



The Game changer of South Coast development

RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 July 2024 (M01)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/2025 BUDGET FOR THE PERIOD ENDING 31 July 2024

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2024/25 Budget of the Ray Nkonyeni Municipality for the period ending 31 July 2024 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 8, Section 71.

4. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 July 2024 is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Revenue By source
- 5.3 Expenditure by Type
- 5.4 Debtors Age Analysis
- 5.5 Creditors Age Analysis
- 5.6 Capital Expenditure
- 5.7 Transfers and Grants Receipts
- 5.8 Transfers and Grants Expenditure

- 5.9 Salaries Expenditure
- 5.10 Long-term Loans
- 5.11 Performance Indicators
- 5.12 Investment Register

6. MAIN TABLES

- 6.1. Monthly Budget Statement Summary
- 6.2. Financial Performance by Revenue and Expenditure
- 6.3. Capital Expenditure
- 6.4. Cash Flow
- 6.5. Financial Position

5.1 Monthly Budget Statement of Financial Performance

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

5.2 Financial Performance -Revenue by Source

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

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----|------------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
| | | 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 | | 187 331 | 207 222 | – | 16 890 | 16 890 | 17 268 | (378) | -2% | 207 222 |
| Service charges - Water | | – | – | – | – | – | – | – | – | – |
| Service charges - Waste Water Management | | – | – | – | – | – | – | – | – | – |
| Service charges - Waste management | | 63 429 | 71 335 | – | 6 293 | 6 293 | 6 365 | (72) | -1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | – | 893 | 893 | 1 673 | (780) | -47% | 22 615 |
| Agency services | | 5 898 | 6 892 | – | 588 | 588 | 574 | 14 | 2% | 6 892 |
| Interest | | – | – | – | – | – | – | – | – | – |
| Interest earned from Receivables | | 8 378 | 8 202 | – | 785 | 785 | 683 | 102 | 15% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | – | 1 326 | 1 326 | 993 | 333 | 33% | 11 916 |
| Dividends | | – | – | – | – | – | – | – | – | – |
| Rent on Land | | – | – | – | – | – | – | – | – | – |
| Rental from Fixed Assets | | 4 266 | 5 203 | – | 281 | 281 | 434 | (153) | -35% | 5 203 |
| Licence and permits | | 598 | 737 | – | 55 | 55 | 61 | (6) | -10% | 737 |
| Operational Revenue | | 1 159 | 1 091 | – | 28 | 28 | 91 | (63) | -70% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | – | 46 981 | 46 981 | 48 445 | (1 464) | -3% | 532 893 |
| Surcharges and Taxes | | – | – | – | – | – | – | – | – | – |
| Fines, penalties and forfeits | | 20 608 | 32 812 | – | 40 | 40 | 2 734 | (2 694) | -99% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | – | 562 | 562 | 996 | (434) | -44% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | – | 126 203 | 126 203 | 126 413 | (210) | 0% | 324 656 |
| Interest | | 32 216 | 32 615 | – | 2 760 | 2 760 | 2 718 | 42 | 2% | 32 615 |
| Fuel Levy | | – | – | – | – | – | – | – | – | – |
| Operational Revenue | | – | – | – | – | – | – | – | – | – |
| Gains on disposal of Assets | | – | – | – | – | – | – | – | – | – |
| Other Gains | | 506 | – | – | – | – | – | – | – | – |
| Discontinued Operations | | – | – | – | – | – | – | – | – | – |
| Total Revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | – | 203 683 | 203 683 | 209 449 | (5 766) | -3% | 1 270 142 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 479 025 | 497 297 | – | 40 578 | 40 578 | 40 105 | 472 | 1% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | – | 2 824 | 2 824 | 2 849 | (24) | -1% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | – | – | – | 12 796 | (12 796) | -100% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | – | 1 411 | 1 411 | 1 275 | 136 | 11% | 12 982 |
| Debt impairment | | – | 11 290 | – | – | – | – | – | – | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | – | – | – | 7 168 | (7 168) | -100% | 107 839 |
| Interest | | 1 465 | 11 818 | – | 0 | 0 | 754 | (754) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | – | 11 943 | 11 943 | 20 819 | (8 876) | -43% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | – | 203 | 203 | 498 | (295) | -59% | 17 163 |
| Irrecoverable debts written off | | 11 307 | 5 000 | – | 549 | 549 | 417 | 133 | 32% | 5 000 |
| Operational costs | | 188 761 | 171 541 | – | 10 966 | 10 966 | 14 299 | (3 334) | -23% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | – | – | – | – | – | – | – | – |
| Other Losses | | 116 | – | – | – | – | – | – | – | – |
| Total Expenditure | | 1 218 162 | 1 249 698 | – | 68 473 | 68 473 | 100 980 | (32 507) | -32% | 1 249 698 |
| Surplus/(Deficit) | | 37 314 | 20 444 | – | 135 210 | 135 210 | 108 469 | 26 741 | 25% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | | 115 831 | 132 163 | – | – | – | 11 472 | (11 472) | -100% | 132 163 |
| Transfers and subsidies - capital (in-kind) | | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after capital transfers & contributions | | 153 145 | 152 607 | – | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Income Tax | | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) after income tax | | 153 145 | 152 607 | – | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Share of Surplus/Deficit attributable to Joint Venture | | – | – | – | – | – | – | – | – | – |
| Share of Surplus/Deficit attributable to Minorities | | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) attributable to municipality | | 153 145 | 152 607 | – | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Share of Surplus/Deficit attributable to Associate | | – | – | – | – | – | – | – | – | – |
| Intercompany/Parent subsidiary transactions | | – | – | – | – | – | – | – | – | – |
| Surplus/ (Deficit) for the year | | 153 145 | 152 607 | – | 135 210 | 135 210 | 119 941 | | | 152 607 |

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

Revenue

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

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

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 187 331 | 207 222 | - | 16 890 | 16 890 | 17 268 | (378) | -2% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 429 | 71 335 | - | 6 293 | 6 293 | 6 365 | (72) | -1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | - | 893 | 893 | 1 673 | (780) | -47% | 22 615 |
| Agency services | | 5 898 | 6 892 | - | 588 | 588 | 574 | 14 | 2% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 378 | 8 202 | - | 785 | 785 | 683 | 102 | 15% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | - | 1 326 | 1 326 | 993 | 333 | 33% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 266 | 5 203 | - | 281 | 281 | 434 | (153) | -35% | 5 203 |
| Licence and permits | | 598 | 737 | - | 55 | 55 | 61 | (6) | -10% | 737 |
| Operational Revenue | | 1 159 | 1 091 | - | 28 | 28 | 91 | (63) | -70% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | - | 46 981 | 46 981 | 48 445 | (1 464) | -3% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 608 | 32 812 | - | 40 | 40 | 2 734 | (2 694) | -99% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | - | 562 | 562 | 996 | (434) | -44% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | - | 126 203 | 126 203 | 126 413 | (210) | 0% | 324 656 |
| Interest | | 32 216 | 32 615 | - | 2 760 | 2 760 | 2 718 | 42 | 2% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 506 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | - | 203 683 | 203 683 | 209 449 | (5 766) | -3% | 1 270 142 |

Revenue from Exchange Transactions

Service charges - Electricity.

