



The Game changer of South Coast development

TREASURY DEPARTMENT

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT as at 31 December 2022

Prepared By: Budget and Treasury Office (Budget and Reporting Section)

NO.	Description	Page NO.
	Cover Page	1
1	Executive Summary	3
1.1	Background	3
1.2	Challenges in the implementation of the Budget	3
1.3	Interventions	3
1.4	Financial performance overview	4-8
2	Budget Implementation Report and Withdrawals from Bank accounts	9-20
3	Schedule C: In-year Budget statements Tables	21
3.1	Table C1 – Consolidated Monthly Budget Statement Summary	21
3.2	Table C2 – Financial Performance (Standard Classification)	22
3.3	Table C3 – Revenue and Expenditure by municipal vote	23
3.4	Table C4 – Financial Performance (Revenue and Expenditure)	24
3.5	Table C5 – Capital Expenditure by Municipal vote and GFS	25
3.6	Table C6 – Financial Position	26
3.7	Table C7 – Cash Flow	27
4	Supporting Schedules	28
4.1	Table SC1 – Explanation of material variances	28
4.2	Table SC2 – Performance Indicators	29
4.3	Table SC2– Performance indicators calculations	30
4.4	Table SC3 & SC4 – Age Debtors & Age Creditors	31
4.5	Table SC5 – Investment Register	32
4.6	Table SC6 – Transfers and grants receipts	33
4.7	Table SC7 – Transfers and Grants Expenditure	34
4.8	Table SC8 – Councillors and Staff Benefits	35
4.9	Table SC9 – Monthly Budget statement Actuals & Revised targets for cash receipts	36
4.1	Table SC12 – Capital expenditure Trend & Loan Register	37
5.1	SDBIP MID-YEAR PERFORMANCE REPORT Quarterly SDBIP evaluation reports	38

EXECUTIVE SUMMARY

1.1. BACKGROUND

In terms Section 72 of the municipal finance management act No. 56 of 2003 (MFMA) requires that the accounting officer of a municipality must by 25 January each year assess the performance of the municipality during the first half of the financial year.

The Draft Budget 2022/23 was noted by Council of Ray Nkonyeni Municipality before the 31 March 2022 for public and stakeholder consultation. Few meetings were held in the municipal area, radio station. The annual budget was then presented in the council meeting for council approval before 30 June 2021 and the special adjustment budget was also approved in October 2022 after the Municipality received funding from the department of Economic Development, Tourism and Environmental affairs for the completion of the Margate airport.

The 2022/23 budget was prepared in accordance with the National Treasury guidelines as outlined in Circular 112 and 115 as well as municipal budgeting and reporting regulations and considering the following: -

- The medium-term strategic planning of the municipality.
- MSCOA regulations.
- The role of Local Government in achieving the National outcomes.
- The State of the Nation Address by the President.
- The five Government Priorities.
- National Development Plan.
- National Budget Speech 2022.
- The Division of Revenue Allocations as per the Division of Revenue Act (DORA)
- Provincial Gazette.

1.2. CHALLENGES IN THE IMPLEMENTATION OF 2021/22 BUDGET

The following challenges have been experienced since the adoption of the budget for implementation: -

- Under recovery of revenue billed
- Collection of long outstanding debtors

1.3. INTERVENTIONS

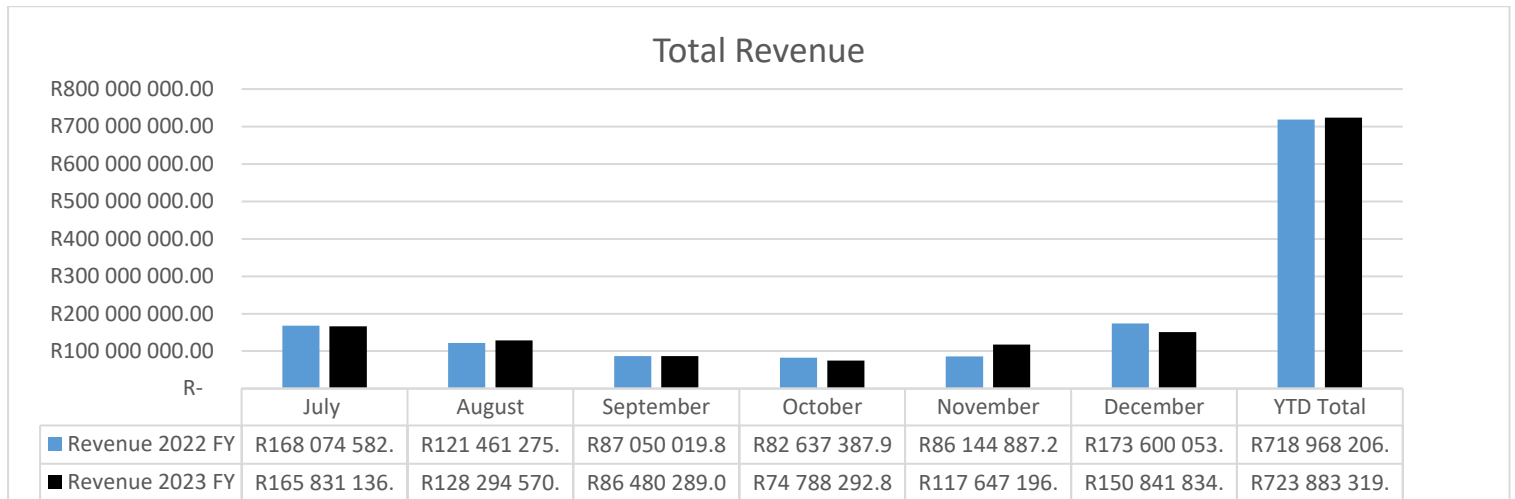
- Strengthened the implementation of debt collection policy.
- Advertise projects before the start of financial year after the budget approval.
- Adopt procurement plan before the start of the financial year.
- Finalizes appointment of contractors
- Incentives given to customers for settling of accounts like interest written off.

1.4. FINANCIAL PERFORMANCE OVERVIEW

Financial overview on the mid-year assessment for the 2022/23 financial year will be based on the performance outcome from the 1st of July 2022- 31st of December 2022 on the bases of actual versus budgeted outcomes. In addition, a comparison of the actual outcomes for the previous years mid-year performance versus the current year mid-year performance to determine an increase or decrease in performance.

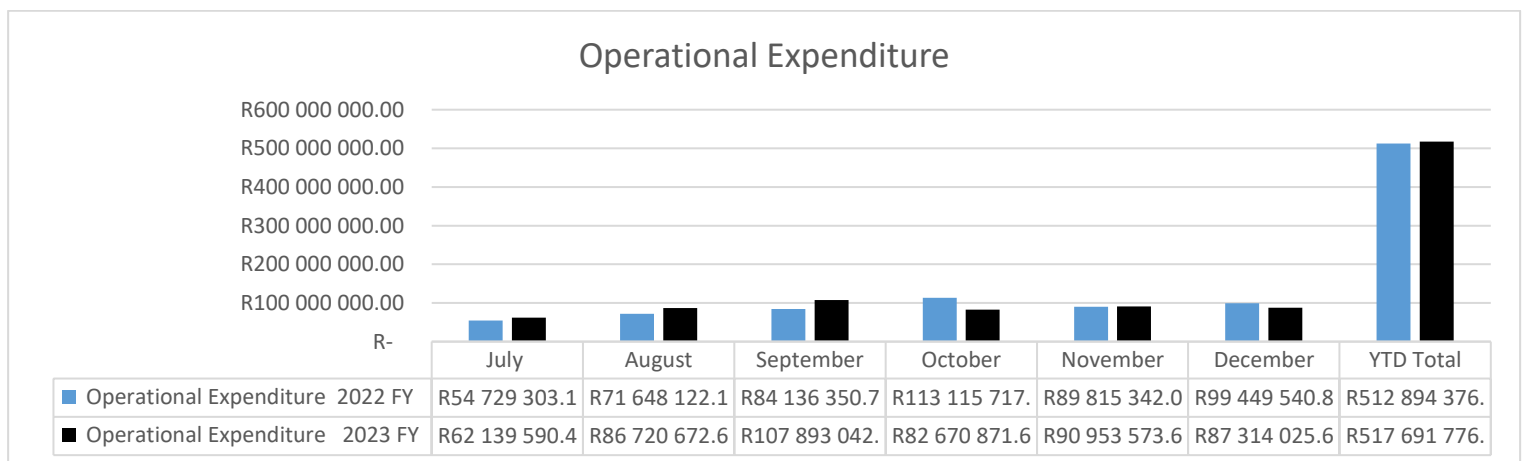
The following chart analysis in comparing a July- December actual Performance for the previous financial year 2022 mid-year performance and the current financial year mid-year performance.

