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RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

QUARTERLY BUDGET STATEMENT FOR THE 4th QUARTER ENDED 30 JUNE 2024

Prepared By: Budget and Treasury Office

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

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 June 2024 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 3rd quarter ended 30 June 2024 is detailed below. The Quarterly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Revenue By source
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- 5.6 Transfers and Grants Receipts
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- 6.3. Capital Expenditure
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5.1 Statement of Financial Performance

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M12 - Quarter 4

Description	2022/23		Budget Year 2023/24						
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	509 406	44 562	508 008	509 406	(1 398)	0%	509 406
Service charges	212 429	245 147	245 147	55 134	250 780	245 147	5 612	2%	245 147
Investment revenue	10 845	8 511	11 275	4 110	11 614	11 275	339	3%	11 275
Transfers and subsidies - Operational	285 417	390 026	390 741	42 406	385 654	390 741	(5 087)	-1%	390 741
Other own revenue	132 063	98 017	151 090	30 821	99 441	151 090	(51 649)	-34%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	1 307 659	177 033	1 255 476	1 307 659	(52 183)	-4%	1 307 659
Employee costs	455 419	483 929	484 374	120 163	479 025	484 374	(5 349)	-1%	484 374
Remuneration of Councillors	29 567	31 164	40 283	8 576	40 181	40 283	(102)	0%	40 283
Depreciation and amortisation	94 294	104 756	110 770	14 545	79 998	110 770	(30 772)	-28%	110 770
Interest	24 062	9 958	9 960	6	1 465	9 960	(8 495)	-85%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 558	36 384	140 607	166 558	(25 952)	-16%	166 558
Transfers and subsidies	14 465	13 838	15 930	8 328	15 664	15 930	(266)	-2%	15 930
Other expenditure	426 555	440 726	524 306	154 873	461 223	524 306	(63 083)	-12%	524 306
Total Expenditure	1 163 606	1 253 191	1 352 181	342 876	1 218 162	1 352 181	(134 019)	-10%	1 352 181
Surplus/(Deficit)	(36 711)	(2 083)	(44 522)	(165 843)	37 314	(44 522)	81 836	-184%	(44 522)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	122 442	43 351	115 831	122 442	(6 612)	-5%	122 442
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & Share of surplus/ (deficit) of associate	150 400	107 765	77 921	(122 492)	153 145	77 921	75 224	97%	77 921
Surplus/ (Deficit) for the year	150 400	107 765	77 921	(122 492)	153 145	77 921	75 224	97%	77 921
Capital expenditure & funds sources									
Capital expenditure	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Capital transfers recognised	161 075	95 520	106 434	26 820	101 750	106 434	(4 684)	-4%	106 434
Borrowing	6 412	21 452	21 452	643	643	21 452	(20 809)	-97%	21 452
Internally generated funds	44 758	37 921	47 290	19 330	44 207	47 290	(3 083)	-7%	47 290
Total sources of capital funds	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Financial position									
Total current assets	735 851	645 023	641 156		834 930				641 156
Total non current assets	2 162 440	2 037 876	2 061 797		2 229 506				2 061 797
Total current liabilities	395 179	335 379	385 277		401 543				385 277
Total non current liabilities	189 711	158 975	158 975		196 345				158 975
Community wealth/Equity	2 313 400	2 188 546	2 158 701		2 466 548				2 158 701
Cash flows									
Net cash from (used) operating	45 732	95 608	197 333	(59 131)	271 903	189 835	(82 068)	-43%	197 333
Net cash from (used) investing	242 572	(168 358)	(192 400)	(52 673)	(168 468)	(161 114)	7 354	-5%	(192 400)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(16 797)	(51 726)	(24 605)	27 121	-110%	32 117
Cash/cash equivalents at the month/year end	388 010	40 427	168 641	-	165 961	135 707	(30 254)	-22%	151 301
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	23 741	12 698	22 502	18 433	16 587	15 252	14 836	478 389	602 438
Creditors Age Analysis									
Total Creditors	2 822	21	-	-	-	-	-	5	2 848

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.

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) - M12 - Quarter 4

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	182 436	49 684	187 331	182 436	4 895	3%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	5 450	63 429	62 711	717	1%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	45 184	8 406	16 749	45 184	(28 436)	-63%	45 184
Agency services		5 341	5 371	6 248	1 549	5 898	6 248	(350)	-6%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	2 294	8 378	8 340	37	0%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	4 110	11 614	11 275	339	3%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	960	4 266	4 975	(709)	-14%	4 975
Licence and permits		596	636	637	134	598	637	(39)	-6%	637
Operational Revenue		3 673	1 106	1 230	492	1 159	1 230	(71)	-6%	1 230
Non-Exchange Revenue										
Property rates		486 141	509 406	509 406	44 562	508 008	509 406	(1 398)	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	6 121	20 608	34 529	(13 922)	-40%	34 529
Licence and permits		7 734	9 628	9 628	2 352	9 064	9 628	(564)	-6%	9 628
Transfers and subsidies - Operational		285 417	390 026	390 741	42 406	385 654	390 741	(5 087)	-1%	390 741
Interest		28 075	30 164	30 164	8 510	32 216	30 164	2 052	7%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	3	506	9 503	(8 997)	-95%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 128 895	1 251 108	1 307 659	177 033	1 255 476	1 307 659	(52 183)	-4%	1 307 659

Revenue by Source

This table provides a structured format overview of the financial information of the monthly 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 4th quarter ended 30 June 2024 is R187.331 million, YTD Budget is R182,436 million with a favorable variance of R 4.895 million. Electricity revenue for the 4th quarter is 3% more than the projected YTD budget. The municipality did not consider the adjusting the electricity service charge because it was in line with the budget. The positive variance is due to the increased of the electricity consumption as there was an improvement loadshedding.

Service Charges – Waste Management

The YTD actual billing for refuse removals for 4th quarter ended 30 June 2024 is R63.429 million and the YTD Budget billing is R62.711 million, with YTD variance of 1% 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 R16.749 million and YTD budget at the end of the quarter is R 45.184 million, with the negative variance of R28.436 million. The negative variance of R28.436 million is mainly attributed to the allocation of the R30 million the municipality received from the department of human settlement for the settlement of a legal claim against the Masinenge slum clearance project, the allocation of the R30 million will be processed in Period 13.

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 R 5.898 million compared to the YTD budget of R 6.248 million. License applications and renewals in the 4th quarter performed according to revenue projections for this quarter with a slight variance of R37 thousand.

Interest earned on arrear debtors

The interest earned on arrear debtors to date is R8.378 million, and the YTD budget being R 8.340 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 R 11.614 million, YTD budget is R 11.275 million, variance of R 339 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 R4.975 million, this is the rental of fixed asset revenue such as halls, airport hangers and garages. YTD actual of R 4.266 million, R709 thousand less than revenue projections for the 3rd quarter.