The YTD Actual for electricity billing for the period ended 31 July 2024 is R16.8 million while the YTD Budget is R17.2 million. There is a negative variance of R378 thousand between the YTD actual and YTD budget. YTD Electricity consumption has attributed to various factors such as consumers switching to cost effective alternatives such as Gas and Solar system.

Service charges – Waste Management

The overall YTD actual billing for refuse removals is R6.2 million and the YTD Budget billing is R6.3million, There is a negative variance of R72 thousands, waste management revenue has been in line with the projected budget for 2024/2025 financial year.

Sale of goods and Rendering of Services

The YTD actual amounts to R893 thousands with a YTD budget of R1.6 million. The negative variance of R707 thousand is caused by the differences of various items within this segment as stated above and how they have been performing.

Agency Services

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R6.8million, the YTD actual is R588 thousands vs the YTD budget of R574 thousands showing a positive variance of R14 thousand variance. YTD actual is in line with budgeted projections.

Interest earned from receivables.

The YTD budget amounts to R683 thousands compared to the YTD actual amount of R785 thousands, YTD actual showing a positive variance of R102 thousand variance. YTD actual performance is in line with budgeted projections.

Interest from Investments

The YTD actual is R1.3 million and a YTD budget of R993 thousands. This shows a positive variance of R333 thousand since there was more interest earned from investment and this also indicates good performance in markets.

Rental from fixed assets

Rental of facilities amounts annual budget is R5.2 million, this is the rental of fixed asset revenue such as halls, airport hangars, skip hire and garages. The YTD actuals for the rental of facilities is R281 thousands compared to YTD budget of R434 thousands, resulting to a R153 thousand negative variance. The negative variance indicates that less rental revenue was collected than anticipated, e.g. Airport hangars being vacant for some time, rentals of halls etc.

Licenses and Permits

Licenses and permits for exchange revenue actuals to date amounts to R55 thousand with a YTD budget of R61 thousand resulting in a negative variance of R6 thousand. YTD actual performance is in line with budgeted projections.

Revenue from non-exchange transactions

Property Rates

Property rates comprise of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R532 million and the YTD actual billing is R46.9 million, compared to the YTD budget of R48.4 million and a negative variance of R1.4 million for the 2024/25 financial year as property rates are billed over 10 months from July – April each year. The variance is in line with the projected property rates billing across the various property categories and tariffs.

Fines

Fines, Penalties, and forfeits are derived from Building fines, illegal connections, overdue books, and the bulk budget being on traffic fines and the total budget being R32.8 million. The YTD actual is R40 thousands compared to a YTD budget of R2.7 million. The variance of 2.6 million is caused by the fact that the income statement comprises of billed revenue, not collected, Reason for fines to not achieve the project budget can be attributed to the fact that fines are based on infringements identified and that impacts the projected billing and actual billing of fines.

Licenses and Permits

Licenses and permits for non-exchange revenue performance YTD amounts to R562 thousands with a YTD budget of R996 thousands, with a negative variance of R434 thousands. Revenue is collected based on applications received for the month.

Transfers and Subsidies -Operational

The YTD actual as of 31 July 2024 for operational grant recognized /received to date amounts to R126.2million, YTD Budget is R126.4million with a negative variance of R210 thousands as operational conditional grants are recognized as revenue when conditions being met as per the set guidelines which results in the YTD variance.

Interest on Property Rates

The YTD actual amounts to R2.7 million compared to YTD budget of R2.7 million, with a positive variance of R42 thousands. Property rates billing for the 2025 financial year has been in line with the budget.

Total Revenue

The YTD Actual revenue excluding capital transfers is R203.6 million for the period ending 31 July 2024, YTD Budget is R209.4 million, the variance is caused by the differences within the different revenue streams as stated above and how they have been performing.

5.3 Expenditure by Type

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

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---------------------------------|-----|------------------|---------------------|-----------------|----------------|---------------|----------------|-----------------|----------------|--------------------|
| | | 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 | | 479 025 | 497 297 | – | 40 578 | 40 578 | 40 105 | 472 | 1% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | – | 2 824 | 2 824 | 2 849 | (24) | -1% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | – | – | – | 12 796 | (12 796) | -100% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | – | 1 411 | 1 411 | 1 275 | 136 | 11% | 12 982 |
| Debt impairment | | – | 11 290 | – | – | – | – | – | – | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | – | – | – | 7 168 | (7 168) | -100% | 107 839 |
| Interest | | 1 465 | 11 818 | – | 0 | 0 | 754 | (754) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | – | 11 943 | 11 943 | 20 819 | (8 876) | -43% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | – | 203 | 203 | 498 | (295) | -59% | 17 163 |
| Irrecoverable debts written off | | 11 307 | 5 000 | – | 549 | 549 | 417 | 133 | 32% | 5 000 |
| Operational costs | | 188 761 | 171 541 | – | 10 966 | 10 966 | 14 299 | (3 334) | -23% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | – | – | – | – | – | – | – | – |
| Other Losses | | 116 | – | – | – | – | – | – | – | – |
| Total Expenditure | | 1 218 162 | 1 249 698 | – | 68 473 | 68 473 | 100 980 | (32 507) | -32% | 1 249 698 |

Employee related costs and Remuneration of Councilors

The YTD actuals for employee related costs amount to R40.5 million as of 31 July 2024 which comprises of salaries, bonuses and various allowances amongst other items that are directly attributable to employee remuneration. Remuneration of councilors YTD actuals are sitting at R2.8 million. Employee-related cost is further detailed under table 5.9 Salaries Expenditure Details.

Contracted Services

Contracted services are made up of various operational projects such as Repairs and maintenance and typical work stream. Contracted services YTD actuals for the period ended 31 July 2024 amounts to R11.9 million, the YTD Budget is R20.8 million. The variance of negative 8.8 million in contracted services is caused due to the fact that not all projects have commenced since it's the beginning of a financial year.

Inventory Consumed

YTD Inventory consumed amounts to R1.4million as of 31 July 2024 with the YTD Budget being R1.2 million with a positive variance of R136 thousands. The consumption of inventory is in line with budget projection.

Depreciation and Amortization

The YTD actual for this item has been calculated at R0.00 compared to the YTD budget of R7.1million. The figure for depreciation and amortization has not yet been finalized for the month of July 2024 due to the compilation of financial statements for the year under assessment.

Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects with the jurisdiction of Ray Nkonyeni Municipality. The YTD actual for July 2024 stands at R203 thousands with a YTD budget of R496 thousands which is in line with the planned expenditure for transfers and subsidies.

Overall expenditure budget

The overall expenditure YTD Actual is R68.4 million, YTD Budget is R109 million. There is R32.5 thousand negative variance, due to the trends of different types of expenditure as explained above such as transfers and subsidies and contracted services which reflect a large variance compared to YTD budget.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). The YTD Surplus excluding capital transfers is R135.2 million compared to the YTD Budget deficit of R119.9million due to the performance of the various line items detailed above.

