Provision/ Long Term Borrowing/ Funds & Reserves		14.9%	14.0%	0.0%	14.6%	14.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	186.2%	192.3%	0.0%	206.1%	192.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	12.1%	0.0%	27.5%	12.1%
Revenue Management							
Annual Debtors Collection Rate	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		41.6%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors >		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		40.4%	38.7%	0.0%	35.1%	38.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	15.5%	0.0%	10.9%	15.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.2%	0.0%	0.1%	3.3%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational						

The above table gives an overview of the financial indicators of the municipality for the period ended 30 November 2023 and the indicators are broken down below.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R18 358 123.80 as of 30 November 2023.

Liquidity

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

Budgeted Current Ratio: R645 023 000/R335 379 000= **1.92:1**

Actual Current Ratio as of 30 November 2023: R873 115 000/ 423 548 000 = **2.06:1**

The current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.92: R1 ratio and the actual ratio as of 30 November 2023 is: R2.06: R1 which is above the norm.

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

Budgeted Acid test Ratio: (R645 023 000 - R2 559 000)/R335 379 000 = **1.92:1**

Actual Acid test Ratio as 30 November 2023: (R873 115 000 – 9 721 000)/ 423 548 000 =**2.04:1**

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

5.12 Investment Register

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 - November

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										10 325	70			10 395
STANDARD BANK - CALL -378692984003										665	5			669
STANDARD BANK - CALL -378692984004										1 103	7			1 111
STANDARD BANK - CALL -378692984005										350	2			353
STANDARD BANK - CALL -378692984006										13	0			13
STANDARD BANK - CALL -378692984007										82	0			83
STANDARD BANK - CALL -378692984008										82	0			83
STANDARD BANK - CALL -378692984009										1 562	11			1 573
STANDARD BANK - CALL -378692984010										155	1			156
STANDARD BANK - CALL -378692984012										35 292	239			35 532
STANDARD BANK - CALL -378692984013										263	2			265
STANDARD BANK - CALL -378692984014										12 489	85			12 574
STANDARD BANK - CALL -378692984015										566	4			570
INVESTEC - CALL-74873852518										11 127	72	(357)		10 841
STANDARD BANK-CALL-378692984016										53	0			54
STANDARD BANK-CALL-378692984017										12	0			12
FNB - CALL-62725614151										47 313	418	(76 512)	30 000	1 219
FNB-74873852518										3 706	25			3 731
NEDBANK-37881000791										27 856	177			28 033
Municipality sub-total										153 015	1 119	(76 869)	30 000	107 264

The Investment register as of 30 November 2023 has the closing balance of R107 million, with R1.1 million total interest earned for the month from which R905 thousand was made on primary investment and various investment accounts as shown in the above register.