Operational Revenue

YTD actual R 1.159 million and YTD budget at the end of the quarter is R 1.230 million with a variance of R 71 thousand.

Property Rates by Usage

The YTD Actual for property rates for the 4th quarter ended 30 June 2024 is R508.008 million and the YTD Budget for property rates R 509.406 million with a 0% variance. The municipality performed well and in line with the anticipation for this line item.

Fines

Fines, Penalties, and forfeits are derived from building fines, illegal connections, overdue books, The YTD actual is R 20.608 million with a YTD budget of R 34.529 million. There is a 40% 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 R 9.064 million as of 30 June 2024, YTD Budget is R 9.628 million which is in line with the revenue projections for the 4th quarter.

Transfers and Subsidies -Operational

For the 4th quarter ended 30 June 2024 the operational grant recognized /received to date amounts to R385.654 million, YTD Budget is R390.741 million. Some of the grants are not yet recognized and the recognition journal will be processed in Period 13. The budget office must wait for all expenditure to be processed and recognized revenue. The grant the cause the major variance is the Disaster grant.

Overall revenue YTD budget to date

The YTD Actual revenue is R1.255 billion for the period ending 30 June 2024, YTD Budget is R1.308 billion. Actual amount is more 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) - M12 - Quarter 4

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		455 419	483 929	484 374	120 163	479 025	484 374	(5 349)	-1%	484 374
Remuneration of councillors		29 567	31 164	40 283	8 576	40 181	40 283	(102)	0%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	34 464	127 809	153 320	(25 511)	-17%	153 320
Inventory consumed		11 774	10 499	13 238	1 921	12 798	13 238	(440)	-3%	13 238
Debt impairment		19 926	-	32 571	-	-	32 571	(32 571)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	14 545	79 998	110 770	(30 772)	-28%	110 770
Interest		24 062	9 958	9 960	6	1 465	9 960	(8 495)	-85%	9 960
Contracted services		211 569	273 776	281 783	80 076	262 443	281 783	(19 340)	-7%	281 783
Transfers and subsidies		14 465	13 838	15 930	8 328	15 664	15 930	(266)	-2%	15 930
Irrecoverable debts written off		27 590	10 513	10 013	7 228	11 307	10 013	1 294	13%	10 013
Operational costs		161 955	156 437	199 939	67 453	188 761	199 939	(11 179)	-6%	199 939
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	116	116	-	116	#DIV/0!	-
Total Expenditure		1 163 606	1 253 191	1 352 181	342 876	1 218 162	1 352 181	(134 019)	-10%	1 352 181

Employee related costs and Remuneration of Councillors

The 4th quarter ended 30 June 2024 YTD Budget is R484.374 million with the YTD Actual being R479.025 million which is in 1% lesser than the projections for the 4th quarter. Employee related cost is further detailed in table 5.8 Salaries expenditure details. Remuneration of councillors actual expenditure is sitting at R40.181 million with YTD Budget of R40.283 million, the variance is due to vacant post of the Speaker.

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 June 2024 amounts to R262.433 million, The YTD Budget is R281.3 million and YTD Variance is R19.340 million. The variance in contracted services in the 4th quarter is due to repair and maintenance projects funded by the disaster relief grant, the budget amount included the VAT whereas the actual spending excludes the VAT amount. million. The municipality also implemented the cost containment for most of the contracted projects.

Inventory Consumed

YTD Inventory consumed amounts to R12.798 million as of 30 June 2024 with the YTD Budget being R13.238 million. There is a variance of R440 thousand.

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 R188.761 million, YTD Budget is R199.939 million and there is a 6% variance.

Depreciation

Depreciation and asset impairment expenditure amount of R 79.998 million to date from the beginning of the year. The year-to-date budget is R 110.770 million, resulting in a variance of 28%. The Asset section has not yet finalized the Fixed Asset Register and the quarter 4 depreciation is not yet posted. It will be posted in Period 13 after the Fixed Asset Register is finalized.

Debt Written-off

Debt written off YTD budget of R 10.013 million versus the actual YTD of R11.307 million for the 4th quarter ended 30 June 2024. The R11.307 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 R15.930 million and YTD expenditure is R15.664 million.

Overall expenditure budget

The overall expenditure YTD Actual is R 1.218 billion as of 30 June 2024, YTD Budget is R1.352 billion. The actual amount is less 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 R37.314 million compared to the YTD Budget (Deficit) of R44.522 million.

5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 - Quarter 4

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	8	8	9	3	9	11	3	1 043	1 093	1 068	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	18 889	7 759	2 364	1 108	1 204	1 023	802	14 935	48 084	19 073	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	855	1 011	13 965	11 367	10 030	9 203	8 930	279 655	335 015	319 184	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-	
Receivables from Exchange Transactions - Waste Management	1600	27	6	2 387	1 984	1 782	1 627	1 516	54 055	63 384	60 964	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	3 684	3 631	3 548	3 456	3 381	3 292	3 215	117 404	141 612	130 749	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	279	283	229	514	182	95	371	11 297	13 250	12 459	-	-	
Total By Income Source	2000	23 741	12 698	22 502	18 433	16 587	15 252	14 838	478 389	602 438	543 497	-	-	
2022/23 - totals only		37 790	9 496	19 378	17 340	14 873	13 773	12 870	14 179	139 700	73 035	-	-	
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 271	868	755	676	654	656	665	52 369	58 914	55 020	-	-	
Commercial	2300	11 729	6 507	6 463	4 592	3 979	3 512	3 661	82 406	122 847	98 149	-	-	
Households	2400	9 742	5 324	15 284	13 165	11 954	11 084	10 509	343 615	420 677	390 328	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	23 741	12 698	22 502	18 433	16 587	15 252	14 838	478 389	602 438	543 497	-	-	

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 - M12 - Quarter 4

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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	2 822	21	-	-	-	-	-	5	2 848	6 479
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	2 822	21	-	-	-	-	-	5	2 848	6 479