5.4 Debtors Age Analysis

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

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts LLo Council Policy |
|---|-------------|---------------------|---------------|--------------|---------------|---------------|---------------|---------------|----------------|----------------|--------------------|--|---|
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | | |
| R thousands | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 9 | 7 | 7 | 8 | 3 | 9 | 11 | 1 044 | 1 098 | 1 075 | - | - |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 19 851 | 7 983 | 2 423 | 1 548 | 889 | 1 028 | 757 | 15 188 | 49 666 | 19 410 | - | - |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 35 129 | 608 | 956 | 12 069 | 10 375 | 9 231 | 8 673 | 275 527 | 352 569 | 315 876 | - | - |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | 0 | 0 | 0 | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 5 521 | 22 | 6 | 2 064 | 1 786 | 1 630 | 1 516 | 54 457 | 67 003 | 61 453 | - | - |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest on Arrear Debtor Accounts | 1810 | 3 531 | 3 643 | 3 582 | 3 498 | 3 409 | 3 336 | 3 252 | 119 495 | 143 745 | 132 989 | - | - |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1900 | 603 | 257 | 271 | 205 | 488 | 172 | 89 | 9 438 | 11 521 | 10 391 | - | - |
| Total By Income Source | 2000 | 64 644 | 12 520 | 7 245 | 19 392 | 16 950 | 15 405 | 14 297 | 475 150 | 625 602 | 541 194 | - | - |
| 2023/24 - totals only | | 59 786 | 28 261 | 5 169 | 16 787 | 16 004 | 14 041 | 13 111 | 401 969 | 555 129 | 461 912 | - | - |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 3 211 | 1 136 | 703 | 729 | 673 | 653 | 656 | 46 345 | 54 105 | 49 055 | - | - |
| Commercial | 2300 | 25 948 | 5 707 | 2 973 | 5 386 | 4 226 | 3 638 | 3 352 | 81 222 | 132 453 | 97 625 | - | - |
| Households | 2400 | 35 485 | 5 677 | 3 570 | 13 276 | 12 052 | 11 114 | 10 289 | 347 582 | 439 044 | 384 313 | - | - |
| Other | 2500 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total By Customer Group | 2600 | 64 644 | 12 520 | 7 245 | 19 392 | 16 950 | 15 405 | 14 297 | 475 150 | 625 602 | 541 194 | - | - |

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

5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 - July

| Description | NT Code | Budget Year 2024/25 | | | | | | | | | 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 | - | - | - | - | - | - | - | - | - | - | - |
| 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 management.

5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 - July

| Vote Description | Ref | 2023/24 | | Budget Year 2024/25 | | | | | | |
|--|-----|-----------------|-----------------|---------------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| 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 | | - | 127 | - | - | - | 11 | (11) | -100% | 127 |
| Vote 2 - Finance and Administration | | 3 396 | 7 300 | - | - | - | 563 | (563) | -100% | 7 300 |
| Vote 3 - Internal Audit | | 194 | 210 | - | - | - | 10 | (10) | -100% | 210 |
| Vote 4 - Community and Social Services | | - | - | - | - | - | - | - | - | - |
| Vote 5 - Sport and Recreation | | - | - | - | - | - | - | - | - | - |
| Vote 6 - Public Safety | | 442 | 5 500 | - | - | - | 458 | (458) | -100% | 5 500 |
| Vote 7 - Housing | | 127 | 55 | - | - | - | - | - | - | 55 |
| Vote 8 - Health | | - | - | - | - | - | - | - | - | - |
| Vote 9 - Planning and Development | | 110 565 | 139 285 | - | 7 183 | 7 183 | 11 226 | (4 043) | -36% | 139 285 |
| Vote 10 - Road Transport | | 30 443 | 15 000 | - | - | - | 875 | (875) | -100% | 15 000 |
| Vote 11 - Environment Protection | | 292 | 800 | - | - | - | 67 | (67) | -100% | 800 |
| Vote 12 - Energy Sources | | 643 | 15 997 | - | - | - | 583 | (583) | -100% | 15 997 |
| Vote 13 - Other | | - | 485 | - | - | - | 36 | (36) | -100% | 485 |
| Vote 14 - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Waste Management | | 499 | 1 400 | - | - | - | 125 | (125) | -100% | 1 400 |
| Total Capital single-year expenditure | 4 | 145 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Total Capital Expenditure | | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| <i>Governance and administration</i> | | 3 612 | 7 897 | - | - | - | 583 | (583) | -100% | 7 897 |
| Executive and council | | 23 | 387 | - | - | - | 11 | (11) | -100% | 387 |
| Finance and administration | | 3 396 | 7 300 | - | - | - | 563 | (563) | -100% | 7 300 |
| Internal audit | | 194 | 210 | - | - | - | 10 | (10) | -100% | 210 |
| <i>Community and public safety</i> | | 569 | 4 655 | - | - | - | 383 | (383) | -100% | 4 655 |
| Community and social services | | - | - | - | - | - | - | - | - | - |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | 442 | 4 600 | - | - | - | 383 | (383) | -100% | 4 600 |
| Housing | | 127 | 55 | - | - | - | - | - | - | 55 |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 141 277 | 155 725 | - | 7 183 | 7 183 | 12 243 | (5 060) | -41% | 155 725 |
| Planning and development | | 110 541 | 139 025 | - | 7 183 | 7 183 | 11 226 | (4 043) | -36% | 139 025 |
| Road transport | | 30 443 | 15 900 | - | - | - | 950 | (950) | -100% | 15 900 |
| Environmental protection | | 292 | 800 | - | - | - | 67 | (67) | -100% | 800 |
| <i>Trading services</i> | | 1 142 | 17 397 | - | - | - | 708 | (708) | -100% | 17 397 |
| Energy sources | | 643 | 15 997 | - | - | - | 583 | (583) | -100% | 15 997 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 499 | 1 400 | - | - | - | 125 | (125) | -100% | 1 400 |
| Other | | - | 485 | - | - | - | 36 | (36) | -100% | 485 |
| Total Capital Expenditure - Functional Classification | 3 | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Funded by: | | | | | | | | | | |
| National Government | | 99 264 | 114 490 | - | 5 020 | 5 020 | 9 379 | (4 359) | -46% | 114 490 |
| Provincial Government | | 2 486 | 435 | - | - | - | 36 | (36) | -100% | 435 |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 101 750 | 114 924 | - | 5 020 | 5 020 | 9 415 | (4 395) | -47% | 114 924 |
| Borrowing | 6 | 643 | 9 000 | - | - | - | - | - | - | 9 000 |
| Internally generated funds | | 44 207 | 62 234 | - | 2 163 | 2 163 | 4 538 | (2 375) | -52% | 62 234 |
| Total Capital Funding | | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R7.1 million, the YTD budgeted is R13.9 million and there is R6.7 million

negative variance. R146.6 million of YTD actuals for capital expenditure, R5 million is funded by national grants, and R2.1million from internally generated funds.