Revenue



There is an overall 1 % increase in revenue for the 2023 financial year mid-year performance in comparison to the 2022 financial year.

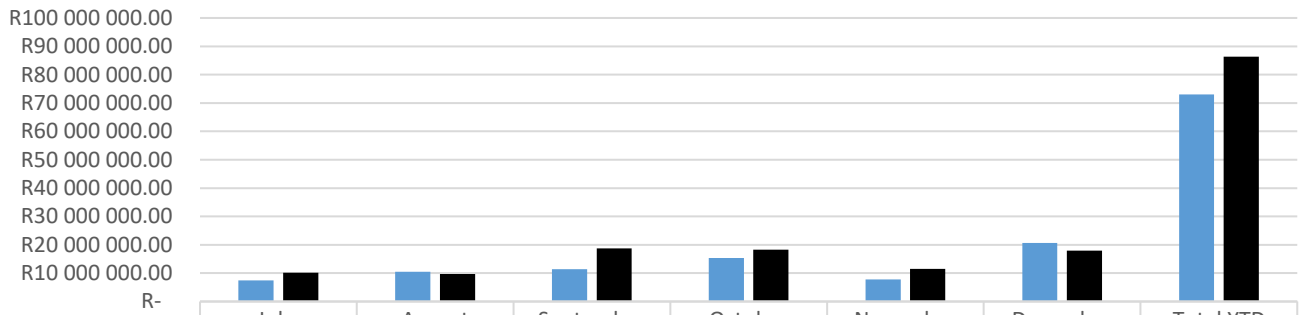
Expenditure



There is an overall 1 % increase in expenditure for the 2023 financial year mid-year performance in comparison to the 2022 financial year.

Capital Expenditure

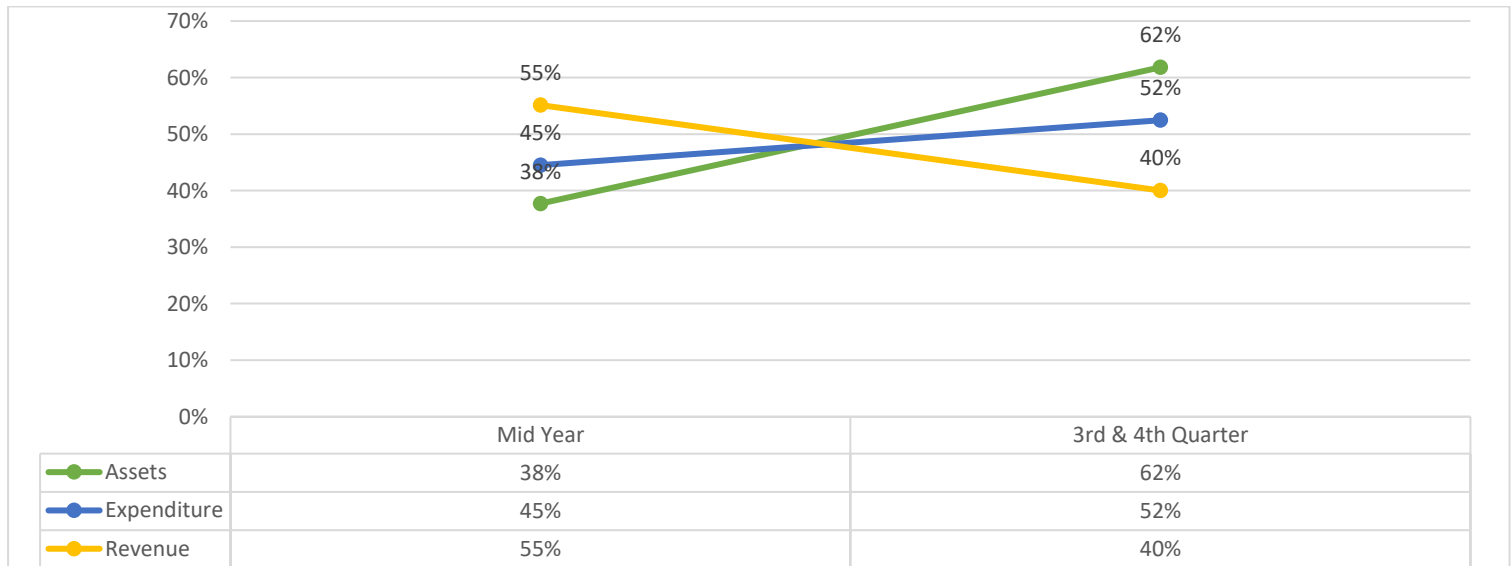
Capital Expenditure



Capital Expenditure 2022 FY	R7 441 186.77	R10 475 341.0	R11 370 625.1	R15 321 133.0	R7 784 717.38	R20 597 097.4	R72 990 100.7
Capital Expenditure 2023 FY	R10 102 055.3	R9 729 873.17	R18 717 359.5	R18 302 268.9	R11 557 664.6	R17 979 420.8	R86 388 642.5

There is an overall 16% increase in capital expenditure for the 2023 financial year mid-year performance in comparison to the 2022 financial year because of increased capital funding and implementation of new capital projects in the aid of service delivery.

The table below shows the actual performance over the 2022 financial year at mid-year as well as the performance in the 3rd and 4th quarter of the year. This therefore provides an indication based on prior year trends on the anticipated performance in capital expenditure as it increases in the last 2 quarters with revenue decreasing. These trends will be the bases for the adjustment budget in February to ensure a funded and realistic budget for the municipality.



The table below shows the actual performance as the mid-year assessment versus the projected year to date performance.

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		464 477	498 623	498 623	43 303	313 843	318 690	(4 846)	-2%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 085	77 419	91 429	(14 009)	-15%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 443	38 349	45 030	(6 681)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	214	1 599	1 355	244	18%	2 610
Interest earned - external investments		5 182	5 397	5 397	50	773	2 719	(1 946)	-72%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 966	16 770	12 293	4 477	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	37	10 564	11 187	(623)	-6%	22 158
Licences and permits		8 138	7 824	7 824	606	4 305	3 952	352	9%	7 824
Agency services		4 965	4 894	4 894	342	2 415	2 466	(51)	-2%	4 894
Transfers and subsidies		256 804	285 102	285 229	84 217	188 931	142 551	46 380	33%	285 229
Other revenue		55 569	70 013	70 013	578	10 013	36 000	(25 987)	-72%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	150 842	664 982	667 671	(2 689)	0%	1 174 755

Total operational revenue

Total operating revenue by type amounts to R 664.9 million for the period July 2022 to December 2022 with the YTD budgeted being R667.7 million and a variance of R2.6 million overall, which is in line with the projected revenue for the first half of the financial year in terms of the total budgeted operational revenue. Total operating revenue is broken down below for each line item.

Property rates

Total property rates billing as from July to December 2022 amounted to R 313.8 million and the YTD budget of R31.8.6 million. This is in line with the projected revenue from property rates with an immaterial variance of 2%.

Service Charges-Electricity

The YTD Actual for the electricity billing for the period ended 31 December 2022 is R77.4 million while the YTD Budget is R91.4 million. There is a variance of R14 million between the YTD actual and YTD budget. This variance of 15% is due to electricity losses resulting from unforeseeable circumstances such as illegal connections. Electricity billing will be monitored and adjusted accordingly during the adjustment budget process in February.

Service Charges- Refuse

The overall YTD actual billing for refuse removals is R38.3 million and the YTD Budget billing is R45 million, with YTD variance of 15%. The municipality is aware of the huge difference and will be considering adjusting downwards on the adjustment budget.

Investment revenue

Total investments revenue as at end of December 2022 amounted to R773 million which is 72% less than the anticipated revenue at this period. This low performance is largely affected by the low cash coverage of the municipality which does not allow for funds to remain in investment accounts to accumulate more interest. The required cash coverage is 3 months and the current cash coverage for the municipality the month of December is sitting at 1.77 months an increase from

November which was 0.74 months. This increase is due to the receipts of the second tranche of the Equitable share grant.

