



The Game changer of South Coast development

RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

QUARTERLY BUDGET STATEMENT FOR THE 1st QUARTER ENDED 30 SEPTEMBER 2023

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 30 SEPTEMBER 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 September 2023 in line with the statutory requirements of S52d of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56 of 2003, Section 52d

4. BACKGROUND

In terms of Section 52d of the MFMA No 56 of 2003, the Mayor of a municipality must by no later than 30 working days after the end of each quarter submit to the council on the implementation of the budget and financial state of affairs of the municipality.

5. EXECUTIVE SUMMARY

The quarterly budget statement in terms of section 52d of the Municipal Finance Management Act for the 1st quarter ended 30 September 2023 is detailed below. The Quarterly 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 Capital Expenditure
- 5.6 Transfers and Grants Receipts
- 5.7 Transfers and Grants Expenditure
- 5.8 Salaries Expenditure
- 5.9 Long-term Loans
- 5.10. Performance Indicators

6. MAIN TABLES

- 6.1. Summary
- 6.2. Financial Performance by Revenue and Expenditure
- 6.3. Capital Expenditure
- 6.4. Statement of Financial Position
- 6.5. Statement of Cash flows

Section 52d Budget Implementation ratio analysis.

National treasury has ratio norms in place that aid in the analysis of actual performance against budgeted performance. As at the end of the first quarter of the 2023/24 financial year, the tables below compare the implementation of the budget with the first quarter against the implementation of the 2022/23 financial year first quarter. This comparison assesses the performance of the municipality in implementing its budget efficiently.

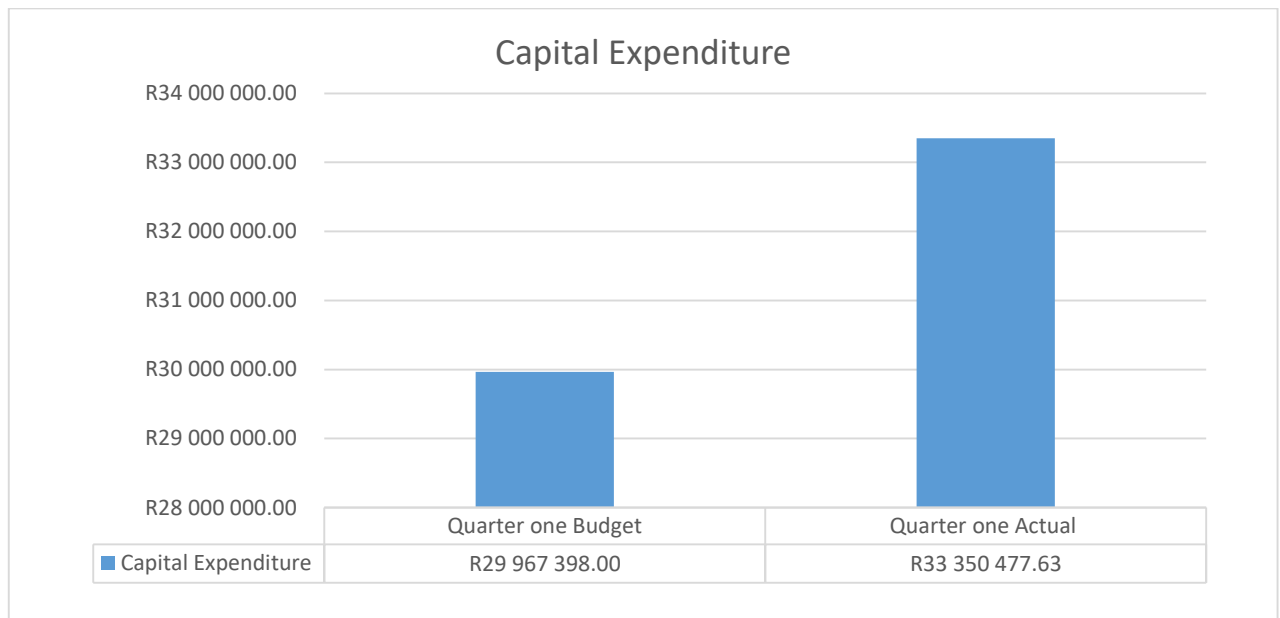
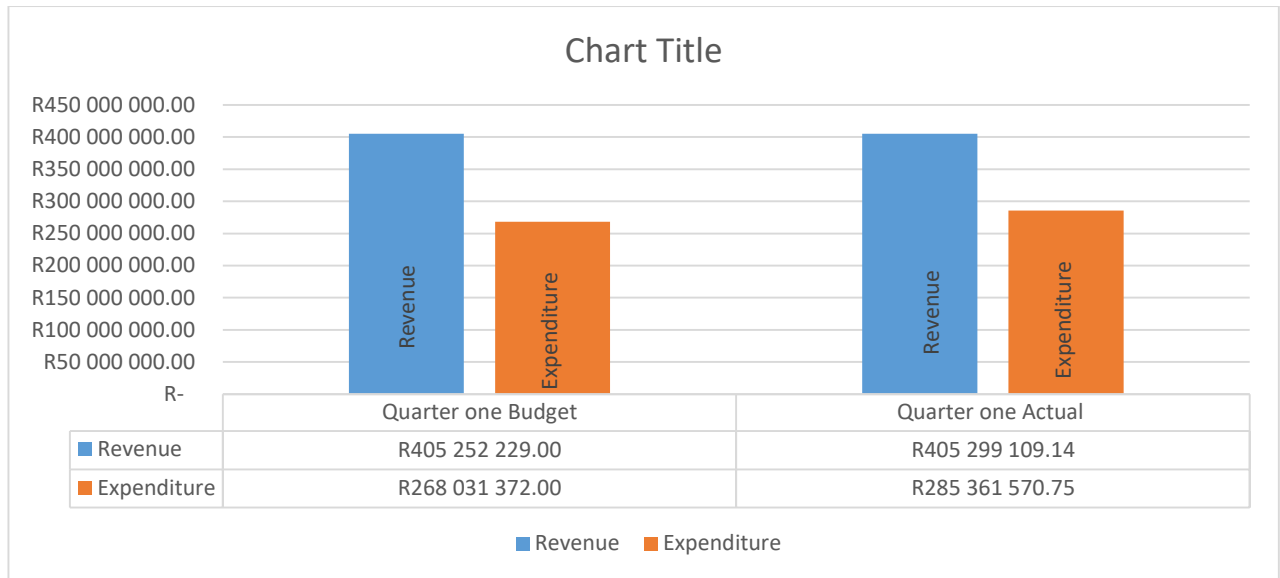
The table below shows the municipality in the first quarter of both financial years' Operating revenues performance has been in line with the budgeted performance, with a 7% improvement in the billing of service charges and property rates. Overall operational revenue implementation is at a 100 % for the 1st quarter.