6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M05 - November

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	-	37 675	283 569	277 858	5 711	2%	509 406
Service charges	212 429	245 147	-	21 887	112 926	110 221	2 705	2%	245 147
Investment revenue	10 845	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	10 845	8 511	-	469	4 494	3 546	948	27%	8 511
Other own revenue	406 634	488 043	-	8 875	164 223	203 351	(39 128)	-19%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	-	68 906	565 213	594 977	(29 764)	-5%	1 251 108
Employee costs	455 419	483 929	-	41 399	198 467	187 223	11 243		483 929
Remuneration of Councillors	29 567	31 164	-	10 527	20 058	12 466	7 592		31 164
Depreciation and amortisation	94 294	104 756	-	7 273	36 363	43 661	(7 298)		104 756
Interest	24 062	9 958	-	0	480	4 145	(3 665)		9 958
Inventory consumed and bulk purchases	119 244	168 819	-	13 050	57 896	68 367	(10 472)		168 819
Transfers and subsidies	14 465	13 838	-	3 421	5 828	4 732	1 096	23%	13 838
Other expenditure	377 212	440 726	-	49 744	164 633	184 880	(20 247)	-11%	440 726
Total Expenditure	1 114 263	1 253 191	-	125 413	483 723	505 473	(21 750)	-4%	1 253 191
Surplus/(Deficit)	12 632	(2 083)	-	(56 507)	81 490	89 503	(8 014)	-9%	(2 083)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	-	-	42 873	45 770	(2 897)	-6%	109 848
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	199 743	107 765	-	(56 507)	124 362	135 273	(10 911)	-8%	107 765
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	199 743	107 765	-	(56 507)	124 362	135 273	(10 911)	-8%	107 765
Capital expenditure & funds sources									
Capital expenditure	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Capital transfers recognised	155 862	95 520	-	10 553	48 282	40 608	7 674	19%	95 520
Borrowing	6 412	21 452	-	-	-	8 581	(8 581)	-100%	21 452
Internally generated funds	56 641	37 921	-	(723)	11 073	17 300	(6 228)	-36%	37 921
Total sources of capital funds	218 915	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Financial position									
Total current assets	735 851	645 023	-	-	873 115	-	-	-	645 023
Total non current assets	2 162 440	2 037 876	-	-	2 185 432	-	-	-	2 037 876
Total current liabilities	395 179	335 379	-	-	423 548	-	-	-	335 379
Total non current liabilities	189 711	158 975	-	-	197 237	-	-	-	158 975
Community wealth/Equity	2 313 400	2 188 546	-	-	2 437 763	-	-	-	2 188 546
Cash flows									
Net cash from (used) operating	86 106	86 106	-	(33 656)	103 502	300 135	196 633	66%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(12 334)	(70 489)	580 033	650 523	112%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(4 177)	(17 293)	580 033	597 326	103%	(18 414)
Cash/cash equivalents at the month/year end	30 925	30 925	-	-	15 719	1 591 793	1 576 073	99%	(100 666)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	67 768	40 528	19 836	43 683	15 428	21 383	3 804	417 140	629 571
Creditors Age Analysis									
Total Creditors	(47)	5	-	-	-	-	-	-	(42)

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) - M05 - November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	-	16 084	78 020	76 015	2 005	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	-	5 803	34 907	34 206	700	0	62 711
Sale of Goods and Rendering of Services		25 874	9 571	-	1 580	4 075	3 988	87	0	9 571
Agency services		5 341	5 371	-	486	2 378	2 238	140	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	-	720	3 077	2 909	168	0	6 982
Interest from Current and Non Current Assets		10 845	8 511	-	469	4 494	3 546	948	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	-	339	2 118	1 457	660	0	3 498
Licence and permits		596	636	-	49	251	265	(14)	(0)	636
Operational Revenue		3 673	1 106	-	62	260	461	(200)	(0)	1 106
Non-Exchange Revenue										
Property rates		486 141	509 406	-	37 675	283 569	277 858	5 711	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	-	2 166	7 695	12 942	(5 247)	(0)	31 062
Licence and permits		7 734	9 628	-	845	4 500	4 012	489	0	9 628
Transfers and subsidies - Operational		285 417	390 026	-	-	127 215	162 511	(35 296)	(0)	390 026
Interest		28 075	30 164	-	2 627	12 653	12 568	85	0	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		25 653	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	-	68 906	565 213	594 977	(29 764)	-5%	1 251 108
Expenditure By Type										
Employee related costs		455 419	483 929	-	41 399	198 467	187 223	11 243	0	483 929
Remuneration of councillors		29 567	31 164	-	10 527	20 058	12 466	7 592	0	31 164
Bulk purchases - electricity		107 470	158 320	-	10 824	51 013	63 328	(12 315)	(0)	158 320
Inventory consumed		11 774	10 499	-	2 226	6 882	5 039	1 843	0	10 499
Debt impairment		(29 418)	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 294	104 756	-	7 273	36 363	43 661	(7 298)	(0)	104 756
Interest		24 062	9 958	-	0	480	4 145	(3 665)	(0)	9 958
Contracted services		211 569	273 776	-	33 404	98 369	114 692	(16 323)	(0)	273 776
Transfers and subsidies		14 465	13 838	-	3 421	5 828	4 732	1 096	0	13 838
Irrecoverable debts written off		27 590	10 513	-	606	2 116	4 380	(2 265)	(0)	10 513
Operational costs		161 955	156 437	-	15 734	64 799	65 808	(1 008)	(0)	156 437
Losses on Disposal of Assets		5 320	-	-	-	(652)	-	(652)	#DIV/0!	-
Other Losses		197	-	-	-	-	-	-	-	-
Total Expenditure		1 114 263	1 253 191	-	125 413	483 723	505 473	(21 750)	-4%	1 253 191
Surplus/(Deficit)		12 632	(2 083)	-	(56 507)	81 490	89 503	(8 014)	(0)	(2 083)
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	-	-	42 873	45 770	(2 897)	(0)	109 848
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		199 743	107 765	-	(56 507)	124 362	135 273			107 765
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		199 743	107 765	-	(56 507)	124 362	135 273			107 765