Transfers and Subsidies

The YTD transfers and subsidies amounted to R188.9 million which is 33% above the budgeted YTD figure. This large variance is largely attributed to the tranches that have been received for Equitable share, as this is an unconditional grant whereby revenue is recognised upon receipt.

Other revenue

Other own revenue is R36 million 72% below YTD budget and the main reason for the poor performance is derived from the construction revenue funded by the department of human settlement because of transfers made to the municipality versus the amount issued in the provincial gazette. This will be adjusted accordingly in the upcoming adjustment budget.

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 682	229 747	225 289	4 459	2%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
Debt impairment		34 456	9 984	9 984	123	2 737	4 992	(2 255)	-45%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	45 101	59 700	(14 599)	-24%	101 619
Finance charges		19 931	12 922	12 922	340	681	461	220	48%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	9 442	54 965	68 912	(13 946)	-20%	137 074
Inventory consumed		13 825	12 735	12 735	1 322	5 880	7 350	(1 470)	-20%	12 735
Contracted services		213 910	244 881	245 007	13 232	99 765	130 317	(30 552)	-23%	245 007
Transfers and subsidies		9 890	13 178	13 178	-	1 625	9 153	(7 528)	-82%	13 178
Other expenditure		143 732	160 480	160 522	14 271	62 049	88 742	(26 692)	-30%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712

Total expenditure

YTD total expenditure is R517.6 million which is 15% less than the YTD budget of R610.6 million. The R92 million variance is attributed the expenditure line items below.

Employee cost and Councillor's remuneration

Employee cost amounts to R229.7 million and that is 3% less than the YTD budget of R225.2 million, with councillor's remuneration of R15.1 million being 4% below YTD budget of R15.71 million.

Depreciation and asset Impairment

Depreciation and asset impairment amounts to R45.1 million and that is 24% less than the YTD budget of R59.7 million.

Finance charges

Finance charges cost is 681 thousand, which is 48% more than the YTD budget of R461, this is due the interest charge on the additional DBSA loan obtained in the beginning of the financial year, and the variance will be accounted for in the adjustment budget.

Inventory Consumed and bulk purchases

YTD Inventory consumed amounts to R5.8 million as of 31 December 2022 with the YTD Budget being R7.3 million. This reflects a variance of R1.4 million. Inventory budget was straight lined across the 12 months of the financial year and will be a variance as consumption differs.

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 within the jurisdiction of Ray Nkonyeni Municipality. YTD actual of R1.6 million and a YTD budget of R9.1 million with a variance of R7.5 million.

BUDGET AND TREASURY OFFICE



The Game changer of South Coast development

**BUDGET IMPLEMENTATION REPORT AND
WITHDRAWALS
FROM MUNICIPAL BANK ACCOUNTS IN TERMS OF
S71, S72, S52 AND S11
OF THE MFMA PERIOD – ENDED:
31 December 2022**

RAY NKONYENI MUNICIPALTY BUDGET AND TREASURY DEPARTMENT Month-ended: - 31
December 2022

2. Budget Implementation Report

2.1. Executive Summary

This report is based upon financial information available at the time of preparation. The provisional financial result for the month ended 31 December 2022 is summarized below.

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	464 477	498 623	498 623	43 303	313 843	318 690	(4 846)	-2%	498 623
Service charges	214 942	253 618	253 618	18 529	115 768	136 458	(20 690)	-15%	253 618
Investment revenue	5 182	5 397	5 397	50	773	2 719	(1 946)	-72%	5 397
Transfers and subsidies	256 804	285 102	285 229	84 217	188 931	142 551	46 380	33%	285 229
Other own revenue	141 612	131 888	131 888	4 743	45 666	67 253	(21 587)	-32%	131 888
Total Revenue (excluding capital transfers and contributions)	1 083 016	1 174 628	1 174 755	150 842	664 982	667 671	(2 689)	-0%	1 174 755
Employee costs	446 000	447 279	447 237	38 682	229 747	225 289	4 459	2%	447 237
Remuneration of Councillors	26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
Depreciation & asset impairment	93 859	101 619	101 619	7 517	45 101	59 700	(14 599)	-24%	101 619
Finance charges	19 931	12 922	12 922	340	681	461	220	48%	12 922
Inventory consumed and bulk purchases	136 545	149 809	149 809	10 764	60 845	76 261	(15 416)	-20%	149 809
Transfers and subsidies	9 890	13 178	13 178	-	1 625	9 153	(7 528)	-82%	13 178
Other expenditure	392 589	415 344	415 513	27 626	164 551	224 051	(59 499)	-27%	415 513
Total Expenditure	1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712
Surplus/(Deficit)	(42 047)	3 043	3 043	63 528	147 291	57 039	90 251	158%	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 929	132 360	152 367	-	58 901	75 669	#####	-22%	152 367
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	18 612	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	123 494	135 403	155 410	63 528	206 192	132 708	73 483	55%	155 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	123 494	135 403	155 410	63 528	206 192	132 708	73 483	55%	155 410
Capital expenditure & funds sources									
Capital expenditure	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Capital transfers recognised	138 668	115 052	132 450	15 729	78 259	65 825	12 434	19%	132 450
Borrowing	1 867	7 166	7 166	383	1 268	7 166	(5 898)	-82%	7 166
Internally generated funds	33 256	58 521	58 521	1 868	6 863	40 039	(33 176)	-83%	58 521
Total sources of capital funds	173 791	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Financial position									
Total current assets	630 229	553 761	550 893	-	857 160	-	-	-	550 893
Total non current assets	1 987 740	1 878 708	1 896 106	-	2 029 028	-	-	-	1 896 106
Total current liabilities	345 489	321 834	316 356	-	399 176	-	-	-	316 356
Total non current liabilities	191 699	150 842	150 842	-	199 762	-	-	-	150 842
Community wealth/Equity	2 087 579	1 959 793	1 979 801	-	2 287 250	-	-	-	1 979 801
Cash flows									
Net cash from (used) operating	259 474	167 979	180 013	65 280	21 523	97 716	76 193	78%	180 013
Net cash from (used) investing	(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
Net cash from (used) financing	(35 009)	(19 098)	(19 098)	(3 514)	(20 114)	(17 683)	2 431	-14%	(19 098)
Cash/cash equivalents at the month/year end	182 070	112 823	107 346	-	42 411	118 058	75 647	64%	95 865
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	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	560 595
Creditors Age Analysis									
Total Creditors	4 261	(1 435)	1 784	-	-	-	-	-	4 610

2.2. Statement of financial performance

The statement of financial performance is shown in table C4, is prepared on the prescribed budget format, detailing revenue by source and expenditure by type.

BUDGET IMPLEMENTATION				
1	Operating Revenue Budget Implementation Indicator	95% - 100%		100%
			Actual Operating Revenue	664 982 496
			Budget Operating Revenue	667 671 381
2	Service Charges and Property Rates Revenue Budget Implementation Indicator	95% - 100%		94%
			Actual Service Charges and Property Rates Revenue	429 611 420
			Budget Service Charges and Property Rates Revenue	455 147 948
3	Operating Expenditure Budget Implementation Indicator	95% - 100%		85%
			Actual Operating Expenditure	517 691 776
			Budget Operating Expenditure	610 631 958
4	Capital Expenditure Budget Implementation Indicator	95% - 100%		76%
			Actual Capital Expenditure	86 388 643
			Budget Capital Expenditure	112 999 971

The above table provides an indication of based on treasury norms on the implementation of the budget as at midyear, based on the information above, shows that the overall operational revenue is in line with the mid-year projects. Service charges and property rates are just 1% below the required norm. Operational expenditure is 10% below the budgeted projections and capital expenditure is 19% below the required norm. The variances that have contributed to the budget implementation being below the norm have been listed below and explained in Table SC1

The major operating revenue variances against budget are:

- Service Charges
- Rental of facilities and equipment
- Interest on investment and outstanding debtors
- Fines, penalties, and forfeits
- Licenses and permits
- Transfers and grants
- Other revenue

The major operating expenditure variances against budget are:

- Depreciation and impairment
- Finance Charges
- Inventory consumed
- Transfers and grants
- Contracted services
- Other Expenditure