BUDGET IMPLEMENTATION					
RATIO	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	Quarter 1 2024	Quarter 1 2023
Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	95% - 100%		100%	105%
			Actual Operating Revenue	405 299 109	360 285 366
			YTD Budget Operating Revenue	405 252 229	342 898 743
Service Charges and Property Rates Revenue Budget Implementation Indicator	Actual Service Charges and Property Rates Revenue / Budget Service Charges and Property Rates Revenue x 100	95% - 100%		103%	96%
			Actual Service Charges and Property Rates Revenue	261 513 549	241 961 732
			Budget Service Charges and Property Rates Revenue	253 651 702	251 378 909

The municipality has maintained 29% net operating surplus margin over the 1st quarter of both financial years, which is acceptable based on the norm range set by national treasury of which the net surplus margin should be greater than zero.

FINANCIAL PERFORMANCE					
A. Efficiency					
RATIO	DATA SOURCE	NORM/RANGE	INPUT DESCRIPTION	Quarter 1 2024	Quarter 1 2023
Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	= or > 0%		29%	29%
			Total Operating Revenue	405 299 109	360 285 366
			Total Operating Expenditure	286 013 255	256 753 305
			Taxation Expense		

Revenue, Operational and Capital Expenditure comparison between Budget versus Actual Performance for the 1st Quarter.



5.1 Statement of Financial Performance

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M03 - Quarter 1

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	464 477	509 406	-	191 298	191 298	185 239	6 059	3%	509 406
Service charges	214 942	245 147	-	70 216	70 216	68 413	1 803	3%	245 147
Investment revenue	5 182	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	5 182	8 511	-	3 120	3 120	2 128	993	47%	8 511
Other own revenue	394 584	488 043	-	140 665	140 665	122 011	18 654	15%	-
Total Revenue (excluding capital transfers and contributions)	1 084 366	1 251 108	-	405 299	405 299	377 790	27 509	7%	1 251 108
Employee costs	438 981	483 929	-	117 733	117 733	93 653	24 081	-	483 929
Remuneration of Councillors	26 249	31 164	-	7 189	7 189	6 233	956	-	31 164
Depreciation and amortisation	94 081	104 756	-	43 635	43 635	26 267	17 369	-	104 756
Interest	20 742	9 958	-	480	480	2 476	(1 996)	-	9 958
Inventory consumed and bulk purchases	136 545	168 819	-	33 726	33 726	34 633	(908)	-	168 819
Transfers and subsidies	11 906	13 838	-	1 973	1 973	2 575	(602)	-23%	13 838
Other expenditure	399 325	440 726	-	80 634	80 634	102 205	(21 571)	-21%	440 726
Total Expenditure	1 127 829	1 253 191	-	285 369	285 369	268 041	17 328	6%	1 253 191
Surplus/(Deficit)	(43 463)	(2 083)	-	119 930	119 930	109 749	10 181	9%	(2 083)
Transfers and subsidies - capital (monetary allocations)	158 945	109 848	-	-	-	27 462	(27 462)	-100%	109 848
Transfers and subsidies - capital (in-kind)	6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	122 079	107 765	-	119 930	119 930	137 211	(17 281)	-13%	107 765
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	122 079	107 765	-	119 930	119 930	137 211	(17 281)	-13%	107 765
Capital expenditure & funds sources									
Capital expenditure	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Capital transfers recognised	141 090	95 520	-	26 263	26 263	18 304	7 959	43%	95 520
Borrowing	1 867	21 452	-	-	-	4 290	(4 290)	-100%	21 452
Internally generated funds	33 256	37 921	-	7 088	7 088	7 373	(285)	-4%	37 921
Total sources of capital funds	176 213	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Financial position									
Total current assets	620 585	645 023	-	-	727 287	-	-	-	645 023
Total non current assets	2 029 413	2 037 876	-	-	2 152 155	-	-	-	2 037 876
Total current liabilities	344 641	335 379	-	-	248 875	-	-	-	335 379
Total non current liabilities	191 699	158 975	-	-	197 237	-	-	-	158 975
Community wealth/Equity	2 115 346	2 188 546	-	-	2 433 330	-	-	-	2 188 546
Cash flows									
Net cash from (used) operating	86 106	86 106	-	112 612	112 612	180 081	67 469	37%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(41 274)	(41 274)	325 597	366 871	113%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(9 572)	(9 572)	325 597	335 169	103%	(18 414)
Cash/cash equivalents at the month/year end	30 925	30 925	-	-	61 766	962 866	901 100	94%	(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	64 528	72 327	19 288	22 115	4 078	14 171	14 218	408 429	619 155
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Monthly Budget Statement of Financial Performance

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

5.2 Financial Performance -Revenue by Source

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

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - Quarter 1

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		157 558	182 436	-	46 873	46 873	45 609	1 264	0	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		57 384	62 711	-	23 343	23 343	22 804	538	0	62 711
Sale of Goods and Rendering of Services		53 735	9 571	-	1 702	1 702	2 393	(691)	(0)	9 571
Agency services		4 965	5 371	-	1 448	1 448	1 343	106	0	5 371
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		5 554	6 982	-	1 741	1 741	1 745	(5)	(0)	6 982
Interest from Current and Non Current Assets		5 182	8 511	-	3 120	3 120	2 128	993	0	8 511
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		3 897	3 498	-	1 175	1 175	874	301	0	3 498
Licence and permits		269	636	-	152	152	159	(7)	(0)	636
Operational Revenue		1 149	1 106	-	121	121	276	(156)	(0)	1 106
Non-Exchange Revenue										
Property rates		464 477	509 406	-	191 298	191 298	185 239	6 059	0	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	31 062	-	5 465	5 465	7 765	(2 301)	(0)	31 062
Licence and permits		7 870	9 628	-	2 600	2 600	2 407	193	0	9 628
Transfers and subsidies - Operational		257 076	390 026	-	118 912	118 912	97 507	21 405	0	390 026
Interest		25 602	30 164	-	7 350	7 350	7 541	(191)	(0)	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		0	-	-	-	-	-	-	-	-
Other Gains		9 459	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 084 366	1 251 108	-	405 299	405 299	377 790	27 509	7%	1 251 108

Revenue by Source

This table provides a structured format overview of the financial information of the quarterly actual, year to date actual and year to date Budget of revenue by Source and expenditure by type which is easier to understand.

Service Charges -Electricity

Electricity revenue YTD Actual for the 1st quarter ended 30 September 2023 is R46.8 million, YTD Budget is R45.6 million with a variance of R1.2 million. Electricity revenue for the 1st quarter is 2.77% more than the projected YTD budget.

Service Charges – Waste Management

The YTD actual billing for refuse removals for 1st quarter ended is R23.3 million and the YTD Budget billing is R22.8 million, with YTD variance of 2.36% more than the budgeted quarter billing. Water management billing is linked to property rates billing and the slight over performance is attributed to new applications for annual billing, yielding more revenue for the quarter.

Sale of Goods and Rendering of Services

YTD actual R1.7 million and YTD budget for the quarter is R2.3 million, with the variance of R691 thousand attributed to the insurance claim revenue which is linked to insurance claims submitted within the quarter.