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) - M12 - Quarter 4

Vote Description	Ref	2022/23			Budget Year 2023/24					
		Audited	Original	Adjusted	Quarter 4	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
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		3 938	3 801	4 008	854	3 396	4 008	(612)	-15%	4 008
Vote 3 - Internal Audit		676	200	220	5	194	220	(26)	-12%	220
Vote 4 - Community and Social Services		379	--	--	--	--	--	--	--	--
Vote 5 - Sport and Recreation		--	--	--	--	--	--	--	--	--
Vote 6 - Public Safety		1 613	4 340	995	22	442	995	(554)	-56%	995
Vote 7 - Housing		229	180	189	63	127	189	(62)	-33%	189
Vote 8 - Health		--	--	--	--	--	--	--	--	--
Vote 9 - Planning and Development		109 489	115 220	115 918	31 636	110 565	115 918	(5 353)	-5%	115 918
Vote 10 - Road Transport		77 943	7 200	31 594	13 523	30 443	31 594	(1 151)	-4%	31 594
Vote 11 - Environment Protection		389	500	300	--	292	300	(8)	-3%	300
Vote 12 - Energy Sources		13 778	22 952	21 452	643	643	21 452	(20 809)	-97%	21 452
Vote 13 - Other		(843)	--	--	--	--	--	--	--	--
Vote 14 - Waste Water Management		--	--	--	--	--	--	--	--	--
Vote 15 - Waste Management		4 505	500	500	48	499	500	(1)	0%	500
Total Capital single-year expenditure	4	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Total Capital Expenditure		212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Capital Expenditure - Functional Classification										
Government and administration		4 934	4 001	4 255	882	3 612	4 255	(642)	-15%	4 255
Executive and council		320	--	27	23	23	27	(4)	-14%	27
Finance and administration		3 938	3 801	4 008	854	3 396	4 008	(612)	-15%	4 008
Internal audit		676	200	220	5	194	220	(26)	-12%	220
Community and public safety		2 072	4 520	1 185	84	569	1 185	(616)	-52%	1 185
Community and social services		379	--	--	--	--	--	--	--	--
Sport and recreation		--	--	--	--	--	--	--	--	--
Public safety		1 464	4 340	995	22	442	995	(554)	-56%	995
Housing		229	180	189	63	127	189	(62)	-33%	189
Health		--	--	--	--	--	--	--	--	--
Economic and environmental services		187 798	122 920	147 784	45 136	141 277	147 784	(6 508)	-4%	147 784
Planning and development		109 467	115 220	115 891	31 613	110 541	115 891	(5 349)	-5%	115 891
Road transport		77 943	7 200	31 594	13 523	30 443	31 594	(1 151)	-4%	31 594
Environmental protection		389	500	300	--	292	300	(8)	-3%	300
Trading services		18 283	23 452	21 952	690	1 142	21 952	(20 810)	-95%	21 952
Energy sources		13 778	22 952	21 452	643	643	21 452	(20 809)	-97%	21 452
Water management		--	--	--	--	--	--	--	--	--
Waste water management		--	--	--	--	--	--	--	--	--
Waste management		4 505	500	500	48	499	500	(1)	0%	500
Other		(843)	--	--	--	--	--	--	--	--
Total Capital Expenditure - Functional Classification	3	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Funded by:										
National Government		130 557	93 781	99 328	24 334	99 264	99 328	(63)	0%	99 328
Provincial Government		30 518	1 739	7 107	2 486	2 486	7 107	(4 621)	-65%	7 107
District Municipality		--	--	--	--	--	--	--	--	--
Transfers and subsidies - capital (monetary allocations) (Net / Prov Departm Agencies,		--	--	--	--	--	--	--	--	--
Transfers recognised - capital		161 075	95 520	106 434	26 820	101 750	106 434	(4 684)	-4%	106 434
Borrowing		6 412	21 452	21 452	643	643	21 452	(20 809)	-97%	21 452
Internally generated funds		44 758	37 921	47 290	19 330	44 207	47 290	(3 083)	-7%	47 290
Total Capital Funding	6	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R 146.600 million, the YTD budgeted is R175.176 million and there is a 16% variance. Capital expenditure from National grants YTD actuals is sitting at R 99.264 million against annual budget of R 99.328 million. Provincial grants spending at R 2.468 million against the budget amount of R 7.107 million, the municipality encountered delays in implementing the market stalls projects.


5.7 Transfers and Grants Receipts

Opening Balances -Grant Register

The total unspent grants as of 30 June 2023 is **R 8 541 271**.

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:


- Neighborhood Grant – R1 200 663
- 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							
JUNE 2024							
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 -	R 88 848 000	R -	R 88 848 000	R -	R -	R -
NEIGHBOURHOOD GRANT	R 1 200 663	R 24 178 000	R -	R 25 378 663	R -	R -	R -
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 5 084 000	R 5 084 000	R -	R -	R -	R -
MUNICIPAL DISASTER RECOVERY	R -	R 82 298 000	R 78 703 922	R -	R -	R -	R 3 594 078.00
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R -	R 13 589.68
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R 263 084	R -	R -	R -	R 63 435.55
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 1 950 000	R -	R -	R -	R -
PROVINCIALIZATION OF LIBRARY GRANT	R -	R 12 418 000	R 25 988 081	R -	R 13 570 081	R -	R -
CYBER CADET GRANT	R -	R 1 524 000	R 2 216 361	R -	R 692 361	R -	R -
COMMUNITY LIBRARIES GRANT (MOB)	R -	R 324 000	R 243 000	R -	R -	R -	R 81 000.00
MUSEUM GRANT	R -	R 476 000	R 2 753 559	R -	R 2 277 559	R -	R -
MODULAR LIBRARIES GRANT	R -	R 715 000	R 841 229	R -	R -	R -	R 126 229.00
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R 2 486 022	R -	R -	R 3 277 351.50
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R -	R 784 810.61
MARKET STALLS GRANT	R 2 452 315	R -	R -	R 529 812	R -	R -	R 1 922 503.18
TOTAL	R 8 541 272	#####	R 118 043 236	R 117 242 497	R 16 540 001	R	R 9 610 540

Transfers and Grants Receipts

The total grants received to date for period ending 30 June 2024 amounts to R 219.815 million, which include R88.8 million from Integrated Urban Development Grant, R24.1 million from Neighborhood Development Grant, R5.7 million from EPWP, R1.95 million from FMG, R82.3 million disaster recovery grant, R 476 thousand from Museum Grant, R12.418 provincialization grant, R2 million from Airport Grant and R715 thousand from Community libraries grant (MOB).

5.8 Transfers and Grants Expenditure

 KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER						
KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JUNE 2024						
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 2:	Expenditure: Capital (Revenue Recognised)/GRAP 2:	Internally Funded	Closing Balance as at
INTEGRATED URBAN DEVELOPMENT (IUDG)	R -	R 88 848 000	R -	R 88 848 000	R -	R -
NEIGHBOURHOOD GRANT	R 1 200 663	R 24 178 000	R -	R 25 378 663	R -	R -
EXPANDED PUBLIC WORKS PROGRAMME (EPWP)	R -	R 5 084 000	R 5 084 000	R -	R -	R -
MUNICIPAL DISASTER RECOVERY	R -	R 82 298 000	R 78 703 922	R -	R -	R 3 594 078.00
INTERMODAL FACILITIES GRANT	R 13 590	R -	R -	R -	R -	R 13 589.68
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP)	R 326 520	R -	R 263 084	R -	R -	R 63 435.55
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 1 950 000	R -	R -	R -
PROVINCIALIZATION OF LIBRARY GRANT	R -	R 12 418 000	R 25 988 081	R -	R 13 570 081	R -
CYBER CADET GRANT	R -	R 1 524 000	R 2 216 361	R -	R 692 361	R -
COMMUNITY LIBRARIES GRANT (MOB)	R -	R 324 000	R 243 000	R -	R -	R 81 000.00
MUSEUM GRANT	R -	R 476 000	R 2 753 559	R -	R 2 277 559	R -
MODULAR LIBRARIES GRANT	R -	R 715 000	R 841 229	R -	R -	R 126 229.00
AIRPORT GRANT	R 3 763 374	R 2 000 000	R -	R 2 486 022	R -	R 3 277 351.50
COGTA ELECT GRANT	R 784 811	R -	R -	R -	R -	R 784 810.61
MARKET STALLS GRANT	R 2 452 315	R -	R -	R 529 812	R -	R 1 922 503.18
TOTAL	R 8 541 272	#####	R 118 043 236	R 117 242 497	R 16 540 001	R 9 610 540

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 June 2024, there is R118 043 236 operating expenditure recorded and capital expenditure amounting to R117 242 497.