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		464 477	498 623	498 623	43 303	313 843	318 690	(4 846)	-2%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 085	77 419	91 429	(14 009)	-15%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 443	38 349	45 030	(6 681)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	214	1 599	1 355	244	18%	2 610
Interest earned - external investments		5 182	5 397	5 397	50	773	2 719	(1 947)	-72%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 966	16 770	12 293	4 477	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	37	10 564	11 187	(623)	-6%	22 158
Licences and permits		8 138	7 824	7 824	606	4 305	3 952	352	9%	7 824
Agency services		4 965	4 894	4 894	342	2 415	2 466	(51)	-2%	4 894
Transfers and subsidies		256 804	285 102	285 229	84 217	188 931	142 551	46 380	33%	285 229
Other revenue		55 569	70 013	70 013	578	10 013	36 000	(25 987)	-72%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	150 842	664 982	667 671	(2 689)	0%	1 174 755
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 682	229 747	225 289	4 459	2%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
Debt impairment		34 456	9 984	9 984	123	2 737	4 992	(2 255)	-45%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	45 101	59 700	(14 599)	-24%	101 619
Finance charges		19 931	12 922	12 922	340	681	461	220	48%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	9 442	54 965	68 912	(13 946)	-20%	137 074
Inventory consumed		13 825	12 735	12 735	1 322	5 880	7 350	(1 470)	-20%	12 735
Contracted services		213 910	244 881	245 007	13 232	99 765	130 317	(30 552)	-23%	245 007
Transfers and subsidies		9 890	13 178	13 178	-	1 625	9 153	(7 528)	-82%	13 178
Other expenditure		143 732	160 480	160 522	14 271	62 049	88 742	(26 692)	-30%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712
Surplus/(Deficit)		(42 047)	3 043	3 043	63 528	147 291	57 039	90 251	0	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		146 929	132 360	152 367	-	58 901	75 669	(16 768)	(0)	152 367
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		12 015	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		123 494	135 403	155 410	63 528	206 192	132 708			155 410

2.3. Capital expenditure

The capital expenditure report shown in Table C5 has been prepared based on the format required to be lodged electronically with National Treasury and it's categorized by municipal function segment.

Total capital expenditure amounts to R86.3 million and year to date budget of R113 million. Municipality has spent less than 76% of the YTD budget. The less spending is attributed to borrowing and internally generated funds.

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-										
Vote Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Mayor and Council		130	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		39 465	3 075	3 075	-	370	1 595	(1 224)	-77%	3 075
Vote 3 - Internal Audit		115	185	185	-	29	185	(156)	-84%	185
Vote 4 - Community and Social Services		5 881	200	200	-	-	100	(100)	-100%	200
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 014	5 440	5 440	158	1 529	2 730	(1 201)	-44%	5 440
Vote 7 - Housing		115	273	273	-	5	273	(268)	-98%	273
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		98 653	99 409	100 198	9 948	52 454	55 081	(2 627)	-5%	100 198
Vote 10 - Road Transport		51 752	55 006	71 615	5 221	26 956	39 520	(12 564)	-32%	71 615
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		2 599	15 348	15 348	2 560	4 654	12 594	(7 941)	-63%	15 348
Vote 13 - Other		3 108	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		2 052	1 804	1 804	93	391	952	(561)	-59%	1 804
Total Capital single-year expenditure	4	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Total Capital Expenditure		210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Capital Expenditure - Functional Classification										
Governance and administration		39 765	3 280	3 280	-	400	1 800	(1 400)	-78%	3 280
Executive and council		186	20	20	-	-	20	(20)	-100%	20
Finance and administration		39 467	3 075	3 075	-	370	1 595	(1 224)	-77%	3 075
Internal audit		92	185	185	-	29	185	(156)	-84%	185
Community and public safety		12 521	5 813	5 813	158	1 534	3 043	(1 508)	-50%	5 813
Community and social services		5 881	200	200	-	-	100	(100)	-100%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	5 340	5 340	158	1 529	2 670	(1 141)	-43%	5 340
Housing		115	273	273	-	5	273	(268)	-98%	273
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		150 838	154 495	171 893	15 169	79 410	94 641	(15 231)	-16%	171 893
Planning and development		98 597	99 389	100 178	9 948	52 454	55 061	(2 607)	-5%	100 178
Road transport		52 241	55 106	71 715	5 221	26 956	39 580	(12 624)	-32%	71 715
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		4 650	17 152	17 152	2 652	5 045	13 546	(8 502)	-63%	17 152
Energy sources		2 599	15 348	15 348	2 560	4 654	12 594	(7 941)	-63%	15 348
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 052	1 804	1 804	93	391	952	(561)	-59%	1 804
Other		3 108	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Funded by:										
National Government		123 164	115 052	131 661	14 720	77 234	65 608	11 626	18%	131 661
Provincial Government		4 618	-	789	1 008	1 025	217	808	372%	789
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		10 885	-	-	-	-	-	-	-	-
Transfers recognised - capital		138 668	115 052	132 450	15 729	78 259	65 825	12 434	19%	132 450
Borrowing	6	1 867	7 166	7 166	383	1 268	7 166	(5 898)	-82%	7 166
Internally generated funds		33 256	58 521	58 521	1 868	6 863	40 039	(33 176)	-83%	58 521
Total Capital Funding		173 791	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137

2.4. Cash Flow statement

Cash flow statement show positive balance on the Municipal bank accounts of R239.8 million as at the 31 December 2022 an improvement from the YTD balance as at 31 december 2021 of R195.3. The municipality has a collection rate of 95% as of 31 December 2022 to billed revenue a 1% increase compared to 31 December 2021, however the municipality has maintained an average of 76% in both year in respect to midyear performance. The Municipality currently has a 1.77 months cash coverage for its operations, with revenue enhancement strategies and expenditure management strategies in place to ensure a continued increase to reach a target of 3 months cash coverage for operations.

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		437 643	468 731	468 731	44 053	243 544	234 444	9 100	4%	468 731
Service charges		212 962	228 256	228 256	19 521	117 140	114 128	3 012	3%	228 256
Other revenue		228 121	44 677	44 677	4 761	30 961	23 140	7 821	34%	44 677
Transfers and Subsidies - Operational		314 043	341 677	341 803	87 065	201 071	171 194	29 877	17%	341 803
Transfers and Subsidies - Capital		159 345	132 360	144 267	18 272	114 223	78 214	36 009	46%	144 267
Interest		1 520	5 397	5 397	-	602	2 719	(2 117)	-78%	5 397
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1 086 911)	(1 027 019)	(1 027 019)	(108 055)	(685 350)	(517 385)	167 965	-32%	(1 027 019)
Finance charges		(336)	(12 922)	(12 922)	(337)	(669)	(461)	208	-45%	(12 922)
Transfers and Grants		(6 913)	(13 178)	(13 178)	-	-	(8 278)	(8 278)	100%	(13 178)
NET CASH FROM/(USED) OPERATING ACTIVITIES		259 474	167 979	180 013	65 280	21 523	97 716	76 193	78%	180 013
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		(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	7 976	7 976	-	-	7 976	(7 976)	-100%	7 976
Increase (decrease) in consumer deposits		807	1 412	1 412	97	886	(40 015)	40 901	-102%	1 412
Payments										
Repayment of borrowing		(35 816)	(28 486)	(28 486)	(3 611)	(21 000)	14 356	35 356	246%	(28 486)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(35 009)	(19 098)	(19 098)	(3 514)	(20 114)	(17 683)	2 431	-14%	(19 098)
NET INCREASE/ (DECREASE) IN CASH HELD		39 257	(30 248)	(35 726)	45 801	(89 180)	(25 014)			(35 726)
Cash/cash equivalents at beginning:		142 813	143 072	143 072		131 591	143 072			131 591
Cash/cash equivalents at month/year end:		182 070	112 823	107 346		42 411	118 058			95 865