Agency Services

Agency services comprise of driver's license application, learners license application and renewal fees, and commission earned by the municipality on employee FICS deductions for the administration of collecting loan repayments on behalf of financial institutions. The YTD actual of R1.44 million compared to the YTD budget of R1.34 million. License applications and renewals in the 1st quarter performed according to revenue projections for this quarter with a slight variance of R106 thousand.

Interest earned on arrear debtors

The interest earned on arrear debtors to date is R1.75million, and the YTD budget being R1.74 million. Interest charged on outstanding debt is in line with projected revenues based on the anticipated collection rate and revenue enhancement measures put in place.

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 R3.1 million, YTD budget is R2.1million, variance of R993 thousand which is more than year to date budget. The municipality had a substantial balance in the investment accounts largely from the equitable share tranche which in turn earned more interest for the quarter.

Rental of Facilities

Rental of facilities amounts annual budget is R3.4 million, this is the rental of fixed asset revenue such as halls, airport hangers and garages. YTD actual of R1.17 million YTD budget of R874 thousand R301 thousand more than revenue projections for the 1st quarter.

Operational Revenue

YTD actual R121 thousand and YTD budget for the quarter is R276 thousand with a variance of R156 thousand.

Property Rates by Usage

The YTD Actual for property rates for the 1st quarter ended 30 September 2023 is R191.2 million and the YTD Budget for property rates R185.2 million with a 3% variance to the annual budget. this variance is reasonable in comparison to the anticipated billing revenue for property rates, which arises from new applications for annual rate payers billed in August of the first quarter.

Fines

Fines, Penalties, and forfeits are derived from building fines, illegal connections, overdue books, The YTD actual is R5.46 million with a YTD budget of R7.76 million. There is a 29% variance in YTD actual versus YTD budget. Fines are issued as and when infringements occur as per the municipal by laws and the budget is straight lined across 12 months which results in the variance between the budget and actual fines issued.

Licenses and Permits

Licenses and permits actual to date amounts to R2.6 million as of 30 September 2023, YTD Budget is R2.4 million which is in line with the revenue projections for the 1st quarter.

Transfers and Subsidies -Operational

For the 1st quarter ended 30 September 2023 the operational grant recognized /received to date amounts to R118.9 million, YTD Budget is R97.5 million. The variance between YTD budget versus actual is due to the 1st tranche received from Equitable share which is an unconditional grant therefore monies receive are recognized as revenue on receipt whereas operational conditional grants are recognized as revenue when conditions being met as per the set guidelines.

Overall revenue YTD budget to date

The YTD Actual revenue is R405.2 billion for the period ending 30 September 2023, YTD Budget is R377.7. Actual amount is less than the Budget amount, this variance is caused by the difference within the different revenue streams and how they have been performing from the beginning of the financial year to date as reported above.

5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 - Quarter 1

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										
Expenditure By Type										
Employee related costs		438 981	483 929	-	117 733	117 733	93 653	24 081	0	483 929
Remuneration of councillors		26 249	31 164	-	7 189	7 189	6 233	956	0	31 164
Bulk purchases - electricity		122 720	158 320	-	30 698	30 698	31 664	(966)	(0)	158 320
Inventory consumed		13 825	10 499	-	3 028	3 028	2 969	58	0	10 499
Debt impairment		23 235	-	-	-	-	-	-	-	-
Depreciation and amortisation		94 081	104 756	-	43 635	43 635	26 267	17 369	0	104 756
Interest		20 742	9 958	-	480	480	2 476	(1 996)	(0)	9 958
Contracted services		222 746	273 776	-	44 069	44 069	62 924	(18 856)	(0)	273 776
Transfers and subsidies		11 906	13 838	-	1 973	1 973	2 575	(602)	(0)	13 838
Irrecoverable debts written off		11 221	10 513	-	1 004	1 004	2 628	(1 624)	(0)	10 513
Operational costs		142 550	156 437	-	36 213	36 213	36 652	(440)	(0)	156 437
Losses on Disposal of Assets		(427)	-	-	(652)	(652)	-	(652)	#DIV/0!	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		1 127 829	1 253 191	-	285 368	285 368	268 041	17 328	6%	1 253 191

Employee related costs and Remuneration of Councillors

The 1st quarter ended 30 September 2023 YTD Budget is R93.6 million with the YTD Actual being R117.7 million which is in line with the expenditure projections for the 1st quarter. Employee related cost is further detailed in table 5.8 Salaries expenditure details. Remuneration of councillors actual expenditure is sitting at R7.1 million with YTD Budget of R6.2 million which is in line with the expenditure projections for the 1st quarter.

Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services for the period ended 30 September 2023 amounts to R44 million, The YTD Budget is R62.9 million and YTD Variance is R18.8 million. The variance in contracted services in the 1st quarter is due to repair and maintenance projects funded by the disaster relief grant which has the project expenditure YTD budget at R17 million for the quarter, but no expenditure was incurred due to the first tranche amounting to R31 million being received in the month of October.

Inventory Consumed

YTD Inventory consumed amounts to R2.96 million as of 30 September 2023 with the YTD Budget being R3 million. In line with projected inventory consumption for the quarter.

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 R36.6million, YTD Budget is R36.6 million and there is a 1% variance which is immaterial.

Depreciation

Depreciation and asset impairment expenditure amount of R43.6 million to date from the beginning of the year. The year-to-date budget is R26.2 million, resulting in a variance of 66%.

Debt Written-off

Debt written off YTD budget of R 2.6 million versus the actual YTD of 1 million for the 1st quarter ended 30 September 2023. The R1 million YTD expenditure relates to interest written-off on outstanding accounts where consumers arrange with the municipality to pay the capital portion of the debt as a once off payment and have the interest written off and the conditions of write-off are based on the age of the debt if it is over 2 years then the full interest is written off on payment of the capital portion. Debt written off expenditure is contingent on consumer applications for payment arrangement with the municipality and this is a contributing factor to the variance between the YTD actual versus the YTD budget.

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 budget for transfers and subsidies is R2.57 million and YTD expenditure is R1.97 million.

Overall expenditure budget

The overall expenditure YTD Actual is R285.3 million as of 30 September 2023, YTD Budget is R268 million. The actual amount is more than budget amount, due to the different types of expenditure and how they have been performing based on the reasons stated above.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). YTD Surplus excluding capital transfers is R119.9 million compared to the YTD Budget (Deficit) of R109.7 million.