Grant expenditure

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

An amount of R88.8 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 30 June 2024 is R88.8 million and has been spent on various capital projects.

- **Neighborhood Development Partnership Grant**

An amount of R24.178 million has been received for the Neighborhood Development Partnership Grant together with an unspent amount of R1.201 million from the previous year which the municipality applied for rollover. This is a capital grant and the YTD actual for the period ended 30 June 2024 is R25.379 million, with some expenditure funded internally.

- **Expanded Public Works Programme**

An amount of R5.084 million has been received for the EPWP grant. This is an operational grant and the YTD actual for the period ended 30 June 2024 is R5.084 million.

- **Finance Management Grant**

An amount of R1.950 million has been received for the FMG grant. This is an operational grant and the YTD actual for the period ended 30 June 2024 is R 1.950 million.

- **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 June 2024 is R2 753 559, with R2 277 559 being internally funded.

- **Disaster Recovery Grant**

An amount of R82 298 000 has been received for the disaster grant. This is an operational grant and the YTD actual for the period ended 30 June 2024 is R 78 703 922 with invoices not yet paid and are raised as the accruals.

5.8 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - councillor and staff benefits - M12 - Quarter 4

Summary of Employee and Councillor remuneration	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		26 688	19 040	27 782	4 727	25 737	27 782	(2 045)	-7%	27 782
Pension and UIF Contributions		—	758	758	199	763	758	5	1%	758
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		2 880	2 815	3 192	768	3 000	3 192	(192)	-6%	3 192
Housing Allowances		—	5 953	5 953	2 125	7 662	5 953	1 709	29%	5 953
Other benefits and allowances		—	2 599	2 599	760	3 020	2 599	421	16%	2 599
Sub Total - Councillors	4	29 567	31 164	40 283	8 576	40 181	40 283	(102)	0%	40 283
% increase			5.4%	36.2%						36.2%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 690	3 946	3 621	627	2 720	3 621	(900)	-25%	3 621
Pension and UIF Contributions		146	192	133	23	84	133	(49)	-37%	133
Medical Aid Contributions		196	230	134	13	64	134	(71)	-53%	134
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		960	1 059	1 059	823	823	1 059	(236)	-22%	1 059
Motor Vehicle Allowance		838	1 060	928	183	665	928	(243)	-26%	928
Cellphone Allowance		87	114	92	17	66	92	(26)	-28%	92
Housing Allowances		2 655	3 275	2 243	333	1 474	2 243	(769)	-34%	2 243
Other benefits and allowances		1	1	1	0	0	1	(0)	-32%	1
Payments in lieu of leave		327	332	260	23	(120)	260	(380)	-146%	260
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		76	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	4	8 978	10 209	8 470	2 041	5 797	8 470	(2 674)	-32%	8 470
% increase			13.7%	-5.7%						-5.7%
Other Municipal Staff										
Basic Salaries and Wages		274 917	289 060	294 216	71 932	288 627	294 216	(5 589)	-2%	294 216
Pension and UIF Contributions		50 977	50 460	54 484	13 223	52 631	54 484	(1 853)	-3%	54 484
Medical Aid Contributions		20 094	20 668	21 909	5 485	21 327	21 909	(582)	-3%	21 909
Overtime		21 821	18 985	22 020	6 841	23 754	22 020	1 734	8%	22 020
Performance Bonus		22 443	22 473	24 034	5 033	22 760	24 034	(1 274)	-5%	24 034
Motor Vehicle Allowance		18 911	18 975	21 168	5 208	20 192	21 168	(975)	-5%	21 168
Cellphone Allowance		1 021	1 007	1 047	245	994	1 047	(53)	-5%	1 047
Housing Allowances		4 152	4 059	3 430	725	3 224	3 430	(206)	-6%	3 430
Other benefits and allowances		5 224	6 038	5 441	1 456	5 894	5 441	452	8%	5 441
Payments in lieu of leave		4 871	22 480	5 668	5 252	22 912	5 668	17 244	304%	5 668
Long service awards		4 268	2 751	3 620	1 141	5 189	3 620	1 569	43%	3 620
Post-retirement benefit obligations		17 103	15 682	17 343	1 255	4 513	17 343	(12 829)	-74%	17 343
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		638	912	1 523	327	1 212	1 523	(311)	-20%	1 523
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff	4	446 442	473 720	475 904	118 122	473 228	475 904	(2 675)	-1%	475 904
% increase			6.1%	6.6%						6.6%

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 R 40.181 million has been spent to date on the remuneration of councillors compared to the budgeted amount of R40.283 million. This indicates a variance of R102 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 R5.797 million and a YTD budget of R8.470 million. The variance is due to vacancies that have not been filled yet. The municipality was planning to fill the vacancy before the end of the 2023/24 financial year.

Other Municipal Staff

The municipal staff year to date spending is sitting at R473.228 million against the year-to-date budget of R475.904 million with the variance being 1%. There are still vacant posts that were planned to be filled in 2023/24 but are not filled yet.

5.9 Long-term Loans

RAY NKONYENI MUNICIPALITY									
LONG TERM LOANS REGISTER : 30 June 2024									
 <small>The Game changer of South Coast development</small>									
DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 June 2024	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE 30 June 2024
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 10 104 501.31		-R 238 388.72	R 238 388.72	R 276 892.51	-R 9 827 608.80
DBSA	12.67%	22-Nov-30	61007761	-R 7 361 624.68		-R 235 058.89	R 235 058.89	R 179 209.15	-R 7 182 415.53
TOTAL DBSA LOANS				-R 17 466 125.99	R -	-R 473 447.61	R 473 447.61	R 456 101.66	-R 17 010 024.33
TOTAL LOANS				-R 17 466 125.99	R -	-R 473 447.61	R 473 447.61	R 456 101.66	-R 17 010 024.33