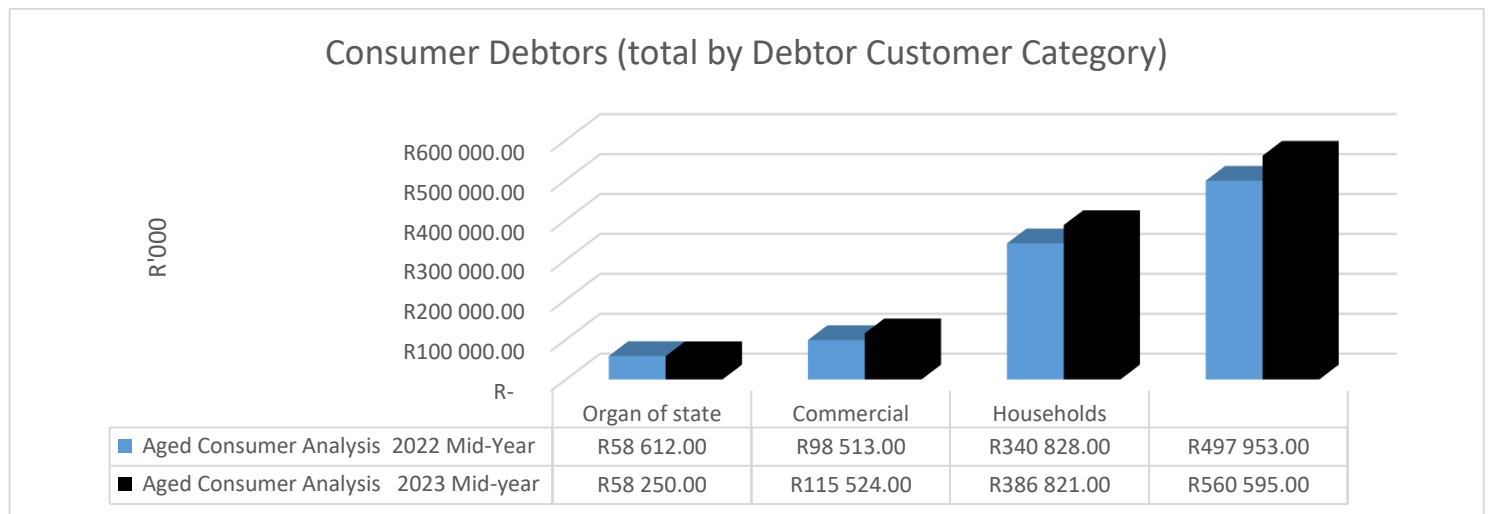
2.6. Outstanding Debtors

The debtors report in Table SC3 has been prepared based on the format required to be lodged electronically with National Treasury and categorized by municipal votes. The summary report indicates the following below. The total debt amount to R560.5 million.

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	40	42	36	35	36	35	169	444	837	718	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 632	5 721	2 422	1 290	784	848	3 054	11 461	40 213	17 437	
Receivables from Non-exchange Transactions - Property Rates	1400	37 583	16 729	13 148	9 575	30 222	8 244	19 890	203 166	338 558	271 098	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	
Receivables from Exchange Transactions - Waste Management	1600	5 309	2 800	1 944	1 661	4 295	1 359	3 329	39 070	59 767	49 714	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	2 970	2 948	2 853	2 608	2 575	2 585	12 357	80 916	109 810	101 039	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	536	170	234	154	260	131	921	9 006	11 410	10 471	
Total By Income Source	2000	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	560 595	450 478	
2022/23 - totals only		19 230	8 433	17 433	15 262	13 630	12 355	66 291	310 723	463 357	418 260	
Debtors Age Analysis By Customer Group												
Organs of State	2200	2 251	908	2 248	810	15 971	1 102	3 192	31 767	58 250	52 842	
Commercial	2300	21 083	8 145	4 593	3 294	3 990	2 681	8 446	63 291	115 524	81 702	
Households	2400	37 735	19 357	13 796	11 218	18 210	9 418	28 082	249 006	386 821	315 933	
Other	2500	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	560 595	450 478	

A comparison of debtors shown by the chart below, indicates 1% decrease in outstanding debtors from Organs of state, a 17% increase in outstanding debtors from commercial properties and a 13% increase in outstanding debtors from household (residential properties) when compared to the 2022 financial year mid year assessment.



2.7. Outstanding Creditors

The report has been prepared based on the format required to be lodged electronically with National Treasury. It provides for an aged analysis. The amount owed is for trade creditors and it is only within 30 days as per s65 of MFMA which amounts to R4.6 million

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
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	388	349	-	-	-	-	-	-	737
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3 873	(1 784)	1 784	-	-	-	-	-	3 873
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	4 261	(1 435)	1 784	-	-	-	-	-	4 610

2.8. Investment portfolio

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
STANDARD BANK - CALL 378692984011			CALL							9 617	57	R	R	9 674
STANDARD BANK - CALL 378692984003			CALL							619	4	R	R	623
STANDARD BANK - CALL 378692984004			CALL							1 028	6	R	R	1 034
STANDARD BANK - CALL 378692984005			CALL							326	2	R	R	328
STANDARD BANK - CALL 378692984006			CALL							12	0	R	R	12
STANDARD BANK - CALL 378692984007			CALL							79	0	R	R	79
STANDARD BANK - CALL 378692984008			CALL							79	0	R	R	79
STANDARD BANK - CALL 378692984009			CALL							1 455	9	R	R	1 464
STANDARD BANK - CALL 378692984010			CALL							145	1	R	R	146
STANDARD BANK - CALL 89140/356988			CALL							32 856	159	R	R	33 015
STANDARD BANK - CALL 89139/356986			CALL							245	1	R	R	246
STANDARD BANK - CALL 89141/356989			CALL							11 627	56	R	R	11 683
STANDARD BANK - CALL 90439/364623			CALL							527	3	R	R	529
INVESTEC - CALL 74873852518			CALL							16 031	92	R	R	16 123
STANDARD BANK - CALL 89111/356985			CALL							50	0	R	R	50
STANDARD BANK - CALL 89111/357732			CALL							11	0	R	R	11
FNB - CALL 62726614151			CALL							48 824	813	(67 000)	140 500	123 137
FNB 74873852518-			CALL							3 457	20	R	R	3 477
NEDBANK 37881000791			CALL							26 064	144	R	R	26 208
Municipality sub-total										153 050	1 368	(67 000)	140 500	227 918

The Investment register as of 31 December 2022 has the closing balance of R227.8 million, with R6.3 million total interest earned for the month from which R3.7 million was made on primary investment and various investment accounts as shown in the above register including the housing development fund which is not a part of the interest earned shown on the statement of financial performance as this is not revenue generated for the municipality but rather interest earned on unspent housing development funds.

2.9. WITHDRAWALS FROM THE MUNICIPAL BANK ACCOUNT IN TERM OF SECTION 11 OF THE MFMA

2.9.1. Sub-Section 11 (1) (b) – To defray expenditure authorized in terms of section 11

INFORMATION

Section 26 – Consequences of failure to approve budget before start of budget year.
Sub – Section (4) – Until a budget for the municipality is approved in terms of subsection (1) funds for the requirement of the municipality may, with the approval of the MEC for finance in the province, be withdrawn from the municipality’s bank account in accordance with sub-section (5).

If applicable, the following information must be attached and included in the report.

Copy of approval by MEC for finance
Total of Current and Capital expenditure for that quarter.

MANAGEMENT RESPONSE

Budget 2022/23 was approved prior to start of budget year and therefore no further evidence is required.

2.9.2. Sub-Section 11 (1) (c) – To defray unforeseeable and unavoidable expenditure authorized in terms of section 29 (1).

INFORMATION

Section 29 – Unforeseen and unavoidable expenditure.

Sub – Section (1) – The mayor of a municipality may in emergency or other exceptional circumstances authorize unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.

If applicable, the following information must be attached and included in the report.

Copy of authorization by the mayor.
Total of Current and/or Capital expenditure for that quarter.
Detail and reason for the unforeseeable and unavoidable expenditure.

MANAGEMENT RESPONSE

There was no unforeseen and unavoidable expenditure authorized by Mayor.

2.9.3. Sub-Section 11 (1) (d) – In the case of a bank account opened in terms of section 12, to make payments from the account in accordance with sub-section (4) of that section.

INFORMATION

Section 12 – Relief, charitable, trust or other funds.

Sub-Section (4) – Money in a separate account opened in terms of sub-section (2) may be withdrawn from the account without appropriation of an approved budget, but only-

- a) By or on the written authorized of the accounting officer acting in accordance with decisions of the municipal council; and
- b) For the purposes for which, and subject to any conditions on which the fund was established or the money in the fund was donated.

If applicable, the following information must be attached and included in the report.

Name of account, type, purpose and amount paid
Detail of payment.
Copy of written authority.

MANAGEMENT RESPONSE

There were no funds that were withdrawn from municipal bank account other than the approved budget appropriation of funds.

2.9.4. Sub-Section 11 (1) (e) – To pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state.

INFORMATION

If applicable, the following information must be included in the report:

Total amount of pay over for that quarter and reason.

- a) Money collected by the municipality on behalf of that person or organ of state by agreement.
- b) Any insurance or other payment received by the municipality for that person or organ of state.