5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 - Quarter 1

Description	NT Code	Budget Year 2023/24									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	23	5	29	30	18	34	33	869	1 042	985
Trade and Other Receivables from Exchange Transactions - Electricity	1300	17 233	8 657	2 112	1 205	950	664	582	11 852	43 255	15 253
Receivables from Non-exchange Transactions - Property Rates	1400	38 371	53 154	11 581	1 404	83	8 925	8 307	249 490	371 316	268 209
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0
Receivables from Exchange Transactions - Waste Management	1600	5 502	7 245	2 066	14	1	1 535	1 425	48 995	66 783	51 970
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	3 036	2 949	2 954	19 221	2 956	2 926	2 844	87 157	124 044	115 105
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	362	319	546	241	69	87	1 027	10 064	12 715	11 488
Total By Income Source	2000	64 528	72 327	19 288	22 115	4 078	14 171	14 218	408 429	619 155	483 011
2022/23 - totals only		57 698	63 104	17 324	4 639	3 555	12 657	55 158	331 422	545 558	407 431
Debtors Age Analysis By Customer Group											
Organs of State	2200	2 603	21 761	751	978	389	577	613	35 037	62 708	37 593
Commercial	2300	23 846	17 076	4 845	4 283	1 038	3 119	2 905	75 710	132 821	87 054
Households	2400	38 079	33 491	13 692	16 855	2 652	10 476	10 701	297 681	423 626	338 364
Other	2500	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	64 528	72 327	19 288	22 115	4 078	14 171	14 218	408 429	619 155	483 011

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

5.5. Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 - Quarter 1

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

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) - M03 - Quarter 1

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		130	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		39 132	3 801	-	152	152	300	(148)	-49%	3 801
Vote 3 - Internal Audit		115	200	-	160	160	50	110	219%	200
Vote 4 - Community and Social Services		7 814	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 014	4 340	-	1 642	1 642	1 127	515	46%	4 340
Vote 7 - Housing		115	180	-	3	3	36	(33)	-93%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		98 976	115 220	-	28 455	28 455	22 154	6 301	28%	115 220
Vote 10 - Road Transport		51 919	7 200	-	2 488	2 488	1 460	1 028	70%	7 200
Vote 11 - Environment Protection		-	500	-	-	-	125	(125)	-100%	500
Vote 12 - Energy Sources		2 599	22 952	-	-	-	4 590	(4 590)	-100%	22 952
Vote 13 - Other		3 108	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		232	500	-	451	451	125	326	261%	500
Total Capital single-year expenditure	4	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Total Capital Expenditure		211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Capital Expenditure - Functional Classification										
Governance and administration		39 432	4 001	-	312	312	350	(38)	-11%	4 001
Executive and council		186	-	-	-	-	-	-	-	-
Finance and administration		39 154	3 801	-	152	152	300	(148)	(0)	3 801
Internal audit		92	200	-	160	160	50	110	0	200
Community and public safety		14 454	4 520	-	1 645	1 645	1 163	482	41%	4 520
Community and social services		7 814	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	4 340	-	1 642	1 642	1 127	515	0	4 340
Housing		115	180	-	3	3	36	(33)	(0)	180
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 328	122 920	-	30 942	30 942	23 739	7 203	30%	122 920
Planning and development		98 920	115 220	-	28 455	28 455	22 154	6 301	0	115 220
Road transport		52 408	7 200	-	2 488	2 488	1 460	1 028	0	7 200
Environmental protection		-	500	-	-	-	125	(125)	(0)	500
Trading services		2 831	23 452	-	451	451	4 715	(4 264)	-90%	23 452
Energy sources		2 599	22 952	-	-	-	4 590	(4 590)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		232	500	-	451	451	125	326	0	500
Other		3 108	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Funded by:										
National Government		123 508	93 781	-	26 263	26 263	17 956	8 306	0	93 781
Provincial Government		6 697	1 739	-	-	-	348	(348)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		10 885	-	-	-	-	-	-	-	-
Transfers recognised - capital		141 090	95 520	-	26 263	26 263	18 304	7 959	43%	95 520
Borrowing	6	1 867	21 452	-	-	-	4 290	(4 290)	(0)	21 452
Internally generated funds		33 256	37 921	-	7 088	7 088	7 373	(285)	(0)	37 921
Total Capital Funding		176 213	154 893	-	33 350	33 350	29 967	3 383	11%	154 893

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R33.3 million, the YTD budgeted is R29.9 million and there is 11% variance. Capital expenditure from National grants is in line with the budgeted expenditure and there are projects that are ahead of schedule resulting in the YTD actual being greater than that of the YTD budget.

5.7 Transfers and Grants Receipts

Opening Balances -Grant Register

The total unspent grants as at 30 June 2023 was **R 8 954 323.00**. They are shown on the register as the Opening balances for the 2023/24 Financial beginning 1st July 2023. 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
- Neighbourhood 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




KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER SEP 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 22 341 546		R	13 469 738
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 9 595 832		R	5 896 830
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 1 271 000	R 1 271 000	R -	R 744 688	R	-
MUNICIPAL DISASTER RESPONSE	R 101 768	R -	R -	R -		R	101 768
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -		R	13 590
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -		R	326 520
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 82 877	R -		R	1 867 123
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -		R	5 763 374
COGTA ELECT GRANT	R 784 811	R -	R -	R -		R	784 811
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -		R	2 452 315
TOTAL	R 8 954 324	R 55 013 000	R 1 353 877	R 31 937 378	R 744 688	R	30 676 068

Transfers and Grants Receipts

The total grants received to date for period ending 30 September 2023 amounts to R55 million, which include R14.2 million from Neighborhood Development Grant, R2 million from Margate Airport Grant, R35.5 million from Integrated Urban Development Grant, R 1.95 million from Financial Management Grant, R1.2 million from Expanded Public Works Programme.

5.8 Transfers and Grants Expenditure



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER SEP 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 22 341 546		R 13 469 738	
NEIGHBOURHOOD GRANT	R 1 200 663	R 14 292 000	R -	R 9 595 832		R 5 896 830	
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 1 271 000	R 1 271 000	R -	R 744 688	R -	
MUNICIPAL DISASTER RESPONSE	R 101 768	R -	R -	R -		R 101 768	
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -		R 13 590	
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R -	R -		R 326 520	
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 82 877	R -		R 1 867 123	
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R -		R 5 763 374	
COGTA ELECT GRANT	R 784 811	R -	R -	R -		R 784 811	
MARKET STALLS GRANT	R 2 452 315	R -	R -	R -		R 2 452 315	
TOTAL	R 8 954 324	R 55 013 000	R 1 353 877	R 31 937 378	R 744 688	R 30 676 068	

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 September 2023, Operating and Capital Expenditure has a closing balance of R30.6 million, with YTD spending of R1.35 million and R31.9 million, for operational grants and capital grants respectively.

Grant 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 September 2023 is R22.3 million and has been spent on various capital projects.

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

An amount of R1.27 million has been received for EPWP grant. This is an operational grant to pay salaries for EPWP employees and the YTD actual for the period ended 30 September 2023 is R2 million with an expenditure of R 745 thousand funded internally awaiting additional tranches of the grant.

- **Neighborhood Development Partnership Grant**

An amount of R14.2 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 30 September 2023 is R9.5 million.

- **Finance Management Grant**

An amount of R 1.95 million has been received for Finance management grant. This is an operational grant and the YTD actual for the period ended 30 September 2023 is R82.8 thousand.