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 R17.5 million as of 30 June 2024. 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	Expenditure 2020/2021			Expenditure 2021/2022		Expenditure 2022/2023			Expenditure 2023/2024			Total Spending
	Budget 2021	Actual 2021	Unspent 2021	Budget 2022	Actual 2022	Actual	Adjustment	Total Adjusted	Actual	Adjusted Budget		
Opening Balance												
DBSA loan Advance Deposit												
Meter replacement DBSA funded	R 3 000 000.00	R 1 739 526.22		R 3 840 000.00		1 726 647.41	1 350 000.00	3 350 000.00	739 284.61	3 500 000.00	R 4 205 458.24	
Network studies DBSA funded	R 500 000.00	R 332 254.00		R 500 004.00	R 495 746.10			-			R 828 000.10	
Cable Replacement DBSA funded				R 1 000 000.00	R -	824 589.91	- 500 000.00	500 000.00			R 824 589.91	
Inter switch replacements DBSA funded				R 1 450 000.00	R 1 280 044.36	1 965 000.00	515 000.00	1 965 000.00			R 3 245 044.36	
Mini sub replacement DBSA funded				R 1 250 000.00	R 587 339.13	1 895 558.81	911 000.00	2 161 000.00			R 2 482 897.94	
MEMORIAL & REYNOLDS SW/STA REFURB & REPLACE SWITCHGEAR				R 2 776 000.00	R -		- 1 466 010.00	-		3 452 000.00	R -	
Network studies DBSA funded								-			R -	
11kV INTERCONNECTOR - MARBURG TO P.S. SUB								-		14 500 000.00	R -	
Input VAT Capital:Recognised		R 157 391.33			R 927 717.76	912 559.21		-			R 1 997 668.30	
								-			R -	
Closing Balance	R 3 500 000.00	R 2 229 171.55	-R 1 270 828.45	R 10 816 004.00	R 3 290 847.35	7 324 355.34	809 990.00	7 976 000.00	739 284.61	21 452 000.00	13 583 658.85	

- A total of **R13 583 658.85** has been spent on the above-mentioned capital projects, a total of **R 6 368 341.15** 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. An amount of R 739 284.61 expenditure has been incurred in DBSA funded capital projects within the 4th quarter of the financial year.

5.10 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 - Quarter 4

Description of financial indicator	Basis of calculation	Ref	2023/24	Budget Year 2023/24			
			2023/24 Actual Outcome	Original Budget	Revised Budget	YearTD actual	1st Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-0.7%	9.2%	8.9%	0.1%	3.7%
Borrowed funding of 'low' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		3.0%	13.8%	12.2%	1.4%	14.6%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provisions/ Long Term Borrowing/ Funds & Reserves		14.9%	14.0%	15.1%	12.1%	15.1%
Gearing			0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	186.2%	192.3%	186.4%	207.9%	186.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		28.9%	12.1%	15.1%	16.7%	15.1%
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%	37.0%	38.2%	37.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	15.5%	14.6%	13.9%	14.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.2%	9.2%	0.1%	3.8%
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						

1. Consumer debtors > 12 months old are excluded from current assets.
2. Material variances to be explained.

Calculations						
Financial liabilities		43 628	16 435	16 435	50 282	
Total Assets		2 698 291	2 682 899	2 702 953	3 064 436	2 702 953
Employee related costs		455 419	483 929	484 374	479 025	484 374
Repairs & Maintenance		57 885	193 951	191 153	173 936	191 153
Interest (finance charges)		24 052	9 958	9 960	1 465	9 960
Principal paid		31 987	16 414	(32 117)	51 726	(32 117)
Depreciation		94 294	104 756	110 770		40 283
Operating expenditure		1 163 006	1 253 191	1 352 181	1 218 182	1 352 181
Total Capital Expenditure		212 244	154 893	175 176	46 792	146 800
Borrowed funding for capital		6 412	21 452	21 452	643	21 452
Debt		345 509	305 350	326 798	298 924	326 798
Equity		2 313 400	2 188 546	2 158 701	2 466 548	2 158 701
Reserves and funds						
Borrowing		43 628	16 435	16 435	50 282	16 435
Current assets		735 851	645 023	641 156	634 930	641 156
Current liabilities		395 179	335 379	385 277	401 543	385 277
Monetary assets		114 251	40 427	58 137	66 916	58 137
Total Revenue (excluding capital transfers and contributions)		1 128 895	1 251 108	1 307 659	1 255 476	1 307 659
Transfers and subsidies - Operational		285 417				
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	122 442	115 831	122 442
Debt service payments		(21 655)	(9 903)	43 392	(53 183)	42 074
Outstanding debtors (receivables)		468 485				
Annual services revenue		698 570	754 553	754 553	69 696	758 767
Cash + Investments	Including LT Investments	114 251	40 427	58 137	66 916	58 137
Fixed operational expend. (monthly)						
Longstanding debtors outstanding						
Longstanding debtors recovered						
Attorney collections						

The above table gives an overview of the financial indicators of the municipality for the 4th Quarter 30 June 2024.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R17 010 024.33 as of 30 June 2024.

Liquidity

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

Adjusted Budgeted Current Ratio: $R641\ 156\ 000/R\ 385\ 227\ 000 = 1.66:1$

Actual Current Ratio as of 31 March 2024: $R\ 834\ 930\ 000/R\ 401\ 543\ 000 = 2.08:1$

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 adjusted budget showed a R1.66: R1 ratio and the actual ratio as of 30 June 2024 is R2.08:1 which is still above the norm.

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

Adjusted Budgeted Acid test Ratio: $(R\ 641\ 156\ 000 - R14\ 612\ 000)/R\ 385\ 227\ 000 = 1.63:1$

Actual Acid test Ratio as 30 June 2024: $(R\ 834\ 930\ 000 - R11\ 257\ 000)/R\ 401\ 543\ 000 = 2.05:1$