MANAGEMENT RESPONSE

Nil Return

2.9.5. Sub-Section 11 (1) (f) – To refund money incorrectly paid into a bank account.

MANAGEMENT RESPONSE

There no funds that were incorrectly received by the municipality in it bank account.

2.9.6. **Sub-Section 11 (1) (g)** – To refund guarantees, sureties and security deposit.

INFORMATION

If applicable, the following information must be included in the report:

Total amount of refunds for that quarter. (Example)

Guarantees	-	Nil
Sureties	-	Nil
Security Deposit	-	Nil

MANAGEMENT RESPONSE

Performance Guarantees	-	Nil
Guarantees	-	Nil
Sureties	-	Nil
Security Deposit	-	Nil

2.9.7. **Sub-Section 11 (1) (h)** for cash management and investment purposes in accordance with section 13.

MANAGEMENT RESPONSE

Please see schedule SC5 in respect of investment.

2.9.8. **Sub-section 11 (1)(i)** to defray increased expenditure in terms of section 31.

Information

Section 31- shifting of funds between multi appropriations

When funds for a capital programme are appropriated in terms of section 16(3) for more than one financial year, expenditure for that programme during a financial year may exceed the amount of that year's appropriation for that programme.

MANAGEMENT RESPONSE

Nil return

2.9.9. **Sub-section 11 (1) (j)** – for such other purposes as may be prescribed.

MANAGEMENT RESPONSE

Nil Return

3. IN-YEAR BUDGET STATEMENT TABLES

These report shows financial performance, financial positions, cash flow, capital expenditure, age debtors and creditors as at the 31 December 2022.

Table C1 – Consolidated Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	454 477	498 623	498 623	43 303	313 843	318 690	(4 846)	-2%	498 623
Service charges	214 942	253 618	253 618	18 529	115 768	136 458	(20 690)	-15%	253 618
Investment revenue	5 182	5 397	5 397	50	773	2 719	(1 946)	-72%	5 397
Transfers and subsidies	256 804	285 102	285 229	84 217	188 931	142 551	46 380	33%	285 229
Other own revenue	141 612	131 888	131 888	4 743	45 666	67 253	(21 587)	-32%	131 888
Total Revenue (excluding capital transfers and contributions)	1 083 016	1 174 628	1 174 755	150 842	664 982	667 671	(2 689)	-0%	1 174 755
Employee costs	446 000	447 279	447 237	38 682	229 747	225 289	4 459	2%	447 237
Remuneration of Councilors	26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
Depreciation & asset impairment	93 859	101 619	101 619	7 517	45 101	59 700	(14 599)	-24%	101 619
Finance charges	19 931	12 922	12 922	340	681	461	220	48%	12 922
Inventory consumed and bulk purchases	136 545	149 809	149 809	10 764	60 845	76 261	(15 416)	-20%	149 809
Transfers and subsidies	9 890	13 178	13 178	-	1 625	9 153	(7 528)	-82%	13 178
Other expenditure	392 589	415 344	415 513	27 626	164 551	224 051	(59 499)	-27%	415 513
Total Expenditure	1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712
Surplus/(Deficit)	(42 047)	3 043	3 043	63 528	147 291	57 039	90 251	158%	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 929	132 360	152 367	-	58 901	75 669	(16 768)	-22%	152 367
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	18 612	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	123 494	135 403	155 410	63 528	206 192	132 708	73 483	55%	155 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	123 494	135 403	155 410	63 528	206 192	132 708	73 483	55%	155 410
Capital expenditure & funds sources									
Capital expenditure	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Capital transfers recognised	138 668	115 052	132 450	15 729	78 259	65 825	12 434	19%	132 450
Borrowing	1 867	7 166	7 166	383	1 268	7 166	(5 898)	-82%	7 166
Internally generated funds	33 256	58 521	58 521	1 868	6 863	40 039	(33 176)	-83%	58 521
Total sources of capital funds	173 791	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Financial position									
Total current assets	630 229	553 761	550 893	-	857 160	-	-	-	550 893
Total non current assets	1 987 740	1 878 708	1 896 106	-	2 029 028	-	-	-	1 896 106
Total current liabilities	345 489	321 834	316 356	-	399 176	-	-	-	316 356
Total non current liabilities	191 699	150 842	150 842	-	199 762	-	-	-	150 842
Community wealth/Equity	2 087 579	1 959 793	1 979 801	-	2 287 250	-	-	-	1 979 801
Cash flows									
Net cash from (used) operating	259 474	167 979	180 013	65 280	21 523	97 716	76 193	78%	180 013
Net cash from (used) investing	(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
Net cash from (used) financing	(35 009)	(19 098)	(19 098)	(3 514)	(20 114)	(17 683)	2 431	-14%	(19 098)
Cash/cash equivalents at the month/year end	182 070	112 823	107 346	-	42 411	118 058	75 647	64%	95 865
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	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	560 595
Creditors Age Analysis									
Total Creditors	4 261	(1 435)	1 784	-	-	-	-	-	4 610

Table C2 – Financial Performance (Standard Classification)

KZN216 Ray Nkonyeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		751 083	791 303	791 303	130 267	516 617	465 145	51 472	11%	791 303
Executive and council		234 071	260 646	260 646	83 843	185 494	130 323	55 171	42%	260 646
Finance and administration		517 012	530 657	530 657	46 424	331 123	334 822	(3 699)	-1%	530 657
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		65 195	72 795	72 795	110	6 996	36 629	(29 633)	-81%	72 795
Community and social services		16 338	15 739	15 739	61	377	7 871	(7 494)	-95%	15 739
Sport and recreation		63	48	48	5	11	24	(14)	-56%	48
Public safety		86	176	176	1	85	89	(3)	-4%	176
Housing		48 708	56 832	56 832	44	6 524	28 646	(22 122)	-77%	56 832
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		200 259	168 251	188 258	1 349	77 784	93 140	(15 356)	-16%	188 258
Planning and development		156 851	132 124	133 031	296	49 845	66 450	(16 605)	-25%	133 031
Road transport		42 998	35 735	54 835	1 054	27 844	26 493	1 352	5%	54 835
Environmental protection		411	392	392	-	95	198	(102)	-52%	392
<i>Trading services</i>		230 855	270 411	270 411	19 074	122 213	145 877	(23 663)	-16%	270 411
Energy sources		162 773	189 193	189 193	13 227	78 163	95 602	(17 438)	-18%	189 193
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		68 081	81 218	81 218	5 847	44 050	50 275	(6 225)	-12%	81 218
Other	4	1 166	4 228	4 354	41	273	2 550	(2 277)	-89%	4 354
Total Revenue - Functional	2	1 248 557	1 306 988	1 327 122	150 842	723 883	743 340	(19 457)	-3%	1 327 122
Expenditure - Functional										
<i>Governance and administration</i>		442 651	456 093	456 093	36 323	205 574	237 162	(31 588)	-13%	456 093
Executive and council		41 241	44 701	44 701	3 564	26 234	22 344	3 890	17%	44 701
Finance and administration		369 223	375 353	375 353	29 946	161 252	196 844	(35 592)	-18%	375 353
Internal audit		32 187	36 039	36 039	2 813	18 088	17 973	115	1%	36 039
<i>Community and public safety</i>		150 781	160 167	160 167	9 985	65 185	81 137	(15 952)	-20%	160 167
Community and social services		34 743	38 966	38 966	3 073	18 986	20 103	(1 116)	-6%	38 966
Sport and recreation		5 037	5 424	5 424	714	2 524	2 861	(337)	-12%	5 424
Public safety		50 559	49 505	49 505	4 773	25 411	25 038	373	1%	49 505
Housing		60 442	66 272	66 272	1 425	18 264	33 136	(14 872)	-45%	66 272
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		210 874	210 333	210 333	15 066	96 523	113 624	(17 101)	-15%	210 333
Planning and development		43 238	50 101	50 101	2 376	16 427	28 299	(11 872)	-42%	50 101
Road transport		142 373	132 540	132 540	10 101	67 461	68 709	(1 248)	-2%	132 540
Environmental protection		25 264	27 693	27 693	2 590	12 635	16 616	(3 981)	-24%	27 693
<i>Trading services</i>		317 742	338 477	338 477	25 574	148 335	175 038	(26 703)	-15%	338 477
Energy sources		154 214	164 112	164 112	11 483	67 564	82 421	(14 857)	-18%	164 112
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		163 528	174 365	174 365	14 091	80 772	92 617	(11 845)	-13%	174 365
Other		3 015	6 515	6 641	366	2 075	3 671	(1 596)	-43%	6 641
Total Expenditure - Functional	3	1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712
Surplus/ (Deficit) for the year		123 494	135 403	155 410	63 528	206 192	132 708	73 483	55%	155 410