5.8 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 - Quarter 1

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	19 040	-	4 095	4 095	3 808	287	8%	19 040
Pension and UIF Contributions		-	758	-	187	187	152	36	24%	758
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	2 815	-	724	724	563	161	29%	2 815
Housing Allowances		-	5 953	-	1 447	1 447	1 191	256	21%	5 953
Other benefits and allowances		-	2 599	-	736	736	520	216	42%	2 599
Sub Total - Councillors		-	31 164	-	7 189	7 189	6 233	956	15%	31 164
% increase	4		#DIV/0!							#DIV/0!
Senior Managers of the Municipality										
Basic Salaries and Wages		7 328	3 946	-	832	832	789	43	5%	3 946
Pension and UIF Contributions		80	192	-	16	16	38	(23)	-59%	192
Medical Aid Contributions		72	230	-	24	24	46	(22)	-49%	230
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		866	1 059	-	-	-	212	(212)	-100%	1 059
Motor Vehicle Allowance		495	1 060	-	126	126	212	(86)	-41%	1 060
Cellphone Allowance		109	114	-	16	16	23	(7)	-32%	114
Housing Allowances		1 425	3 275	-	431	431	655	(224)	-34%	3 275
Other benefits and allowances		0	1	-	0	0	0	(0)	-20%	1
Payments in lieu of leave		239	332	-	(147)	(147)	66	(213)	-322%	332
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 815	10 209	-	1 297	1 297	2 042	(745)	-38%	10 209
% increase	4		-3.8%							-3.8%
Other Municipal Staff										
Basic Salaries and Wages		266 176	289 060	-	72 094	72 094	57 849	14 245	25%	289 060
Pension and UIF Contributions		49 382	50 460	-	13 103	13 103	10 092	3 011	30%	50 460
Medical Aid Contributions		18 869	20 668	-	5 215	5 215	4 134	1 082	26%	20 668
Overtime		18 959	18 985	-	4 526	4 526	3 797	729	19%	18 985
Performance Bonus		21 372	22 473	-	6 028	6 028	4 495	1 533	34%	22 473
Motor Vehicle Allowance		17 850	18 975	-	5 039	5 039	3 795	1 244	33%	18 975
Cellphone Allowance		993	1 007	-	255	255	201	53	27%	1 007
Housing Allowances		3 771	4 059	-	845	845	812	33	4%	4 059
Other benefits and allowances		4 903	6 038	-	1 227	1 227	1 208	20	2%	6 038
Payments in lieu of leave		3 802	22 480	-	5 234	5 234	4 496	738	16%	22 480
Long service awards		7 027	2 751	-	1 353	1 353	550	803	146%	2 751
Post-retirement benefit obligations		14 654	15 852	-	1 187	1 187	-	1 187	#DIV/0!	15 852
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		609	912	-	331	331	182	149	82%	912
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		428 386	473 720	-	116 436	116 436	91 611	24 825	27%	473 720
% increase	4		10.8%							10.8%
Total Parent Municipality		438 981	515 094	-	124 922	124 922	99 885	25 037	25%	515 094

This report detailed the salaries report as per the requirement of section 66 of the municipal finance management act 56 of 2003.

Councillors Remuneration

An actual amount of R7.1 million has been spent to date on the remuneration of councillors compared to the budgeted amount of R6.2 million. This indicates a variance of R956 thousand.

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 R1.29 million and a YTD budget of R2 million. The variance is due to vacancies that have not been filled as at the 30 September 2023 for H.O.D Community Services, H.O.D Development Planning Services both appointed 1 October 2023, with H.O.D Corporate Services and Chief Financial Officer posts still vacant.

Other Municipal Staff

The municipal staff year to date spending is sitting at R116.4 million against the year-to-date budget of R91.6 million with the variance being 27%.

5.9 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 30 SEPTEMBER 2023



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE		LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE
				01 September 2023	30 September 2023					30 September 2023
				R					R	R
DBSA	9.36%	31-Mar-31	61007684	-R	10 931 759.19			-R 230 558.11	R 515 281.23	-R 10 647 036.07
DBSA	12.67%	22-Nov-30	61007761	-R	7 876 587.67			-R 248 768.10	R 414 268.04	-R 7 711 087.73
TOTAL DBSA LOANS				-R	18 808 346.86	R -	R -	-R 479 326.21	R 929 549.27	-R 18 358 123.80
TOTAL LOANS				-R	18 808 346.86	R -	R -	-R 479 326.21	R 929 549.27	-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 million, the third tranche was received in July and the current loan balance outstanding is R18.3 million as of 30 September 2023. The municipality is still able to make loan repayments as and when they fall due. The loan agreement from DBSA is spread across four years funding various capital projects.

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		
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	

Receipts and Expenditure of the DBSA loan in funding the specified capital projects is as follows:

Financial Years	2020/2021	2022/2023	2023/2024	Total
Receipts	R 3 500 000.00	R 8 476 000.00	R 7 976 000.00	R 19 952 000.00

- A total of **R19 952 000** has been received from 2020/2021 to 2023/2024.

DBSA LOAN RECEIPT AND EXPENDITURE RECONCILIATION	2020/2021		2021/2022		2022/2023		Internally Funded	
	Expenditure 2020/2021		Expenditure 2021/2022		Expenditure 2022/2023			
	Budget 2021	Actual 2021	Budget 2022	Actual 2022	Budget 2023	Actual 2023		
Opening Balance								
DBSA loan Advance Deposit								
Meter replacement DBSA funded	R 3 000 000.00	R 1 795 400.22	R 3 840 000.00	R 3 813 014.36	R 3 350 000.00	R 1 992 079.32		R 7 600 493.90
Network studies DBSA funded	R 500 000.00	R 390 473.20	R 500 004.00	R 495 746.10				R 886 219.30
Cable Replacement DBSA funded			R 1 000 000.00		R 500 000.00	R 575 000.00		R 575 000.00
Inter switch replacements DBSA funded			R 1 450 000.00		R 1 965 000.00	R 2 259 750.00		R 2 259 750.00
Mini sub replacement DBSA funded			R 1 250 000.00		R 2 161 000.00	R 2 179 892.64		R 2 179 892.64
MEMORIAL & REYNOLDS SW/STA REFURB & REPLACE SWITCHGEAR			R 2 776 000.00					
Network studies DBSA funded								
Closing Balance	R 3 500 000.00	R 2 185 873.42	R 10 816 004.00	R 4 308 760.46	R 7 976 000.00	R 7 006 721.96	R 1 525 355.84	R 13 501 355.84

- A total of **R13 501 355.84** has been spent on the above-mentioned capital projects, a total of **R6 450 644.16** remains unspent in the 2023/2024 financial year due to an additional draw down of the loan being received in new financial year in the month of July. No expenditure has been incurred in DBSA funded capital projects within the 1st quarter of the financial year.

5.10 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 - Quarter 1

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Actual Outcome	Original Budget	Revised Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.2%	9.2%	0.0%	0.2%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.9%	13.8%	0.0%	0.0%	64.3%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/		16.4%	14.0%	0.0%	15.3%	14.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	180.1%	192.3%	0.0%	292.2%	192.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		38.1%	12.1%	0.0%	68.0%	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		34.6%	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%
Debtors 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		40.5%	38.7%	0.0%	29.0%	38.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		4.8%	15.5%	0.0%	4.9%	15.5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.6%	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 1st Quarter 30 September 2023.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R18 358 124 as of 30 September 2023.