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 November 2023. The full year forecast provides a guideline in terms of overall performance, and it gives an overview of whether the municipality will be able to spend as per budget.

6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 - November

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Mayor and Council		298	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		19 043	3 801	-	-	163	3 600	(3 437)	-95%	3 801
Vote 3 - Internal Audit		676	200	-	(3)	157	83	73	88%	200
Vote 4 - Community and Social Services		(1 903)	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		(8 021)	4 340	-	(1 267)	384	1 878	(1 494)	-80%	4 340
Vote 7 - Housing		229	180	-	-	51	72	(21)	-30%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		121 372	115 220	-	10 020	51 091	48 358	2 733	6%	115 220
Vote 10 - Road Transport		77 794	7 200	-	1 079	7 058	2 900	4 158	143%	7 200
Vote 11 - Environment Protection		389	500	-	-	-	208	(208)	-100%	500
Vote 12 - Energy Sources		13 778	22 952	-	-	-	9 181	(9 181)	-100%	22 952
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	-	0	452	208	243	117%	500
Total Capital single-year expenditure	4	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Total Capital Expenditure		227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Capital Expenditure - Functional Classification										
Governance and administration		20 039	4 001	-	(3)	320	3 683	(3 364)	-91%	4 001
Executive and council		320	-	-	-	-	-	-	-	-
Finance and administration		19 043	3 801	-	-	163	3 600	(3 437)	(0)	3 801
Internal audit		676	200	-	(3)	157	83	73	0	200
Community and public safety		(9 844)	4 520	-	(1 267)	435	1 950	(1 515)	-78%	4 520
Community and social services		(1 903)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		(8 170)	4 340	-	(1 267)	384	1 878	(1 494)	(0)	4 340
Housing		229	180	-	-	51	72	(21)	(0)	180
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		199 682	122 920	-	11 100	58 149	51 466	6 683	13%	122 920
Planning and development		121 350	115 220	-	10 020	51 091	48 358	2 733	0	115 220
Road transport		77 943	7 200	-	1 079	7 058	2 900	4 158	0	7 200
Environmental protection		389	500	-	-	-	208	(208)	(0)	500
Trading services		18 283	23 452	-	0	452	9 389	(8 937)	-95%	23 452
Energy sources		13 778	22 952	-	-	-	9 181	(9 181)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	-	0	452	208	243	0	500
Other		(843)	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	227 317	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893
Funded by:										
National Government		125 344	93 781	-	10 553	48 282	39 912	8 370	0	93 781
Provincial Government		30 518	1 739	-	-	-	696	(696)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		155 862	95 520	-	10 553	48 282	40 608	7 674	19%	95 520
Borrowing	6	6 412	21 452	-	-	-	8 581	(8 581)	(0)	21 452
Internally generated funds		56 641	37 921	-	(723)	11 073	17 300	(6 228)	(0)	37 921
Total Capital Funding		218 915	154 893	-	9 830	59 355	66 489	(7 134)	-11%	154 893

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 30 November 2023.