Table C3 – Revenue and Expenditure by municipal vote

KZN216 Ray Nkonyeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

Vote Description	Ref	2021/22 Audited Outcome	Budget Year							
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Mayor and Council		234 071	260 646	260 646	83 843	185 494	130 323	55 171	42.3%	260 646
Vote 2 - Finance and Administration		517 012	530 657	530 657	46 424	331 123	334 822	(3 699)	-1.1%	530 657
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		16 338	15 739	15 739	61	377	7 871	(7 494)	-95.2%	15 739
Vote 5 - Sport and Recreation		63	48	48	5	11	24	(14)	-56.2%	48
Vote 6 - Public Safety		30 879	24 971	24 971	194	11 383	12 581	(1 198)	-9.5%	24 971
Vote 7 - Housing		48 708	56 832	56 832	44	6 524	28 646	(22 122)	-77.2%	56 832
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		156 851	132 124	133 031	296	49 845	66 450	(16 605)	-25.0%	133 031
Vote 10 - Road Transport		12 204	10 941	30 041	860	16 547	14 001	2 546	18.2%	30 041
Vote 11 - Environment Protection		411	392	392	-	95	198	(102)	-51.7%	392
Vote 12 - Energy Sources		162 773	189 193	189 193	13 227	78 163	95 602	(17 438)	-18.2%	189 193
Vote 13 - Other		1 166	4 228	4 354	41	273	2 550	(2 277)	-89.3%	4 354
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		68 081	81 218	81 218	5 847	44 050	50 275	(6 225)	-12.4%	81 218
Total Revenue by Vote	2	1 248 557	1 308 988	1 327 122	150 842	723 883	743 340	(19 457)	-2.8%	1 327 122
Expenditure by Vote	1									
Vote 1 - Mayor and Council		39 390	42 854	42 854	3 407	25 813	21 431	4 382	20.4%	42 854
Vote 2 - Finance and Administration		329 346	334 780	334 780	26 247	139 263	176 510	(37 247)	-21.1%	334 780
Vote 3 - Internal Audit		72 064	76 612	76 612	6 512	40 077	38 308	1 769	4.6%	76 612
Vote 4 - Community and Social Services		35 429	39 877	39 877	3 073	18 986	20 558	(1 572)	-7.6%	39 877
Vote 5 - Sport and Recreation		5 037	5 424	5 424	714	2 524	2 861	(337)	-11.8%	5 424
Vote 6 - Public Safety		97 698	91 290	91 290	8 468	46 595	46 556	39	0.1%	91 290
Vote 7 - Housing		60 442	66 272	66 272	1 425	18 264	33 136	(14 872)	-44.9%	66 272
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		45 088	51 948	51 948	2 533	16 847	29 211	(12 364)	-42.3%	51 948
Vote 10 - Road Transport		94 550	89 844	89 844	6 407	46 278	46 736	(458)	-1.0%	89 844
Vote 11 - Environment Protection		25 264	27 693	27 693	2 590	12 635	16 616	(3 981)	-24.0%	27 693
Vote 12 - Energy Sources		154 214	164 112	164 112	11 483	67 564	82 421	(14 857)	-18.0%	164 112
Vote 13 - Other		3 015	6 515	6 641	366	2 075	3 671	(1 596)	-43.5%	6 641
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		163 528	174 365	174 365	14 091	80 772	92 617	(11 845)	-12.8%	174 365
Total Expenditure by Vote	2	1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15.2%	1 171 712
Surplus/ (Deficit) for the year	2	123 494	135 403	155 410	63 528	206 192	132 708	73 483	55.4%	155 410

Table C4 – Financial Performance (Revenue and Expenditure)

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		464 477	498 623	498 623	43 303	313 843	318 690	(4 846)	-2%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 085	77 419	91 429	(14 009)	-15%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 443	38 349	45 030	(6 681)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	214	1 599	1 355	244	18%	2 610
Interest earned - external investments		5 182	5 397	5 397	50	773	2 719	(1 946)	-72%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 966	16 770	12 293	4 477	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	37	10 564	11 187	(623)	-6%	22 158
Licences and permits		8 138	7 824	7 824	606	4 305	3 952	352	9%	7 824
Agency services		4 965	4 894	4 894	342	2 415	2 466	(51)	-2%	4 894
Transfers and subsidies		256 804	285 102	285 229	84 217	188 931	142 551	46 380	33%	285 229
Other revenue		55 569	70 013	70 013	578	10 013	36 000	(25 987)	-72%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	150 842	664 982	667 671	(2 689)	0%	1 174 755
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 682	229 747	225 289	4 459	2%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
Debt impairment		34 456	9 984	9 984	123	2 737	4 992	(2 255)	-45%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	45 101	59 700	(14 599)	-24%	101 619
Finance charges		19 931	12 922	12 922	340	681	461	220	48%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	9 442	54 965	68 912	(13 946)	-20%	137 074
Inventory consumed		13 825	12 735	12 735	1 322	5 880	7 350	(1 470)	-20%	12 735
Contracted services		213 910	244 881	245 007	13 232	99 765	130 317	(30 552)	-23%	245 007
Transfers and subsidies		9 890	13 178	13 178	-	1 625	9 153	(7 528)	-82%	13 178
Other expenditure		143 732	160 480	160 522	14 271	62 049	88 742	(26 692)	-30%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 125 063	1 171 585	1 171 712	87 314	517 692	610 632	(92 940)	-15%	1 171 712
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(42 047)	3 043	3 043	63 528	147 291	57 039	90 251	0	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		146 929	132 360	152 367	-	58 901	75 669	(16 768)	(0)	152 367
Transfers and subsidies - capital (in-kind - all)		12 015	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		123 494	135 403	155 410	63 528	206 192	132 708			155 410
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		123 494	135 403	155 410	63 528	206 192	132 708			155 410

Table C5 – Capital Expenditure by Municipal vote and GFS

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-										
Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 13 - Other		-	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Mayor and Council		130	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		39 465	3 075	3 075	-	370	1 595	(1 224)	-77%	3 075
Vote 3 - Internal Audit		115	185	185	-	29	185	(156)	-84%	185
Vote 4 - Community and Social Services		5 881	200	200	-	-	100	(100)	-100%	200
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		7 014	5 440	5 440	158	1 529	2 730	(1 201)	-44%	5 440
Vote 7 - Housing		115	273	273	-	5	273	(268)	-98%	273
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning and Development		98 653	99 409	100 198	9 948	52 454	55 081	(2 627)	-5%	100 198
Vote 10 - Road Transport		51 752	55 006	71 615	5 221	26 956	39 520	(12 564)	-32%	71 615
Vote 11 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Energy Sources		2 599	15 348	15 348	2 560	4 654	12 594	(7 941)	-63%	15 348
Vote 13 - Other		3 108	-	-	-	-	-	-	-	-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Management		2 052	1 804	1 804	93	391	952	(561)	-59%	1 804
Total Capital single-year expenditure	4	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Total Capital Expenditure		210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Capital Expenditure - Functional Classification										
Governance and administration		39 765	3 280	3 280	-	400	1 800	(1 400)	-78%	3 280
Executive and council		186	20	20	-	-	20	(20)	-100%	20
Finance and administration		39 487	3 075	3 075	-	370	1 595	(1 224)	-77%	3 075
Internal audit		92	185	185	-	29	185	(156)	-84%	185
Community and public safety		12 521	5 813	5 813	158	1 534	3 043	(1 508)	-50%	5 813
Community and social services		5 881	200	200	-	-	100	(100)	-100%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	5 340	5 340	158	1 529	2 670	(1 141)	-43%	5 340
Housing		115	273	273	-	5	273	(268)	-98%	273
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		150 838	154 495	171 893	15 169	79 410	94 641	(15 231)	-16%	171 893
Planning and development		98 597	99 389	100 178	9 948	52 454	55 061	(2 607)	-5%	100 178
Road transport		52 241	55 106	71 715	5 221	26 956	39 580	(12 624)	-32%	71 715
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		4 650	17 152	17 152	2 652	5 045	13 546	(8 502)	-63%	17 152
Energy sources		2 599	15 348	15 348	2 560	4 654	12 594	(7 941)	-63%	15 348
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 052	1 804	1 804	93	391	952	(561)	-59%	1 804
Other		3 108	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	210 882	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137
Funded by:										
National Government		123 164	115 052	131 661	14 720	77 234	65 608	11 626	18%	131 661
Provincial Government		4 618	-	789	1 008	1 025	217	808	372%	789
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		10 885	-	-	-	-	-	-	-	-
Transfers recognised - capital		138 668	115 052	132 450	15 729	78 259	65 825	12 434	19%	132 450
Borrowing	6	1 867	7 166	7 166	383	1 268	7 166	(5 898)	-82%	7 166
Internally generated funds		33 256	58 521	58 521	1 868	6 863	40 039	(33 176)	-83%	58 521
Total Capital Funding		173 791	180 739	198 137	17 979	86 389	113 029	(26 641)	-24%	198 137