Liquidity

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

Budgeted Current Ratio: R645 023 000/ R335 379 000 = **R1.92:1**

Actual Current Ratio as 30 September 2023 R 727 287 000/ R248 875 000 = **R2.92:1**

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 R1.92: R1 ratio and the actual ratio as of 30 September 2023 is R2.92:1 which is still above the norm.

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

Budgeted Acid test Ratio: (R 645 023 000 – 40 427 000)/ 335 379 000= **1.80:1**

Actual Acid test Ratio as 30 September 2023:

(R727 287 000–R169 142 000) / R248 875 00= **R2.24:1**

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

5.12 Investment Register



RAY NKONYENI MUNICIPALITY

INVESTMENT REGISTER FOR THE PERIOD ENDING 30/09/2023

ACCOUNT NO	INSTITUTION & TYPE	PROJECT NAME / DETAILS	CURRENT MONTH						YTD					
			MONTHLY OPENING BALANCES	INTEREST INVESTED 30/09/2023	BANK CHARGES 30/09/2023	DEPOSIT 30/09/2023	WITHDRAWALS 30/09/2023	CURRENT BALANCE	INVESTMENT BALANCES AS AT 01/07/2023	INTEREST	BANK DEPOSITS	CHARGES	INVESTMENT WITHDRAWALS	BALANCE AS AT 30/09/2023
			37869284011	STANDARD BANK - CALL	LOUISIANA HSG	10 183 694.00	69 053.82	-	-	-	10 252 747.82	10 042 468.82	210 279.00	-
37869284003	STANDARD BANK - CALL	NZIMAKWE 1 HSG	655 873.21	4 447.36	-	-	-	660 320.57	646 777.71	13 542.86	-	-	-	660 320.57
37869284004	STANDARD BANK - CALL	NZIMAKWE 2 HSG	1 088 183.04	7 378.78	-	-	-	1 095 561.82	1 073 092.36	22 469.46	-	-	-	1 095 561.82
37869284005	STANDARD BANK - CALL	BHOBOYI SUB-HSG	345 537.60	2 343.03	-	-	-	347 880.63	340 745.77	7 134.86	-	-	-	347 880.63
37869284006	STANDARD BANK - CALL	BHOBOYI EST-HSG	12 783.26	50.43	-	-	-	12 833.69	12 679.67	154.02	-	-	-	12 833.69
37869284007	STANDARD BANK - CALL	DAMAGED HSES	81 579.58	355.37	-	-	-	81 934.95	80 850.07	1 084.88	-	-	-	81 934.95
37869284008	STANDARD BANK - CALL	UPLANDS HSG	81 496.98	355.01	-	-	-	81 851.99	80 768.21	1 083.78	-	-	-	81 851.99
37869284009	STANDARD BANK - CALL	MKHOLOMBE HSG	1 541 021.36	10 449.39	-	-	-	1 551 470.75	1 519 650.83	31 819.92	-	-	-	1 551 470.75
37869284010	STANDARD BANK - CALL	AIDS PROJECT	153 211.96	1 038.90	-	-	-	154 250.86	151 087.25	3 163.61	-	-	-	154 250.86
37869284012	STANDARD BANK - CALL	MASINENGE HSG	34 810 861.43	236 046.25	-	-	-	35 046 907.68	34 328 112.24	718 795.44	-	-	-	35 046 907.68
37869284013	STANDARD BANK - CALL	KWAMAVUNDLA HSG	259 405.05	1 758.98	-	-	-	261 164.03	255 807.68	5 356.35	-	-	-	261 164.03
37869284014	STANDARD BANK - CALL	KWAKOLO HOUSING	12 318 906.92	83 532.31	-	-	-	12 402 439.23	12 148 071.10	254 368.13	-	-	-	12 402 439.23
37869284015	STANDARD BANK - CALL	KWADWALANE HOUSING	558 153.50	3 784.74	-	-	-	561 938.24	550 413.15	11 525.09	-	-	-	561 938.24
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)	10 979 325.36	72 192.82	-	-	-	11 051 518.18	10 831 633.79	219 884.39	-	-	-	11 051 518.18
37869284016	STANDARD BANK-CALL	RNM- UNSPENT CONDITIONAL GRANTS	52 486.59	355.90	-	-	-	52 842.49	51 758.71	1 083.78	-	-	-	52 842.49
37869284017	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	11 607.97	78.71	-	-	-	11 686.68	11 446.99	239.69	-	-	-	11 686.68
62726614151	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	71 573 175.92	589 253.79	-	44 000 000.00	-74 000 000.00	42 162 429.71	7 529 242.03	2 382 914.68	260 000 000.00	-	-227 749 727.00	42 162 429.71
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3 656 552.88	24 343.62	-	-	-	3 680 896.50	3 606 757.16	74 139.34	-	-	-	3 680 896.50
037881000791	NEDBANK	RESERVES INVESTMENT ACCOUNT	27 498 414.37	175 161.00	-	-	-	27 673 575.37	27 139 957.96	533 617.41	-	-	-	27 673 575.37
GRAND TOTAL RNM INVESTMENT + INTEREST			175 862 270.98	1 281 980.21	-	44 000 000.00	-74 000 000.00	147 144 251.19	110 401 321.50	4 492 656.69	260 000 000.00	-	-227 749 727.00	147 144 251.19

The Investment register as of 30 September 2023 has the closing balance of R147.1 million, with R4.49 million total YTD interest earned on 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 Quarterly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M03 - Quarter 1