5.7 Transfers and Grants Receipts




KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

| KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JULY 2024 | | | | | | | |
|---|---------------------------------|-----------------------|---------------------|---|---|-------------------|-----------------------|
| Name of grant | Vote Account Number - Liability | Opening balance as at | Receipts | Expenditure: Operating (Revenue Recognised)/GRAP 23 | Expenditure: Capital (Revenue Recognised)/GRAP 23 | Internally Funded | Closing Balance as at |
| INTEGRATED URBAN DEVELOPMENT (IUDG) | - | | R 34 847 000 | R - | R 842 115 | R - | R 34 004 884.58 |
| NEIGHBOURHOOD GRANT | - | | R 5 000 000 | R - | R 4 855 319 | | R 144 680.84 |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | - | | R 2 000 000 | R - | R - | R - | R 2 000 000.00 |
| TOTAL | | R - | R 41 847 000 | R - | R 5 697 435 | R - | R 36 149 565 |

Transfers and Grants Receipts

The total grants received to date for period ending 31 July 2024 amounts to R41.8 million, which include R34.8 million from Integrated Urban Development Grant, R5 million from Neighborhood Development Grant, R2 million from Integrated National Electrification Programme(INEP).

5.8 Transfers and Grants Expenditure



KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER

| KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER JULY 2024 | | | | | | | |
|---|---------------------------------|-----------------------|---------------------|---|---|-------------------|-----------------------|
| Name of grant | Vote Account Number - Liability | Opening Balance as at | Receipts | Expenditure: Operating (Revenue Recognised)/GRAP 23 | Expenditure: Capital (Revenue Recognised)/GRAP 23 | Internally Funded | Closing Balance as at |
| INTEGRATED URBAN DEVELOPMENT (IUDG) | - | | R 34 847 000 | R - | R 842 115 | R - | R 34 004 884.58 |
| NEIGHBOURHOOD GRANT | - | | R 5 000 000 | R - | R 4 855 319 | R - | R 144 680.84 |
| INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME (INEP) | - | | R 2 000 000 | R - | R - | R - | R 2 000 000.00 |
| TOTAL | | R - | R 41 847 000 | R - | R 5 697 435 | R - | R 36 149 565 |

Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 July 2024, there is no operating expenditure recorded and capital expenditure amounting to R5 697 435 comprising of R842 115 thousand for Integrated Urban Development and R4 855 319 for Neighborhood grant.

Grant's expenditure

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

An amount of R 34 847 000 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 July 2024 is R842 115 and has been spent on various capital projects.

- **Neighborhood Development Partnership Grant**

An amount of R5 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 31 July 2024 is R4.8 million.

5.9 Salaries Expenditure details

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

| Summary of Employee and Councillor remuneration | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------|-----------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 2023/24 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 | | 25 737 | 18 276 | - | 1 490 | 1 490 | 1 523 | (33) | -2% | 18 276 |
| Pension and UIF Contributions | | 763 | 755 | - | 67 | 67 | 63 | 4 | 7% | 755 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | - | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | 3 000 | 3 129 | - | 252 | 252 | 261 | (9) | -3% | 3 129 |
| Housing Allowances | | 7 662 | 8 977 | - | 733 | 733 | 748 | (15) | -2% | 8 977 |
| Other benefits and allowances | | 3 020 | 3 049 | - | 282 | 282 | 254 | 28 | 11% | 3 049 |
| Sub Total - Councillors | | 40 181 | 34 185 | - | 2 824 | 2 824 | 2 849 | (24) | -1% | 34 185 |
| % increase | 4 | | -14.9% | | | | | | | -14.9% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | 3 | 2 720 | 6 584 | - | 214 | 214 | 549 | (335) | -61% | 6 584 |
| Pension and UIF Contributions | | 84 | 90 | - | 8 | 8 | 8 | (0) | 0% | 90 |
| Medical Aid Contributions | | 64 | 51 | - | 4 | 4 | 4 | (0) | 0% | 51 |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | 823 | 913 | - | - | - | 60 | (60) | -100% | 913 |
| Motor Vehicle Allowance | | 685 | 732 | - | 61 | 61 | 61 | - | - | 732 |
| Cellphone Allowance | | 66 | 63 | - | 6 | 6 | 5 | 0 | 5% | 63 |
| Housing Allowances | | 1 474 | 1 332 | - | 111 | 111 | 111 | 0 | 0% | 1 332 |
| Other benefits and allowances | | 0 | 0 | - | 0 | 0 | 0 | 0 | 55% | 0 |
| Payments in lieu of leave | | (120) | 21 | - | 8 | 8 | 2 | 6 | 345% | 21 |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | 2 | - | - | - | - | - | - | - | - | - |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5 797 | 9 787 | - | 411 | 411 | 799 | (388) | -49% | 9 787 |
| % increase | 4 | | 68.8% | | | | | | | 68.8% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 288 627 | 309 362 | - | 24 481 | 24 481 | 25 780 | (1 299) | -5% | 309 362 |
| Pension and UIF Contributions | | 52 631 | 53 681 | - | 4 502 | 4 502 | 4 473 | 29 | 1% | 53 681 |
| Medical Aid Contributions | | 21 327 | 21 895 | - | 1 827 | 1 827 | 1 825 | 2 | 0% | 21 895 |
| Overtime | | 23 754 | 22 014 | - | 2 232 | 2 232 | 1 835 | 397 | 22% | 22 014 |
| Performance Bonus | | 22 760 | 23 706 | - | 1 412 | 1 412 | 1 975 | (563) | -29% | 23 706 |
| Motor Vehicle Allowance | | 20 192 | 20 003 | - | 1 787 | 1 787 | 1 667 | 120 | 7% | 20 003 |
| Cellphone Allowance | | 994 | 1 047 | - | 83 | 83 | 87 | (4) | -5% | 1 047 |
| Housing Allowances | | 3 224 | 2 873 | - | 238 | 238 | 239 | (1) | -1% | 2 873 |
| Other benefits and allowances | | 5 894 | 5 507 | - | 483 | 483 | 459 | 25 | 5% | 5 507 |
| Payments in lieu of leave | | 22 912 | 5 907 | - | 2 061 | 2 061 | 492 | 1 568 | 319% | 5 907 |
| Long service awards | | 5 189 | 3 016 | - | 470 | 470 | - | 470 | #DIV/0! | 3 016 |
| Post-retirement benefit obligations | 2 | 4 513 | 17 239 | - | 422 | 422 | 368 | 54 | 15% | 17 239 |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | 1 212 | 1 263 | - | 168 | 168 | 105 | 63 | 60% | 1 263 |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 473 228 | 487 510 | - | 40 167 | 40 167 | 39 306 | 860 | 2% | 487 510 |
| % increase | 4 | | 3.0% | | | | | | | 3.0% |
| Total Parent Municipality | | 519 206 | 531 483 | - | 43 402 | 43 402 | 42 954 | 448 | 1% | 531 483 |

Councillors Remuneration

The annual budget is R34.1 million with a monthly budget of R2.8 million. The YTD actual performance stands at R2.8 million which is in line with the budget.

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 R411 thousand and a YTD budget of R799 thousands. The negative variance of R388 thousand is attributed to the vacant post of senior management.

Other Municipal Staff

The annual budget is R487.5 million with a monthly budget of 40.1 million. The YTD actual of R40.1 million is in line with the YTD budget of R39.3 million for this item.