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

5.12 Investment Register



RAY NKONYENI MUNICIPALITY

INVESTMENT REGISTER FOR THE PERIOD ENDING 30/05/2024

ACCOUNT NO	INVESTMENT DETAILS		CURRENT MONTH						YTD					
	INSTITUTION & TYPE	PROJECT NAME / DETAILS	MONTHLY OPENING BALANCES	INTEREST INVESTED 30/06/2024	BANK CHARGES *30/06/2024	DEPOSIT *30/06/2024	WITHDRAWALS *30/06/2024	CURRENT BALANCE	INVESTMENT BALANCES AS AT 01/07/2023	INTEREST	BANK DEPOSITS	CHARGES	INVESTMENT WITHDRAWALS	BALANCE AS AT *30/06/2024
378692984011	STANDARD BANK - CALL	LOUISIANA HSG	10 832 020.40	75 898.33	-	-	-	10 907 918.73	10 042 468.82	865 449.91	-	-	-	10 907 918.73
378692984003	STANDARD BANK - CALL	NZIMAKWE 1 HSG	697 628.19	4 888.18	-	-	-	702 516.37	646 777.71	55 738.66	-	-	-	702 516.37
378692984004	STANDARD BANK - CALL	NZIMAKWE 2 HSG	1 157 460.25	8 110.15	-	-	-	1 165 570.40	1 073 092.36	92 478.04	-	-	-	1 165 570.40
378692984005	STANDARD BANK - CALL	BHOBOYI SUB-HSG	367 535.64	2 575.27	-	-	-	370 110.91	340 745.77	29 365.14	-	-	-	370 110.91
378692984006	STANDARD BANK - CALL	BHOBOYI EST-HSG	13 251.32	54.02	-	-	-	13 305.34	12 679.67	625.67	-	-	-	13 305.34
378692984007	STANDARD BANK - CALL	DAMAGED HSES	84 883.31	352.09	-	-	-	85 265.40	80 850.07	4 415.33	-	-	-	85 265.40
378692984008	STANDARD BANK - CALL	UPLANDS HSG	84 797.35	381.70	-	-	-	85 179.05	80 768.21	4 410.84	-	-	-	85 179.05
378692984009	STANDARD BANK - CALL	MKHOLOMBE HSG	1 639 127.69	11 485.12	-	-	-	1 650 612.81	1 519 650.83	130 961.98	-	-	-	1 650 612.81
378692984010	STANDARD BANK - CALL	AIDS PROJECT	162 965.93	1 141.88	-	-	-	164 107.81	151 087.25	13 020.56	-	-	-	164 107.81
378692984012	STANDARD BANK - CALL	MASINENGE HSG	6 419 752.43	44 982.24	-	-	-	6 464 734.67	34 328 112.24	2 496 622.43	-	-	-30 360 000.00	6 464 734.67
378692984013	STANDARD BANK - CALL	KWAMAVUNDLA HSG	275 919.61	1 933.33	-	-	-	277 852.94	255 807.68	22 045.26	-	-	-	277 852.94
378692984014	STANDARD BANK - CALL	KWAXOLO HOUSING	13 103 167.77	91 811.92	-	-	-	13 194 979.69	12 148 071.10	1 046 908.59	-	-	-	13 194 979.69
378692984015	STANDARD BANK - CALL	KWADWALANE HOUSING	593 687.32	4 159.88	-	-	-	597 847.20	550 413.15	47 434.05	-	-	-	597 847.20
			35 432 197.21	247 804.11	-	-	-	35 680 001.32	61 230 524.86	4 809 476.46	-	-	-30 360 000.00	35 680 001.32
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)	-	-	-	-	-	-	10 831 633.79	688 977.75	-	-	-11 520 611.54	-
			-	-	-	-	-	-	10 831 633.79	688 977.75	-	-	-11 520 611.54	-
378692984016	STANDARD BANK-CALL	RNM- UNSPENT CONDITIONAL GRANTS	55 563.92	250.11	-	-	-	55 814.03	51 758.71	4 055.32	-	-	-	55 814.03
378692984017	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	12 278.67	50.06	-	-	-	12 328.73	11 446.99	881.74	-	-	-	12 328.73
			67 842.59	300.17	-	-	-	68 142.76	63 205.70	4 937.06	-	-	-	68 142.76
62726614151	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	53 169 916.34	361 983.92	-	27 000 000.00	-80 000 000.00	522 900.26	7 529 242.03	8 055 385.23	934 700 000.00	-	-949 761 727.00	522 900.26
			53 169 916.34	361 983.92	-	27 000 000.00	-80 000 000.00	522 900.26	7 529 242.03	8 055 385.23	934 700 000.00	-	-949 761 727.00	522 900.26
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3 884 995.24	25 864.49	-	-	-	3 910 859.73	3 606 757.16	304 102.57	-	-	-	3 910 859.73
			3 884 995.24	25 864.49	-	-	-	3 910 859.73	3 606 757.16	304 102.57	-	-	-	3 910 859.73
037881000791	NEDBANK	RESERVES INVESTMENT ACCOUNT	50 600 250.47	303 207.12	-	-	-30 000 000.00	20 903 457.59	27 139 957.96	2 746 032.63	21 017 467.00	-	-30 000 000.00	20 903 457.59
			50 600 250.47	303 207.12	-	-	-30 000 000.00	20 903 457.59	27 139 957.96	2 746 032.63	21 017 467.00	-	-30 000 000.00	20 903 457.59
		GRAND TOTAL RNM INVESTMENT + INTEREST	143 146 201.85	939 159.81	-	27 000 000.00	-80 000 000.00	61 085 361.66	110 401 321.50	16 608 911.70	934 700 000.00	-	-991 642 338.54	61 085 361.66

The Investment register as of 30 June 2024 has the closing balance of R60.1 million, with R16.6 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 - M12 - Quarter 4

Description	2022/23		Budget Year 2023/24						
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	486 141	509 406	509 406	44 562	508 008	509 406	(1 398)	0%	509 406
Service charges	212 429	245 147	245 147	55 134	250 760	245 147	5 612	2%	245 147
Investment revenue	10 845	8 511	11 275	4 110	11 614	11 275	339	3%	11 275
Transfers and subsidies - Operational	285 417	390 026	390 741	42 406	385 654	390 741	(5 087)	-1%	390 741
Other own revenue	132 063	98 017	151 090	30 821	99 441	151 090	(51 649)	-34%	-
Total Revenue (excluding capital transfers and contributions)	1 126 895	1 251 108	1 307 659	177 033	1 255 476	1 307 659	(52 183)	-4%	1 307 659
Employee costs	455 419	483 929	484 374	120 163	479 025	484 374	(5 349)	-1%	484 374
Remuneration of Councilors	29 567	31 164	40 283	8 576	40 181	40 283	(102)	0%	40 283
Depreciation and amortisation	94 294	104 756	110 770	14 545	79 998	110 770	(30 772)	-28%	110 770
Interest	24 062	9 958	9 960	6	1 465	9 960	(8 495)	-85%	9 960
Inventory consumed and bulk purchases	119 244	168 819	166 558	36 384	140 607	166 558	(25 952)	-16%	166 558
Transfers and subsidies	14 465	13 838	15 930	8 328	15 664	15 930	(266)	-2%	15 930
Other expenditure	426 555	440 726	524 306	154 873	461 223	524 306	(63 083)	-12%	524 306
Total Expenditure	1 163 606	1 253 191	1 352 181	342 876	1 218 162	1 352 181	(134 019)	-10%	1 352 181
Surplus/(Deficit)	(36 711)	(2 083)	(44 522)	(165 843)	37 314	(44 522)	81 836	-184%	(44 522)
Transfers and subsidies - capital (monetary allocations)	185 621	109 848	122 442	43 351	115 831	122 442	(6 612)	-5%	122 442
Transfers and subsidies - capital (in-kind)	1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers &	150 400	107 765	77 921	(122 492)	153 145	77 921	75 224	97%	77 921
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	150 400	107 765	77 921	(122 492)	153 145	77 921	75 224	97%	77 921
Capital expenditure & funds sources									
Capital expenditure	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Capital transfers recognised	161 075	95 520	106 434	26 820	101 750	106 434	(4 684)	-4%	106 434
Borrowing	6 412	21 452	21 452	643	643	21 452	(20 809)	-97%	21 452
Internally generated funds	44 758	37 921	47 290	19 330	44 207	47 290	(3 083)	-7%	47 290
Total sources of capital funds	212 244	154 893	175 176	46 792	146 600	175 176	(28 576)	-16%	175 176
Financial position									
Total current assets	735 851	645 023	641 156		834 930				641 156
Total non current assets	2 162 440	2 037 876	2 061 797		2 229 506				2 061 797
Total current liabilities	395 179	335 379	385 277		401 543				385 277
Total non current liabilities	189 711	158 975	158 975		196 345				158 975
Community wealth/Equity	2 313 400	2 188 546	2 158 701		2 466 548				2 158 701
Cash flows									
Net cash from (used) operating	45 732	95 608	197 333	(59 131)	271 903	189 835	(82 068)	-43%	197 333
Net cash from (used) investing	242 572	(168 358)	(192 400)	(52 673)	(168 468)	(161 114)	7 354	-5%	(192 400)
Net cash from (used) financing	(31 987)	(18 414)	32 117	(16 797)	(51 726)	(24 605)	27 121	-110%	32 117
Cash/cash equivalents at the month/year end	388 010	40 427	168 641	-	165 961	135 707	(30 254)	-22%	151 301
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	23 741	12 698	22 502	18 433	16 587	15 252	14 836	478 389	602 438
Creditors Age Analysis									
Total Creditors	2 822	21	-	-	-	-	-	5	2 848