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	464 477	509 406	-	191 298	191 298	185 239	6 059	3%	509 406
Service charges	214 942	245 147	-	70 216	70 216	68 413	1 803	3%	245 147
Investment revenue	5 182	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational	5 182	8 511	-	3 120	3 120	2 128	993	47%	8 511
Other own revenue	394 584	488 043	-	140 665	140 665	122 011	18 654	15%	-
Total Revenue (excluding capital transfers and contributions)	1 084 366	1 251 108	-	405 299	405 299	377 790	27 509	7%	1 251 108
Employee costs	438 981	483 929	-	117 733	117 733	93 653	24 081	-	483 929
Remuneration of Councillors	26 249	31 164	-	7 189	7 189	6 233	956	-	31 164
Depreciation and amortisation	94 081	104 756	-	43 635	43 635	26 267	17 369	-	104 756
Interest	20 742	9 958	-	480	480	2 476	(1 996)	-	9 958
Inventory consumed and bulk purchases	136 545	168 819	-	33 726	33 726	34 633	(908)	-	168 819
Transfers and subsidies	11 906	13 838	-	1 973	1 973	2 575	(602)	-23%	13 838
Other expenditure	399 325	440 726	-	80 634	80 634	102 205	(21 571)	-21%	440 726
Total Expenditure	1 127 829	1 253 191	-	285 369	285 369	268 041	17 328	6%	1 253 191
Surplus/(Deficit)	(43 463)	(2 083)	-	119 930	119 930	109 749	10 181	9%	(2 083)
Transfers and subsidies - capital (monetary allocations)	158 945	109 848	-	-	-	27 462	(27 462)	-100%	109 848
Transfers and subsidies - capital (in-kind)	6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	122 079	107 765	-	119 930	119 930	137 211	(17 281)	-13%	107 765
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	122 079	107 765	-	119 930	119 930	137 211	(17 281)	-13%	107 765
Capital expenditure & funds sources									
Capital expenditure	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Capital transfers recognised	141 090	95 520	-	26 263	26 263	18 304	7 959	43%	95 520
Borrowing	1 867	21 452	-	-	-	4 290	(4 290)	-100%	21 452
Internally generated funds	33 256	37 921	-	7 088	7 088	7 373	(285)	-4%	37 921
Total sources of capital funds	176 213	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Financial position									
Total current assets	620 585	645 023	-	-	727 287	-	-	-	645 023
Total non current assets	2 029 413	2 037 876	-	-	2 152 155	-	-	-	2 037 876
Total current liabilities	344 641	335 379	-	-	248 875	-	-	-	335 379
Total non current liabilities	191 699	158 975	-	-	197 237	-	-	-	158 975
Community wealth/Equity	2 115 346	2 188 546	-	-	2 433 330	-	-	-	2 188 546
Cash flows									
Net cash from (used) operating	86 106	86 106	-	112 612	112 612	180 081	67 469	37%	86 106
Net cash from (used) investing	(168 358)	(168 358)	-	(41 274)	(41 274)	325 597	366 871	113%	(168 358)
Net cash from (used) financing	(18 414)	(18 414)	-	(9 572)	(9 572)	325 597	335 169	103%	(18 414)
Cash/cash equivalents at the month/year end	30 925	30 925	-	-	61 766	962 866	901 100	94%	(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	64 528	72 327	19 288	22 115	4 078	14 171	14 218	408 429	619 155
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

The above table provides a concise overview of the quarterly 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) - M03 - Quarter 1

Description	Ref	Budget Year 2023/24							YTD variance	YTD variance %	Full Year Forecast
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity		157 558	182 436	-	46 873	46 873	45 609	1 264	0	182 436	
Service charges - Water		-	-	-	-	-	-	-	-	-	
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-	
Service charges - Waste management		57 384	62 711	-	23 343	23 343	22 804	538	0	62 711	
Sale of Goods and Rendering of Services		53 735	9 571	-	1 702	1 702	2 393	(691)	(0)	9 571	
Agency services		4 965	5 371	-	1 448	1 448	1 343	106	0	5 371	
Interest		-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		5 554	6 982	-	1 741	1 741	1 745	(5)	(0)	6 982	
Interest from Current and Non Current Assets		5 182	8 511	-	3 120	3 120	2 128	993	0	8 511	
Dividends		-	-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	-	
Rental from Fixed Assets		3 897	3 498	-	1 175	1 175	874	301	0	3 498	
Licence and permits		269	636	-	152	152	159	(7)	(0)	636	
Operational Revenue		1 149	1 106	-	121	121	276	(156)	(0)	1 106	
Non-Exchange Revenue											
Property rates		464 477	509 406	-	191 298	191 298	185 239	6 059	0	509 406	
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		30 190	31 062	-	5 465	5 465	7 765	(2 301)	(0)	31 062	
Licence and permits		7 870	9 628	-	2 600	2 600	2 407	193	0	9 628	
Transfers and subsidies - Operational		257 076	390 026	-	118 912	118 912	97 507	21 405	0	390 026	
Interest		25 602	30 164	-	7 350	7 350	7 541	(191)	(0)	30 164	
Fuel Levy		-	-	-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets		0	-	-	-	-	-	-	-	-	
Other Gains		9 459	-	-	-	-	-	-	-	-	
Discontinued Operations		-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		1 084 366	1 251 108	-	405 299	405 299	377 790	27 509	7%	1 251 108	
Expenditure By Type											
Employee related costs		438 981	483 929	-	117 733	117 733	93 653	24 081	0	483 929	
Remuneration of councillors		26 249	31 164	-	7 189	7 189	6 233	956	0	31 164	
Bulk purchases - electricity		122 720	158 320	-	30 698	30 698	31 664	(966)	(0)	158 320	
Inventory consumed		13 825	10 499	-	3 028	3 028	2 969	58	0	10 499	
Debt impairment		23 235	-	-	-	-	-	-	-	-	
Depreciation and amortisation		94 081	104 756	-	43 635	43 635	26 267	17 369	0	104 756	
Interest		20 742	9 958	-	480	480	2 476	(1 996)	(0)	9 958	
Contracted services		222 746	273 776	-	44 069	44 069	62 924	(18 856)	(0)	273 776	
Transfers and subsidies		11 906	13 838	-	1 973	1 973	2 575	(602)	(0)	13 838	
Irrecoverable debts written off		11 221	10 513	-	1 004	1 004	2 628	(1 624)	(0)	10 513	
Operational costs		142 550	156 437	-	36 213	36 213	36 652	(440)	(0)	156 437	
Losses on Disposal of Assets		(427)	-	-	(652)	(652)	-	(652)	#DIV/0!	-	
Other Losses		-	-	-	-	-	-	-	-	-	
Total Expenditure		1 127 829	1 253 191	-	285 369	285 369	268 041	17 328	6%	1 253 191	
Surplus/(Deficit)		(43 463)	(2 083)	-	119 930	119 930	109 749	10 181	0	(2 083)	
Transfers and subsidies - capital (monetary allocations)		158 945	109 848	-	-	-	27 462	(27 462)	(0)	109 848	
Transfers and subsidies - capital (in-kind)		6 597	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after capital transfers & contributions		122 079	107 765	-	119 930	119 930	137 211			107 765	
Income Tax		-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax		122 079	107 765	-	119 930	119 930	137 211			107 765	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		122 079	107 765	-	119 930	119 930	137 211			107 765	
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-	
Surplus/ (Deficit) for the year		122 079	107 765	-	119 930	119 930	137 211			107 765	

This table provides a structured format overview of the financial information of the quarterly actual, year to date actual and year to date Budget of revenue by Source and expenditure by type which is easier to understand.