6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M05 - November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		483 936	483 936	-	43 641	199 560	201 640	(2 080)	-1%	483 936
Service charges		232 890	232 890	-	23 118	110 225	72 214	38 011	53%	232 890
Other revenue		26 628	26 628	-	7 627	37 282	-	37 282	#DIV/0!	26 628
Transfers and Subsidies - Operational		390 290	390 290	-	3 394	126 408	-	126 408	#DIV/0!	390 290
Transfers and Subsidies - Capital		109 848	109 848	-	-	82 792	24 823	57 969	234%	109 848
Interest		8 511	8 511	-	418	4 169	-	4 169	#DIV/0!	8 511
Dividends		-	-	-	-	-	1 457	(1 457)	-100%	-
Payments										
Suppliers and employees		(1 156 039)	(1 156 039)	-	(111 854)	(456 456)	-	(456 456)	#DIV/0!	(1 156 039)
Interest		(9 958)	(9 958)	-	-	(479)	-	(479)	#DIV/0!	(9 958)
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		86 106	86 106	-	(33 656)	103 502	300 135	196 633	66%	86 106
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	506 801	(506 801)	-100%	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	73 232	(73 232)	-100%	-
Payments										
Capital assets		(168 358)	(168 358)	-	(12 334)	(70 489)	-	(70 489)	#DIV/0!	(168 358)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(168 358)	(168 358)	-	(12 334)	(70 489)	580 033	650 523	112%	(168 358)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	580 033	(580 033)	-100%	-
Payments										
Repayment of borrowing		(18 414)	(18 414)	-	(4 177)	(17 293)	-	(17 293)	#DIV/0!	(18 414)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(18 414)	(18 414)	-	(4 177)	(17 293)	580 033	597 326	103%	(18 414)
NET INCREASE/ (DECREASE) IN CASH HELD		(100 666)	(100 666)	-	(50 168)	15 719	1 460 202			(100 666)
Cash/cash equivalents at beginning:		131 591	131 591	-	-	-	131 591			-
Cash/cash equivalents at month/year end:		30 925	30 925	-	-	15 719	1 591 793			(100 666)

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

6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M05 - November

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		114 251	40 427	–	116 332	40 427
Trade and other receivables from exchange transactions		110 482	143 554	–	133 925	143 554
Receivables from non-exchange transactions		353 515	333 984	–	454 759	333 984
Current portion of non-current receivables		–	–	–	–	–
Inventory		5 564	2 559	–	9 721	2 559
VAT		147 570	121 348	–	153 909	121 348
Other current assets		4 469	3 151	–	4 469	3 151
Total current assets		735 851	645 023	–	873 115	645 023
Non current assets						
Investments		–	–	–	–	–
Investment property		354 869	307 811	–	354 869	307 811
Property, plant and equipment		1 804 872	1 726 164	–	1 828 009	1 726 164
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 210	2 205	–	2 210	2 205
Intangible assets		489	1 697	–	345	1 697
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		2 162 440	2 037 876	–	2 185 432	2 037 876
TOTAL ASSETS		2 898 291	2 682 899	–	3 058 547	2 682 899
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		17 369	28 891	–	76	28 891
Consumer deposits		35 315	32 846	–	36 643	32 846
Trade and other payables from exchange transactions		147 675	112 595	–	127 288	112 595
Trade and other payables from non-exchange transactions		37 945	46 376	–	78 359	46 376
Provision		39 844	35 473	–	45 975	35 473
VAT		112 191	74 576	–	130 367	74 576
Other current liabilities		4 839	4 622	–	4 839	4 622
Total current liabilities		395 179	335 379	–	423 548	335 379
Non current liabilities						
Financial liabilities		43 628	16 435	–	51 154	16 435
Provision		47 192	41 487	–	47 192	41 487
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		98 891	101 052	–	98 891	101 052
Total non current liabilities		189 711	158 975	–	197 237	158 975
TOTAL LIABILITIES		584 890	494 353	–	620 785	494 353
NET ASSETS	2	2 313 400	2 188 546	–	2 437 763	2 188 546
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 313 400	2 188 546	–	2 437 763	2 188 546
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 313 400	2 188 546	–	2 437 763	2 188 546

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 November 2023. Total assets are R3.1 billion over the total liabilities of R620.8 million this therefore mean the municipality is still able to meet its financial obligations.