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) - M12 - Quarter 4

Description	Ref	2022/23			Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		153 095	182 436	182 436	49 684	187 331	182 436	4 895	3%	182 436
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		59 334	62 711	62 711	5 450	63 429	62 711	717	1%	62 711
Sale of Goods and Rendering of Services		25 874	9 571	45 194	8 406	16 749	45 184	(28 436)	-63%	45 184
Agency services		5 341	5 371	6 248	1 549	5 898	6 248	(350)	-6%	6 248
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 461	6 982	8 340	2 294	8 378	8 340	37	0%	8 340
Interest from Current and Non Current Assets		10 845	8 511	11 275	4 110	11 614	11 275	339	3%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		4 686	3 498	4 975	960	4 266	4 975	(709)	-14%	4 975
Licence and permits		596	636	637	134	598	637	(39)	-6%	637
Operational Revenue		3 673	1 106	1 230	492	1 159	1 230	(71)	-6%	1 230
Non-Exchange Revenue										
Property rates		486 141	509 406	509 406	44 562	508 008	509 406	(1 398)	0%	509 406
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		23 969	31 062	34 529	6 121	20 608	34 529	(13 922)	-40%	34 529
Licence and permits		7 734	9 628	9 628	2 352	9 064	9 628	(564)	-6%	9 628
Transfers and subsidies - Operational		285 417	390 026	390 741	42 406	385 654	390 741	(5 087)	-1%	390 741
Interest		28 075	30 164	30 164	8 510	32 216	30 164	2 052	7%	30 164
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	652	-	-	652	(652)	-100%	652
Other Gains		25 653	-	9 503	3	506	9 503	(8 997)	-95%	9 503
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total revenue (excluding capital transfers and contributions)		1 126 895	1 251 108	1 307 659	177 033	1 255 476	1 307 659	(52 183)	-4%	1 307 659
Expenditure By Type										
Employee related costs		455 419	483 929	484 374	120 163	479 025	484 374	(5 349)	-1%	484 374
Remuneration of councillors		29 567	31 164	40 283	8 576	40 181	40 283	(102)	0%	40 283
Bulk purchases - electricity		107 470	158 320	153 320	34 464	127 809	153 320	(25 511)	-17%	153 320
Inventory consumed		11 774	10 499	13 238	1 921	12 798	13 238	(440)	-3%	13 238
Debt impairment		19 926	-	32 571	-	-	32 571	(32 571)	-100%	32 571
Depreciation and amortisation		94 294	104 756	110 770	14 545	79 998	110 770	(30 772)	-28%	110 770
Interest		24 062	9 958	9 960	6	1 465	9 960	(8 495)	-85%	9 960
Contracted services		211 569	273 776	281 783	80 076	262 443	281 783	(19 340)	-7%	281 783
Transfers and subsidies		14 465	13 838	15 930	8 328	15 664	15 930	(266)	-2%	15 930
Irrecoverable debts written off		27 590	10 513	10 013	7 228	11 307	10 013	1 294	13%	10 013
Operational costs		161 955	156 437	199 939	67 453	188 761	199 939	(11 179)	-6%	199 939
Losses on Disposal of Assets		5 320	-	-	-	(1 404)	-	(1 404)	#DIV/0!	-
Other Losses		197	-	-	116	116	-	116	#DIV/0!	-
Total Expenditure		1 163 606	1 253 494	1 352 181	342 876	1 218 162	1 352 181	(134 019)	-10%	1 352 181
Surplus/(Deficit)		(36 711)	(2 083)	(44 522)	(165 843)	37 314	(44 522)	81 836	-184%	(44 522)
Transfers and subsidies - capital (monetary allocations)		185 621	109 848	122 442	43 351	115 831	122 442	(6 612)	-5%	122 442
Transfers and subsidies - capital (in-kind)		1 490	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		150 400	107 765	77 921	(122 492)	153 145	77 921	-	-	77 921
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		150 400	107 765	77 921	(122 492)	153 145	77 921	-	-	77 921
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		150 400	107 765	77 921	(122 492)	153 145	77 921	-	-	77 921
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		150 400	107 765	77 921	(122 492)	153 145	77 921	-	-	77 921

This table provides a structured format overview of the financial information of the monthly 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) - M12 - Quarter 4