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 31 July 2024



| DETAILS | % | REDEEMABLE | PROJECT NUMBER | CAPITAL OPENING BALANCE 01 July 2024 | LOAN ADVANCE | LOAN INTEREST CHARGED | INTEREST PAID | LOAN REPAYMENT | CLOSING BALANCE 30 June 2024 |
|-------------------------|--------|------------|----------------|--|-----------------|-----------------------------|------------------|-------------------|------------------------------------|
| | | | | R | | | | R | R |
| DBSA | 9.36% | 31-Mar-31 | 161007684 | -R 9 827 608.80 | - | - | - | - | -R 9 827 608.80 |
| DBSA | 12.67% | 22-Nov-30 | 161007761 | -R 7 182 415.53 | - | - | - | - | -R 7 182 415.53 |
| TOTAL DBSA LOANS | | | | -R 17 010 024.33 | - | - | - | - | -R 17 010 024.33 |
| TOTAL LOANS | | | | -R 17 010 024.33 | - | - | - | - | -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, as well as the third drawdown of R7.9 million and current loan balance outstanding is R17 million as of 31 July 2024. The municipality is still able to make loan repayments as and when they fall due. The capital projects funded by borrowings in the 2024/25 financial year have been funded by a portion of unspent borrowing. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1st month of the financial year.

ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

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

5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 - July

| Description of financial indicator | Basis of calculation | Ref | 2023/24 | Budget Year 2024/25 | | | |
|--|--|-----|-----------------|---------------------|-----------------|---------------|--------------------|
| | | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| Borrowing Management | | | | | | | |
| Capital Charges to Operating Expenditure | Interest & principal paid/Operating Expenditure | | -4.1% | 9.6% | 0.0% | 0.0% | 3.7% |
| Borrowed funding of 'own' capital expenditure | Borrowings/Capital expenditure excl. transfers and grants | | 0.4% | 4.8% | 0.0% | 0.0% | 125.3% |
| Safety of Capital | | | | | | | |
| Debt to Equity | Loans, Accounts Payable, Overdraft & Tax Provision/ Long Term Borrowing/ Funds & Reserves | | 12.2% | 14.8% | 0.0% | 16.8% | 14.8% |
| Gearing | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Liquidity | | | | | | | |
| Current Ratio | Current assets/current liabilities | 1 | 207.4% | 189.8% | 0.0% | 193.9% | 189.8% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | | 16.6% | 34.4% | 0.0% | 37.3% | 34.4% |
| Revenue Management | | | | | | | |
| Annual Debtors Collection Rate | Last 12 Mths Receipts/ Last 12 Mths Billing | | | | | | |
| Outstanding Debtors to Revenue | Total Outstanding Debtors to Annual Revenue | | 45.5% | 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 | | 38.2% | 39.2% | 0.0% | 19.9% | 39.2% |
| Repairs & Maintenance | R&M/Total Revenue - capital revenue | | 13.9% | 10.1% | 0.0% | 3.0% | 10.1% |
| Interest & Depreciation | I&D/Total Revenue - capital revenue | | 6.5% | 9.4% | 0.0% | 0.0% | 3.6% |
| IDP regulation financial viability indicators | | | | | | | |
| i. Debt coverage | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year | | | | | | |
| ii. O/S Service Debtors to Revenue | Total outstanding service debtors/annual revenue | | | | | | |
| iii. Cost coverage | (Available cash + Investments)/monthly fixed operational | | | | | | |

The above table gives an overview of the financial indicators of the municipality for the period ended 31 July 2024 and the indicators are broken down below.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R17 010 024.23 as of 31 July 2024.

Liquidity

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

Budgeted Current Ratio: R833 735/R439 175= **1.8:1**

Actual Current Ratio as of 31 July 2024: R982 227/R506 579= **1.9:1**

The current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.66: R1 ratio and the actual ratio as of 30 June 2024 is: R2.07: R1 which is above the norm.