6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 - Quarter 1

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Multi-Year expenditure appropriation	1									
Vote 1 - Mayor and Council	2	-	-	-	-	-	-	-	-	-
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		130	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		39 132	3 801	-	152	152	300	(148)	-49%	3 801
Vote 3 - Internal Audit		115	200	-	160	160	50	110	219%	200
Vote 4 - Community and Social Services		7 814	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 014	4 340	-	1 642	1 642	1 127	515	46%	4 340
Vote 7 - Housing		115	180	-	3	3	36	(33)	-93%	180
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		99 976	115 220	-	28 455	28 455	22 154	6 301	28%	115 220
Vote 10 - Road Transport		51 919	7 200	-	2 488	2 488	1 460	1 028	70%	7 200
Vote 11 - Environment Protection		-	500	-	-	-	125	(125)	-100%	500
Vote 12 - Energy Sources		2 599	22 952	-	-	-	4 590	(4 590)	-100%	22 952
Vote 13 - Other		3 108	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		232	500	-	451	451	125	326	261%	500
Total Capital single-year expenditure	4	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Total Capital Expenditure		211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Capital Expenditure - Functional Classification										
Governance and administration		39 432	4 001	-	312	312	350	(38)	-11%	4 001
Executive and council		186	-	-	-	-	-	-	-	-
Finance and administration		39 154	3 801	-	152	152	300	(148)	(0)	3 801
Internal audit		92	200	-	160	160	50	110	0	200
Community and public safety		14 454	4 520	-	1 645	1 645	1 163	482	41%	4 520
Community and social services		7 814	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	4 340	-	1 642	1 642	1 127	515	0	4 340
Housing		115	180	-	3	3	36	(33)	(0)	180
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 328	122 920	-	30 942	30 942	23 739	7 203	30%	122 920
Planning and development		99 920	115 220	-	28 455	28 455	22 154	6 301	0	115 220
Road transport		52 408	7 200	-	2 488	2 488	1 460	1 028	0	7 200
Environmental protection		-	500	-	-	-	125	(125)	(0)	500
Trading services		2 831	23 452	-	451	451	4 715	(4 264)	-90%	23 452
Energy sources		2 599	22 952	-	-	-	4 590	(4 590)	(0)	22 952
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		232	500	-	451	451	125	326	0	500
Other		3 108	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	211 153	154 893	-	33 350	33 350	29 967	3 383	11%	154 893
Funded by:										
National Government		123 508	93 781	-	26 263	26 263	17 966	8 306	0	93 781
Provincial Government		6 697	1 739	-	-	-	348	(348)	(0)	1 739
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Net / Prov Departm Agencies,		10 885	-	-	-	-	-	-	-	-
Transfers recognised - capital		141 090	95 520	-	26 263	26 263	18 304	7 959	43%	95 520
Borrowing	6	1 867	21 452	-	-	-	4 290	(4 290)	(0)	21 452
Internally generated funds		33 256	37 921	-	7 088	7 088	7 373	(285)	(0)	37 921
Total Capital Funding		176 213	154 893	-	33 350	33 350	29 967	3 383	11%	154 893

This table provides an overview of actuals to date of the capital expenditure per department for the 1st Quarter ended 30 September 2023.

6.4 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M03 - Quarter 1

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		131 186	40 427	–	169 142	40 427
Trade and other receivables from exchange transactions		90 671	143 554	–	131 292	143 554
Receivables from non-exchange transactions		280 843	333 984	–	268 060	333 984
Current portion of non-current receivables		–	–	–	–	–
Inventory		7 058	2 559	–	11 009	2 559
VAT		107 350	121 348	–	143 315	121 348
Other current assets		3 477	3 151	–	4 469	3 151
Total current assets		620 585	645 023	–	727 287	645 023
Non current assets						
Investments		–	–	–	–	–
Investment property		345 006	307 811	–	354 869	307 811
Property, plant and equipment		1 681 345	1 726 164	–	1 794 182	1 726 164
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		2 205	2 205	–	2 210	2 205
Intangible assets		857	1 697	–	895	1 697
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		2 029 413	2 037 876	–	2 152 155	2 037 876
TOTAL ASSETS		2 649 998	2 682 899	–	2 879 442	2 682 899
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		14 580	28 891	–	7 797	28 891
Consumer deposits		32 846	32 846	–	36 285	32 846
Trade and other payables from exchange transactions		133 406	112 595	–	118 501	112 595
Trade and other payables from non-exchange transactions		49 104	46 376	–	95 604	46 376
Provision		35 473	35 473	–	(135 865)	35 473
VAT		74 611	74 576	–	121 714	74 576
Other current liabilities		4 622	4 622	–	4 839	4 622
Total current liabilities		344 641	335 379	–	248 875	335 379
Non current liabilities						
Financial liabilities		49 160	16 435	–	51 154	16 435
Provision		41 487	41 487	–	47 192	41 487
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		101 052	101 052	–	98 891	101 052
Total non current liabilities		191 699	158 975	–	197 237	158 975
TOTAL LIABILITIES		536 340	494 353	–	446 112	494 353
NET ASSETS	2	2 113 658	2 188 546	–	2 433 330	2 188 546
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 115 346	2 188 546	–	2 433 330	2 188 546
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 115 346	2 188 546	–	2 433 330	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 liquidity of the municipality for the 1st quarter ended 30 September 2023. Current assets are R727 million and the current liabilities at R248.8 million this therefore means the municipality is still able to meet its financial obligations.

6.5 Statement of Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M03 - Quarter 1

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	–	110 499	110 499	120 984	(10 485)	-9%	483 936
Service charges		232 890	232 890	–	62 789	62 789	43 329	19 461	45%	232 890
Other revenue		26 628	26 628	–	23 215	23 215	–	23 215	#DIV/0!	26 628
Transfers and Subsidies - Operational		390 290	390 290	–	122 527	122 527	–	122 527	#DIV/0!	390 290
Transfers and Subsidies - Capital		109 848	109 848	–	51 792	51 792	14 894	36 898	248%	109 848
Interest		8 511	8 511	–	2 918	2 918	–	2 918	#DIV/0!	8 511
Dividends		–	–	–	–	–	874	(874)	-100%	–
Payments										
Suppliers and employees		(1 156 039)	(1 156 039)	–	(260 648)	(260 648)	–	(260 648)	#DIV/0!	(1 156 039)
Interest		(9 958)	(9 958)	–	(479)	(479)	–	(479)	#DIV/0!	(9 958)
Transfers and Subsidies		–	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		86 106	86 106	–	112 612	112 612	180 081	67 469	37%	86 106
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	288 981	(288 981)	-100%	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	36 616	(36 616)	-100%	–
Payments										
Capital assets		(168 358)	(168 358)	–	(41 274)	(41 274)	–	(41 274)	#DIV/0!	(168 358)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(168 358)	(168 358)	–	(41 274)	(41 274)	325 597	366 871	113%	(168 358)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	325 597	(325 597)	-100%	–
Payments										
Repayment of borrowing		(18 414)	(18 414)	–	(9 572)	(9 572)	–	(9 572)	#DIV/0!	(18 414)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(18 414)	(18 414)	–	(9 572)	(9 572)	325 597	335 169	103%	(18 414)
NET INCREASE/ (DECREASE) IN CASH HELD		(100 666)	(100 666)	–	61 766	61 766	831 275			(100 666)
Cash/cash equivalents at beginning:		131 591	131 591	–	–	–	131 591			–
Cash/cash equivalents at month/year end:		30 925	30 925	–	–	61 766	962 866			(100 666)

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources and the fluctuation in payments to suppliers is affected by timing of the suppliers' invoicing to the municipality which has an impact on the municipality's cash coverage.