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited	Original	Adjusted	Quarter 4	YearTD actual	YearTD	YTD	YTD %	Full Year
R thousands										
Multi-Year expenditure appropriation	1									
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		3 938	3 801	4 008	854	3 395	4 008	(612)	-15%	4 008
Vote 3 - Internal Audit		676	200	220	5	194	220	(26)	-12%	220
Vote 4 - Community and Social Services		379	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		1 613	4 340	995	22	442	995	(554)	-56%	995
Vote 7 - Housing		229	180	189	63	127	189	(62)	-33%	189
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		109 489	115 220	115 918	31 636	110 505	115 918	(5 353)	-5%	115 918
Vote 10 - Road Transport		77 794	7 200	31 594	13 523	30 443	31 594	(1 151)	-4%	31 594
Vote 11 - Environment Protection		389	500	300	-	292	300	(8)	-3%	300
Vote 12 - Energy Sources		13 778	22 952	21 452	643	643	21 452	(20 809)	-97%	21 452
Vote 13 - Other		(843)	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		4 505	500	500	48	499	500	(1)	0%	500
Total Capital single-year expenditure	4	212 244	154 893	175 178	48 792	148 800	175 178	(28 678)	-18%	175 178
Total Capital Expenditure		212 244	164 889	175 178	48 792	148 800	175 178	(28 678)	-18%	175 178
Capital Expenditure - Functional Classification										
Governance and administration		4 894	4 001	4 266	882	3 812	4 266	(642)	-15%	4 266
Executive and council		320	-	27	23	23	27	(4)	-14%	27
Finance and administration		3 938	3 801	4 008	854	3 395	4 008	(612)	-15%	4 008
Internal audit		676	200	220	5	194	220	(26)	-12%	220
Community and public safety		2 072	4 620	1 186	84	589	1 186	(516)	-52%	1 186
Community and social services		379	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1 494	4 340	995	22	442	995	(554)	-56%	995
Housing		229	180	189	63	127	189	(62)	-33%	189
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		187 786	122 820	147 794	45 198	141 277	147 794	(5 508)	-4%	147 794
Planning and development		109 487	115 220	115 891	31 613	110 541	115 891	(5 349)	-5%	115 891
Road transport		77 943	7 200	31 594	13 523	30 443	31 594	(1 151)	-4%	31 594
Environmental protection		389	500	300	-	292	300	(8)	-3%	300
Trading services		18 288	23 462	21 862	690	1 142	21 862	(20 810)	-95%	21 862
Energy sources		13 778	22 952	21 452	643	643	21 452	(20 809)	-97%	21 452
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4 505	500	500	48	499	500	(1)	0%	500
Other		(843)	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	212 244	164 889	175 178	48 792	148 800	175 178	(28 678)	-18%	175 178
Funded by:										
National Government		130 557	93 781	99 328	24 334	99 254	99 328	(5)	0%	99 328
Provincial Government		30 518	1 739	7 107	2 488	2 488	7 107	(4 621)	-65%	7 107
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (NAT / PROV / DEPTM Agencies)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		161 075	85 620	108 434	28 820	101 750	108 434	(4 884)	-4%	108 434
Borrowing	5	6 412	21 452	21 452	643	643	21 452	(20 809)	-97%	21 452
Internally generated funds		44 758	37 921	47 290	19 330	44 207	47 290	(3 083)	-7%	47 290
Total Capital Funding		212 244	164 889	175 178	48 792	148 800	175 178	(28 678)	-18%	175 178

This table provides an overview of actuals to date of the capital expenditure per department for the 4th Quarter ended 30 June 2024.

6.4 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M12 - Quarter 4

Description	Ref	Budget Year 2023/24				
		2022/23 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	58 137	66 916	58 137
Trade and other receivables from exchange transactions		110 482	143 554	138 590	138 561	138 590
Receivables from non-exchange transactions		353 515	333 984	308 284	427 717	308 284
Current portion of non-current receivables		-	-	-	-	-
Inventory		5 564	2 559	14 612	11 251	14 612
VAT		147 570	121 348	118 384	186 016	118 384
Other current assets		4 469	3 151	3 151	4 469	3 151
Total current assets		735 851	645 023	641 156	834 930	641 156
Non current assets						
Investments		-	-	-	-	-
Investment property		354 869	307 811	316 811	354 869	316 811
Property, plant and equipment		1 804 872	1 726 164	1 740 653	1 872 209	1 740 653
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		2 210	2 205	2 205	2 210	2 205
Intangible assets		489	1 697	2 129	219	2 129
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	2 061 797	2 229 506	2 061 797
TOTAL ASSETS		2 898 291	2 682 899	2 702 953	3 064 436	2 702 953
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		17 369	28 891	15 188	(34 357)	15 188
Consumer deposits		35 315	32 846	32 846	38 297	32 846
Trade and other payables from exchange transactions		147 675	112 595	153 828	141 759	153 828
Trade and other payables from non-exchange transactions		37 945	46 376	40 295	42 369	40 295
Provision		39 844	35 473	63 923	55 720	63 923
VAT		112 191	74 576	74 576	152 917	74 576
Other current liabilities		4 839	4 622	4 622	4 839	4 622
Total current liabilities		395 179	335 379	385 277	401 543	385 277
Non current liabilities						
Financial liabilities		43 628	16 435	16 435	50 262	16 435
Provision		47 192	41 487	41 487	47 192	41 487
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		98 891	101 052	101 052	98 891	101 052
Total non current liabilities		189 711	158 975	158 975	196 345	158 975
TOTAL LIABILITIES		584 890	494 353	544 252	597 888	544 252
NET ASSETS	2	2 313 400	2 188 546	2 158 701	2 466 548	2 158 701
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 313 400	2 188 546	2 158 701	2 466 548	2 158 701
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	2 313 400	2 188 546	2 158 701	2 466 548	2 158 701

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 4th quarter ended 30 June 2024. Current assets are R 843.9 million and the current liabilities at R401.5 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 - M12 - Quarter 4

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Quarter 4	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		462 432	483 936	483 936	96 998	467 081	506 248	(39 166)	-8%	483 936
Service charges		232 454	232 890	232 890	70 050	269 087	274 989	(5 903)	-2%	232 890
Other revenue		86 694	26 628	29 263	40 434	101 579	54 408	47 171	87%	29 263
Transfers and Subsidies - Operational		291 700	390 290	426 030	13 143	363 720	336 888	26 831	8%	426 030
Transfers and Subsidies - Capital		184 599	109 848	119 163	-	153 568	132 163	21 405	16%	119 163
Interest		10 332	8 511	11 275	3 882	10 629	11 916	(1 287)	-11%	11 275
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1 221 166)	(1 131 649)	(1 130 069)	(283 638)	(1 092 304)	(1 098 797)	6 493	-1%	(1 130 069)
Interest		(1 324)	(9 958)	9 958	-	(1 457)	(10 818)	9 361	-87%	9 958
Transfers and Subsidies		-	(14 888)	14 888	-	-	(17 163)	17 163	-100%	14 888
NET CASH FROM/(USED) OPERATING ACTIVITIES		45 732	95 608	197 333	(58 131)	271 903	189 835	(82 068)	-43%	197 333
CASH FLOW FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		242 572	(168 358)	(192 400)	(52 673)	(168 468)	(161 114)	7 354	5%	(192 400)
NET CASH FROM/(USED) INVESTING ACTIVITIES		242 572	(168 358)	(192 400)	(52 673)	(168 468)	(161 114)	7 354	-5%	(192 400)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	9 000	(9 000)	-100%	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(31 987)	(18 414)	32 117	(16 797)	(51 726)	(33 606)	(18 121)	54%	32 117
NET CASH FROM/(USED) FINANCING ACTIVITIES		(31 987)	(18 414)	32 117	(16 797)	(51 726)	(24 606)	27 121	-110%	32 117
NET INCREASE/(DECREASE) IN CASH HELD		256 317	(91 164)	37 050	(128 600)	51 709	4 116			37 050
Cash/cash equivalents at beginning:		131 693	131 591	131 591		114 251	131 591			114 251
Cash/cash equivalents at month/year end:		388 010	40 427	168 641		165 961	135 707			151 301

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.