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

Budgeted Acid test Ratio: (R833 735-R 11 770)/R439 175 =**1.8:1**

Actual Acid test Ratio as 31 July 2024: : (R982 227-R8 661)/R 506 579= **1.9:1**

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 31/07/2024

| ACCOUNT NO | INVESTMENT DETAILS | | CURRENT MONTH | | | | | | YTD | | | | | |
|--------------|----------------------|--|--------------------------|---------------------|--------------|-----------------------|-----------------------|-----------------------|---------------------------|---------------------|-----------------------|----------|------------------------|-----------------------|
| | INSTITUTION & TYPE | PROJECT NAME / DETAILS | MONTHLY OPENING BALANCES | INTEREST INVESTED | BANK CHARGES | DEPOSIT | WITHDRAWALS | CURRENT BALANCE | INVESTMENT BALANCES AS AT | INTEREST | BANK DEPOSITS | CHARGES | INVESTMENT WITHDRAWALS | BALANCE AS AT |
| 37869204011 | STANDARD BANK - CALL | LOUISIANA HSG | 10 937 018.73 | 73 088.98 | - | 680.25 | - | 10 082 968.04 | 10 937 018.73 | 73 088.98 | 680.25 | - | - | 10 282 588.04 |
| 37869204023 | STANDARD BANK - CALL | NZIMAKWE 1 HSG | 762 516.37 | 4 783.92 | - | 43.82 | - | 767 324.11 | 762 516.37 | 4 783.92 | 43.82 | - | - | 797 324.11 |
| 37869204024 | STANDARD BANK - CALL | NZIMAKWE 2 HSG | 1 165 670.40 | 7 003.90 | - | 72.76 | - | 1 173 547.09 | 1 165 670.40 | 7 003.90 | 72.76 | - | - | 1 173 547.09 |
| 37869204025 | STANDARD BANK - CALL | BHOBOYI SUB-HSG | 370 110.91 | 2 508.80 | - | 23.08 | - | 372 643.79 | 370 110.91 | 2 508.80 | 23.08 | - | - | 372 643.79 |
| 37869204028 | STANDARD BANK - CALL | BHOBOYI EST-HSG | 13 305.34 | 52.50 | - | 0.83 | - | 13 358.07 | 13 305.34 | 52.50 | 0.83 | - | - | 13 358.07 |
| 37869204027 | STANDARD BANK - CALL | DAMAGED HSES | 85 285.40 | 371.45 | - | 5.31 | - | 85 642.18 | 85 285.40 | 371.45 | 5.31 | - | - | 85 642.18 |
| 37869204028 | STANDARD BANK - CALL | UPLANDS HSG | 85 170.05 | 371.08 | - | 5.21 | - | 89 556.48 | 85 170.05 | 371.08 | 5.21 | - | - | 85 555.48 |
| 37869204029 | STANDARD BANK - CALL | MIKHOLWBE HSG | 1 850 812.81 | 11 193.18 | - | 102.93 | - | 1 881 905.92 | 1 850 812.81 | 11 193.18 | 102.85 | - | - | 1 881 908.92 |
| 37869204010 | STANDARD BANK - CALL | AIDS PROJECT | 164 197.81 | 1 112.85 | - | 10.24 | - | 165 320.90 | 164 197.81 | 1 112.85 | 10.24 | - | - | 165 320.90 |
| 37869204012 | STANDARD BANK - CALL | MAJINENGE HSG | 8 464 734.67 | 43 838.77 | - | 403.22 | - | 8 508 976.65 | 8 464 734.67 | 43 838.77 | 403.22 | - | - | 8 528 976.65 |
| 37869204013 | STANDARD BANK - CALL | KWAMAVUNDLA HSG | 277 852.94 | 1 884.18 | - | 17.33 | - | 279 754.45 | 277 852.94 | 1 884.18 | 17.33 | - | - | 279 754.45 |
| 37869204014 | STANDARD BANK - CALL | KWAXOLO HOUSING | 13 164 879.69 | 89 478.02 | - | 823.01 | - | 13 285 280.71 | 13 164 879.69 | 89 478.02 | 823.00 | - | - | 13 285 280.71 |
| 37869204015 | STANDARD BANK - CALL | KWADWALANE HOUSING | 997 847.20 | 4 054.13 | - | 37.30 | - | 999 938.63 | 997 847.20 | 4 054.13 | 37.30 | - | - | 999 938.63 |
| | | | 35 800 091.32 | 241 602.81 | - | 2 225.48 | - | 35 023 729.61 | 35 800 091.32 | 241 602.81 | 2 225.48 | - | - | 35 023 729.61 |
| 74872852518 | INVESTEC - CALL | INHOA (HOUSING DEVELOPMENT FUND) | - | - | - | - | - | - | - | - | - | - | - | - |
| 37869204018 | STANDARD BANK-CALL | RNM-UNSPENT CONDITIONAL GRANTS | 55 814.03 | 243.14 | - | - | - | 58 067.17 | 55 814.03 | 243.14 | - | - | - | 58 067.17 |
| 37869204017 | STANDARD BANK-CALL | RNM-ACCREDITATION FUNDS | 12 328.73 | 48.64 | - | - | - | 12 377.37 | 12 328.73 | 48.64 | - | - | - | 12 377.37 |
| | | | 68 142.76 | 291.78 | - | - | - | 70 444.54 | 68 142.76 | 291.78 | - | - | - | 70 444.54 |
| 82720814151 | FNB - CALL | RNM - PRIMARY INVESTMENT A/C | 522 800.28 | 918 281.56 | - | 181 000 030.00 | -71 100 000.00 | 113 341 181.82 | 522 800.28 | 918 281.56 | 181 000 000.00 | - | -71 100 000.00 | 113 341 181.82 |
| | | | 522 800.28 | 918 281.56 | - | 181 000 030.00 | -71 100 000.00 | 113 341 181.82 | 522 800.28 | 918 281.56 | 181 000 000.00 | - | -71 100 000.00 | 113 341 181.82 |
| 74872852518 | FNB | FNB-48 HOUR CASH ACCELERATOR | 3 910 859.73 | 28 904.57 | - | - | - | 3 937 764.30 | 3 910 859.73 | 28 904.57 | - | - | - | 3 937 764.30 |
| | | | 3 910 859.73 | 28 904.57 | - | - | - | 3 937 764.30 | 3 910 859.73 | 28 904.57 | - | - | - | 3 937 764.30 |
| 037881000781 | INCOBANK | RESERVES INVESTMENT ACCOUNT | 20 803 457.59 | 315 948.79 | - | 30 000 000.00 | - | 51 219 404.38 | 20 803 457.59 | 315 948.79 | 30 000 000.00 | - | - | 51 219 404.38 |
| | | | 20 803 457.59 | 315 948.79 | - | 30 000 000.00 | - | 51 219 404.38 | 20 803 457.59 | 315 948.79 | 30 000 000.00 | - | - | 51 219 404.38 |
| | | GRAND TOTAL RNM INVESTMENT + INTEREST | 81 085 381.88 | 1 502 927.51 | - | 211 022 225.48 | -71 100 000.00 | 212 450 914.65 | 81 085 381.88 | 1 502 927.51 | 211 022 225.48 | - | -71 100 000.00 | 262 450 914.65 |

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The Investment register as of 31 July 2024 has the closing balance of R 202 million, with R1.5 million total interest earned for the month from which R 918 281.56 thousand was made on primary investment and various investment accounts as shown in the above register.

6.1 Monthly Budget Statement Summary

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

| Description | 2023/24 | | Budget Year 2024/25 | | | | | | |
|--|------------------|------------------|---------------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
| | 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 | 508 008 | 532 893 | - | 46 981 | 46 981 | 48 445 | (1 464) | -3% | 532 893 |
| Service charges | 250 760 | 278 556 | - | 23 183 | 23 183 | 23 633 | (451) | -2% | 278 556 |
| Investment revenue | 11 614 | 11 916 | - | 1 326 | 1 326 | 993 | 333 | 33% | 11 916 |
| Transfers and subsidies - Operational | 385 654 | 324 656 | - | 126 203 | 126 203 | 126 413 | (210) | 0% | 324 656 |
| Other own revenue | 99 441 | 122 121 | - | 5 992 | 5 992 | 9 965 | (3 973) | -40% | - |
| Total Revenue (excluding capital transfers and contributions) | 1 255 476 | 1 270 142 | - | 203 683 | 203 683 | 209 449 | (5 766) | -3% | 1 270 142 |
| Employee costs | 479 025 | 497 297 | - | 40 578 | 40 578 | 40 105 | 472 | 1% | 497 297 |
| Remuneration of Councillors | 40 181 | 34 185 | - | 2 824 | 2 824 | 2 849 | (24) | -1% | 34 185 |
| Depreciation and amortisation | 79 998 | 107 839 | - | - | - | 7 168 | (7 168) | -100% | 107 839 |
| Interest | 1 465 | 11 818 | - | 0 | 0 | 754 | (754) | -100% | 11 818 |
| Inventory consumed and bulk purchases | 140 607 | 166 532 | - | 1 411 | 1 411 | 14 071 | (12 660) | -90% | 166 532 |
| Transfers and subsidies | 15 664 | 17 163 | - | 203 | 203 | 498 | (295) | -59% | 17 163 |
| Other expenditure | 461 223 | 414 864 | - | 23 458 | 23 458 | 35 535 | (12 077) | -34% | 414 864 |
| Total Expenditure | 1 218 162 | 1 249 698 | - | 68 473 | 68 473 | 100 980 | (32 507) | -32% | 1 249 698 |
| Surplus/(Deficit) | 37 314 | 20 444 | - | 135 210 | 135 210 | 108 469 | 26 741 | 25% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | 115 831 | 132 163 | - | - | - | 11 472 | (11 472) | -100% | 132 163 |
| Transfers and subsidies - capital (in-kind) | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | 15 269 | 13% | 152 607 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | 15 269 | 13% | 152 607 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Capital transfers recognised | 101 750 | 114 924 | - | 5 020 | 5 020 | 9 415 | (4 395) | -47% | 114 924 |
| Borrowing | 643 | 9 000 | - | - | - | - | - | - | 9 000 |
| Internally generated funds | 44 207 | 62 234 | - | 2 163 | 2 163 | 4 538 | (2 375) | -52% | 62 234 |
| Total sources of capital funds | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Financial position | | | | | | | | | |
| Total current assets | 835 069 | 833 735 | - | - | 982 227 | - | - | - | 833 735 |
| Total non current assets | 2 230 421 | 2 242 159 | - | - | 2 293 418 | - | - | - | 2 242 159 |
| Total current liabilities | 402 611 | 439 175 | - | - | 506 579 | - | - | - | 439 175 |
| Total non current liabilities | 196 345 | 170 711 | - | - | 225 083 | - | - | - | 170 711 |
| Community wealth/Equity | 2 466 535 | 2 466 007 | - | - | 2 543 983 | - | - | - | 2 466 007 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 271 903 | 189 835 | - | 143 172 | 143 172 | 130 704 | (12 467) | -10% | 189 835 |
| Net cash from (used) investing | 168 468 | (161 114) | - | (10 167) | (10 167) | (13 334) | (3 167) | 24% | (161 114) |
| Net cash from (used) financing | (51 726) | 9 000 | - | - | - | - | - | - | 9 000 |
| Cash/cash equivalents at the month/year end | 502 897 | 151 973 | - | - | 199 765 | 231 622 | 31 857 | 14% | 104 482 |
| 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 | 64 644 | 12 520 | 7 245 | 19 392 | 16 950 | 15 405 | 14 297 | 475 150 | 625 602 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | - | - | - | - | - | - | - | - | - |

The above table provides a concise overview of the monthly actual, year to date actual of the operating expenditure, capital expenditure, and age analysis. The full year forecast as seen the table above takes in the account the original budget less the YTD budget plus the YTD actual, this therefore gives a projection based on the YTD performance on how the municipality will perform for the financial year in terms of the original budget.

6.2 Statement of Financial Performance (Revenue and Expenditure)

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

| Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | 187 331 | 207 222 | - | 16 890 | 16 890 | 17 268 | (378) | -2% | 207 222 |
| Service charges - Water | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Service charges - Waste management | | 63 429 | 71 335 | - | 6 293 | 6 293 | 6 365 | (72) | -1% | 71 335 |
| Sale of Goods and Rendering of Services | | 16 749 | 22 615 | - | 893 | 893 | 1 673 | (780) | -47% | 22 615 |
| Agency services | | 5 898 | 6 892 | - | 588 | 588 | 574 | 14 | 2% | 6 892 |
| Interest | | - | - | - | - | - | - | - | - | - |
| Interest earned from Receivables | | 8 378 | 8 202 | - | 785 | 785 | 683 | 102 | 15% | 8 202 |
| Interest from Current and Non Current Assets | | 11 614 | 11 916 | - | 1 326 | 1 326 | 993 | 333 | 33% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Rent on Land | | - | - | - | - | - | - | - | - | - |
| Rental from Fixed Assets | | 4 266 | 5 203 | - | 281 | 281 | 434 | (153) | -35% | 5 203 |
| Licence and permits | | 598 | 737 | - | 55 | 55 | 61 | (6) | -10% | 737 |
| Operational Revenue | | 1 159 | 1 091 | - | 28 | 28 | 91 | (63) | -70% | 1 091 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | 508 008 | 532 893 | - | 46 981 | 46 981 | 48 445 | (1 464) | -3% | 532 893 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | - | - |
| Fines, penalties and forfeits | | 20 608 | 32 812 | - | 40 | 40 | 2 734 | (2 694) | -99% | 32 812 |
| Licence and permits | | 9 064 | 11 956 | - | 562 | 562 | 996 | (434) | -44% | 11 956 |
| Transfers and subsidies - Operational | | 385 654 | 324 656 | - | 126 203 | 126 203 | 126 413 | (210) | 0% | 324 656 |
| Interest | | 32 216 | 32 615 | - | 2 760 | 2 760 | 2 718 | 42 | 2% | 32 615 |
| Fuel Levy | | - | - | - | - | - | - | - | - | - |
| Operational Revenue | | - | - | - | - | - | - | - | - | - |
| Gains on disposal of Assets | | - | - | - | - | - | - | - | - | - |
| Other Gains | | 506 | - | - | - | - | - | - | - | - |
| Discontinued Operations | | - | - | - | - | - | - | - | - | - |
| Total revenue (excluding capital transfers and contributions) | | 1 255 476 | 1 270 142 | - | 203 683 | 203 683 | 209 449 | (5 766) | -3% | 1 270 142 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 479 025 | 497 297 | - | 40 578 | 40 578 | 40 105 | 472 | 1% | 497 297 |
| Remuneration of councillors | | 40 181 | 34 185 | - | 2 824 | 2 824 | 2 849 | (24) | -1% | 34 185 |
| Bulk purchases - electricity | | 127 809 | 153 550 | - | - | - | 12 796 | (12 796) | -100% | 153 550 |
| Inventory consumed | | 12 798 | 12 982 | - | 1 411 | 1 411 | 1 275 | 136 | 11% | 12 982 |
| Debt impairment | | - | 11 290 | - | - | - | - | - | - | 11 290 |
| Depreciation and amortisation | | 79 998 | 107 839 | - | - | - | 7 168 | (7 168) | -100% | 107 839 |
| Interest | | 1 465 | 11 818 | - | 0 | 0 | 754 | (754) | -100% | 11 818 |
| Contracted services | | 262 443 | 227 033 | - | 11 943 | 11 943 | 20 819 | (8 876) | -43% | 227 033 |
| Transfers and subsidies | | 15 664 | 17 163 | - | 203 | 203 | 498 | (295) | -59% | 17 163 |
| Irrecoverable debts written off | | 11 307 | 5 000 | - | 549 | 549 | 417 | 133 | 32% | 5 000 |
| Operational costs | | 188 761 | 171 541 | - | 10 966 | 10 966 | 14 299 | (3 334) | -23% | 171 541 |
| Losses on Disposal of Assets | | (1 404) | - | - | - | - | - | - | - | - |
| Other Losses | | 116 | - | - | - | - | - | - | - | - |
| Total Expenditure | | 1 218 162 | 1 249 698 | - | 68 473 | 68 473 | 100 980 | (32 507) | -32% | 1 249 698 |
| Surplus/(Deficit) | | 37 314 | 20 444 | - | 135 210 | 135 210 | 108 469 | 26 741 | 25% | 20 444 |
| Transfers and subsidies - capital (monetary allocations) | | 115 831 | 132 163 | - | - | - | 11 472 | (11 472) | -100% | 132 163 |
| Transfers and subsidies - capital (in-kind) | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Income Tax | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after income tax | | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | - | - | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | | | 152 607 |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | | 153 145 | 152 607 | - | 135 210 | 135 210 | 119 941 | | | 152 607 |

The table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and Expenditure by Type for the period ended 31 July 2024. The full year forecast provides a guideline in terms of overall performance, and it gives an overview of whether the municipality will be able to spend as per budget.

6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 - July

| Vote Description | Ref | Budget Year 2024/25 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|----------------|---------------|------------------|-----------------|----------------------|-----------------------|
| | | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| 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 | | - | 127 | - | - | - | 11 | (11) | -100% | 127 |
| Vote 2 - Finance and Administration | | 3 396 | 7 300 | - | - | - | 563 | (563) | -100% | 7 300 |
| Vote 3 - Internal Audit | | 194 | 210 | - | - | - | 10 | (10) | -100% | 210 |
| Vote 4 - Community and Social Services | | - | - | - | - | - | - | - | - | - |
| Vote 5 - Sport and Recreation | | - | - | - | - | - | - | - | - | - |
| Vote 6 - Public Safety | | 442 | 5 500 | - | - | - | 458 | (458) | -100% | 5 500 |
| Vote 7 - Housing | | 127 | 55 | - | - | - | - | - | - | 55 |
| Vote 8 - Health | | - | - | - | - | - | - | - | - | - |
| Vote 9 - Planning and Development | | 110 565 | 139 285 | - | 7 183 | 7 183 | 11 226 | (4 043) | -36% | 139 285 |
| Vote 10 - Road Transport | | 30 443 | 15 000 | - | - | - | 875 | (875) | -100% | 15 000 |
| Vote 11 - Environment Protection | | 292 | 800 | - | - | - | 67 | (67) | -100% | 800 |
| Vote 12 - Energy Sources | | 643 | 15 997 | - | - | - | 583 | (583) | -100% | 15 997 |
| Vote 13 - Other | | - | 485 | - | - | - | 36 | (36) | -100% | 485 |
| Vote 14 - Waste Water Management | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Waste Management | | 499 | 1 400 | - | - | - | 125 | (125) | -100% | 1 400 |
| Total Capital single-year expenditure | 4 | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |
| Total Capital Expenditure | | 146 600 | 186 158 | - | 7 183 | 7 183 | 13 954 | (6 770) | -49% | 186 158 |

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 31 July 2024.

6.4 Statement Cash Flow

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

| Description | Ref | 2023/24 | | Budget Year 2024/25 | | | | | | |
|--|-----|-----------------|------------------|---------------------|-----------------|-----------------|-----------------|-----------------|----------------|--------------------|
| | | 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 | | 467 081 | 506 248 | - | 29 154 | 29 154 | 39 109 | (9 955) | -25% | 506 248 |
| Service charges | | 269 087 | 274 989 | - | 21 227 | 21 227 | 22 508 | (1 281) | -6% | 274 989 |
| Other revenue | | 101 579 | 54 408 | - | 13 812 | 13 812 | 4 507 | 9 305 | 206% | 54 408 |
| Transfers and Subsidies - Operational | | 363 720 | 336 888 | - | 126 204 | 126 204 | 126 972 | (768) | -1% | 336 888 |
| Transfers and Subsidies - Capital | | 153 568 | 132 163 | - | 41 487 | 41 487 | 28 739 | 12 748 | 44% | 132 163 |
| Interest | | 10 629 | 11 916 | - | 1 235 | 1 235 | 993 | 242 | 24% | 11 916 |
| Dividends | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (1 092 304) | (1 098 797) | - | (89 947) | (89 947) | (91 613) | 1 666 | -2% | (1 098 797) |
| Interest | | (1 457) | (10 818) | - | - | - | (1) | 1 | -100% | (10 818) |
| Transfers and Subsidies | | - | (17 163) | - | - | - | (511) | 511 | -100% | (17 163) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 271 903 | 189 835 | - | 143 172 | 143 172 | 130 704 | (12 467) | -10% | 189 835 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Capital assets | | 168 468 | (161 114) | - | (10 167) | (10 167) | (13 334) | 3 167 | -24% | (161 114) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | 168 468 | (161 114) | - | (10 167) | (10 167) | (13 334) | (3 167) | 24% | (161 114) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | 9 000 | - | - | - | - | - | - | 9 000 |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (51 726) | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (51 726) | 9 000 | - | - | - | - | - | - | 9 000 |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 388 645 | 37 721 | - | 133 004 | 133 004 | 117 370 | | | 37 721 |
| Cash/cash equivalents at beginning: | | 114 251 | 114 251 | - | - | 66 760 | 114 251 | | | 66 760 |
| Cash/cash equivalents at month/year end: | | 502 897 | 151 973 | - | - | 199 765 | 231 622 | | | 104 482 |

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

6.5 Statement financial Position

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

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | |
|---|-----|------------------|---------------------|-----------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 66 916 | 151 021 | - | 188 881 | 151 021 |
| Trade and other receivables from exchange transactions | | 138 561 | 142 304 | - | 144 619 | 142 304 |
| Receivables from non-exchange transactions | | 427 717 | 374 949 | - | 447 587 | 374 949 |
| Current portion of non-current receivables | | - | - | - | - | - |
| Inventory | | 11 251 | 11 770 | - | 8 661 | 11 770 |
| VAT | | 186 155 | 149 223 | - | 189 328 | 149 223 |
| Other current assets | | 4 469 | 4 469 | - | 3 151 | 4 469 |
| Total current assets | | 835 069 | 833 735 | - | 982 227 | 833 735 |
| Non current assets | | | | | | |
| Investments | | - | - | - | - | - |
| Investment property | | 354 869 | 354 869 | - | 354 869 | 354 869 |
| Property, plant and equipment | | 1 873 124 | 1 884 927 | - | 1 935 894 | 1 884 927 |
| Biological assets | | - | - | - | - | - |
| Living and non-living resources | | - | - | - | - | - |
| Heritage assets | | 2 210 | 2 210 | - | 2 313 | 2 210 |
| Intangible assets | | 219 | 153 | - | 344 | 153 |
| Trade and other receivables from exchange transactions | | - | - | - | - | - |
| Non-current receivables from non-exchange transactions | | - | - | - | - | - |
| Other non-current assets | | - | - | - | - | - |
| Total non current assets | | 2 230 421 | 2 242 159 | - | 2 293 418 | 2 242 159 |
| TOTAL ASSETS | | 3 065 491 | 3 075 894 | - | 3 275 645 | 3 075 894 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | (34 357) | 11 764 | - | 26 343 | 11 764 |
| Consumer deposits | | 38 297 | 35 315 | - | 38 429 | 35 315 |
| Trade and other payables from exchange transactions | | 142 827 | 191 777 | - | 140 322 | 191 777 |
| Trade and other payables from non-exchange transactions | | 42 369 | 37 945 | - | 80 507 | 37 945 |
| Provision | | 55 720 | 50 183 | - | 64 520 | 50 183 |
| VAT | | 152 917 | 112 191 | - | 156 458 | 112 191 |
| Other current liabilities | | 4 839 | - | - | - | - |
| Total current liabilities | | 402 611 | 439 175 | - | 506 579 | 439 175 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 50 262 | 24 628 | - | 81 978 | 24 628 |
| Provision | | 47 192 | 47 192 | - | 44 214 | 47 192 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | 98 891 | 98 891 | - | 98 891 | 98 891 |
| Total non current liabilities | | 196 345 | 170 711 | - | 225 083 | 170 711 |
| TOTAL LIABILITIES | | 598 956 | 609 887 | - | 731 662 | 609 887 |
| NET ASSETS | 2 | 2 466 535 | 2 466 007 | - | 2 543 983 | 2 466 007 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 2 466 535 | 2 466 007 | - | 2 543 983 | 2 466 007 |
| Reserves and funds | | - | - | - | - | - |
| Other | | - | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 2 466 535 | 2 466 007 | - | 2 543 983 | 2 466 007 |

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 July 2024. Total assets are R3.2 billion over the total liabilities of R731.6 million, this therefore mean the municipality is still able to meet its financial obligations.