Table C6 – Financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		10 397	(6 528)	(12 005)	46 515	(12 005)
Call investment deposits		121 194	122 051	122 051	195 773	122 051
Consumer debtors		310 244	294 403	294 403	406 029	294 403
Other debtors		181 336	140 390	142 999	200 385	142 999
Current portion of long-term receivables		–	143	143	–	143
Inventory		7 058	3 301	3 301	8 458	3 301
Total current assets		630 229	553 761	550 893	857 160	550 893
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		307 811	205 741	205 741	307 811	205 741
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1 676 867	1 668 460	1 685 858	1 718 342	1 685 858
Biological		–	–	–	–	–
Intangible		857	2 436	2 436	670	2 436
Other non-current assets		2 205	2 071	2 071	2 205	2 071
Total non current assets		1 987 740	1 878 708	1 896 106	2 029 028	1 896 106
TOTAL ASSETS		2 617 969	2 432 469	2 446 999	2 886 188	2 446 999
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		14 580	1 378	1 378	(6 420)	1 378
Consumer deposits		32 846	33 452	33 452	33 732	33 452
Trade and other payables		257 969	247 979	242 501	319 785	242 501
Provisions		40 094	39 025	39 025	52 078	39 025
Total current liabilities		345 489	321 834	316 356	399 176	316 356
Non current liabilities						
Borrowing		49 160	26 734	26 734	57 223	26 734
Provisions		142 539	124 108	124 108	142 539	124 108
Total non current liabilities		191 699	150 842	150 842	199 762	150 842
TOTAL LIABILITIES		537 188	472 676	467 198	598 937	467 198
NET ASSETS	2	2 080 781	1 959 793	1 979 801	2 287 250	1 979 801
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2 087 579	1 848 149	1 868 156	2 287 250	1 868 156
Reserves		–	111 644	111 644	–	111 644
TOTAL COMMUNITY WEALTH/EQUITY	2	2 087 579	1 959 793	1 979 801	2 287 250	1 979 801

Table C7 – Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		437 643	468 731	468 731	44 053	243 544	234 444	9 100	4%	468 731
Service charges		212 962	228 256	228 256	19 521	117 140	114 128	3 012	3%	228 256
Other revenue		228 121	44 677	44 677	4 761	30 961	23 140	7 821	34%	44 677
Transfers and Subsidies - Operational		314 043	341 677	341 803	87 065	201 071	171 194	29 877	17%	341 803
Transfers and Subsidies - Capital		159 345	132 360	144 267	18 272	114 223	78 214	36 009	46%	144 267
Interest		1 520	5 397	5 397	-	602	2 719	(2 117)	-78%	5 397
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(1 086 911)	(1 027 019)	(1 027 019)	(108 055)	(685 350)	(517 385)	167 965	-32%	(1 027 019)
Finance charges		(336)	(12 922)	(12 922)	(337)	(669)	(461)	208	-45%	(12 922)
Transfers and Grants		(6 913)	(13 178)	(13 178)	-	-	(8 278)	(8 278)	100%	(13 178)
NET CASH FROM/(USED) OPERATING ACTIVITIES		259 474	167 979	180 013	65 280	21 523	97 716	76 193	78%	180 013
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		(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(185 208)	(179 130)	(196 642)	(15 965)	(90 589)	(105 046)	(14 458)	14%	(196 642)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	7 976	7 976	-	-	7 976	(7 976)	-100%	7 976
Increase (decrease) in consumer deposits		807	1 412	1 412	97	886	(40 015)	40 901	-102%	1 412
Payments										
Repayment of borrowing		(35 816)	(28 486)	(28 486)	(3 611)	(21 000)	14 356	35 356	246%	(28 486)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(35 009)	(19 098)	(19 098)	(3 514)	(20 114)	(17 683)	2 431	-14%	(19 098)
NET INCREASE/ (DECREASE) IN CASH HELD		39 257	(30 248)	(35 726)	45 801	(89 180)	(25 014)			(35 726)
Cash/cash equivalents at beginning:		142 813	143 072	143 072		131 591	143 072			131 591
Cash/cash equivalents at month/year end:		182 070	112 823	107 346		42 411	118 058			95 865

4. Supporting Documents

KZN216 Ray Nkonyeni - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Service Charges- Electricity Revenue	(14 009)	Loadshedding, electricity losses due to illegal connections	During the adjustment budget, electricity sales will be adjusted based on the performance over the midyear.
	Service Charges- Refuse Revenue	(6 681)	This line item was over budgeted for	An adjustment to this revenue line item will be done based on the midyear performance.
	Rental of facilities and equipment	244	This revenue line item has exceeded the anticipated revenue as at mid year	An adjustment to this revenue line item as it continues to surpass revenue projections.
	Interest earned-External investments	(1 946)	A low cash coverage for the municipality results in funds not remaining long enough in investment accounts to earned the projected interest revenue	An adjustment to this revenue line item will be done based on the midyear performance although investment revenue has shown an increase in the 3th & 4th quarter in previous years the adjustment will also take that into consideration. Revenue enhancement strategies and expenditure management will also be adhered to in order to increase the municipalities cash coverage.
	interest earned-out Standing debtors	4 477		
	Transfers and Subsidies	46 380	Equitable share tranches that have been received, have increased the YTD projected transfers as the grant revenue budget was straight lined across 12 months	Budget for unconditional grants revenue according to their tranches and for conditional grants based on the grant expenditure plan for each grant
	Other Revenue	25 987	construction revenue which are transfers from the department of human settlement has created this large variance as the transfers are not as per the gazetted amounts	The municipality will budget for projects that will be facilitated by the municipality as per the tripette agreement
2	Expenditure By Type			
	Bulk Purchases	13 946	Projects that have been directly facilitated by the department of human settlements has created a huge variance as the housing budget was done as per the amount issued in the provincial gazette	The municipality will budget for projects that will be facilitated by the municipality as per the tripette agreement
	Contracted Services	30 552		
	Depreciation and Amortisation	14 599		
	Interest Dividends and Rent on Land	(220)	This variance is an additional interest charge from the second disbursement of a loan from DBSA	This interest charge will be adjusted for as well as include additional charges for the remaining 2 quarters
	Inventory Consumed	1 470	Inventory consumption varies and the budget for inventory has been straight lined across 12 months	the budget will reconcile as the budget has been straight lined across 12 months
	Irrecoverable Debts Written Off	2 255		
	Operational Cost	26 692	Operational cost has a variance due to cost saving initiatives by the municipality	Cost saving initiatives as per circular 81
	Transfers and Subsidies	7 528	SMME programmes were delayed due to various factors	These programmes will be implemented in the 3rd quarter.
3	Capital Expenditure			
	Governance and administration	(1 400)	The variance is due to movable assets such as furniture and computer equipment which have not been procured	The procurement plan for the departments for movable assets will be implemented in the 3rd and 4th quarter of the financial year as movable assets are acquired based on current needs of the department
	Community and public safety	(1 508)	The variance is due to movable assets such as furniture and computer equipment which have not been procured	The procurement plan for the departments for movable assets will be implemented in the 3rd and 4th quarter of the financial year as movable assets are acquired based on current needs of the department
	Economic and environmental services	(15 231)	The variance is due to Infrastructure and movable assets such as furniture and computer equipment which have not been procured	The procurement plan for the departments for movable assets will be implemented in the 3rd and 4th quarter of the financial year as movable assets are acquired based on current needs of the department
	Trading services	(8 502)	The variance is due to Infrastructure and movable assets such as furniture and computer equipment which have not been procured	The procurement plan for the departments for movable assets will be implemented in the 3rd and 4th quarter of the financial year as movable assets are acquired based on current needs of the department
4	Cash Flow			
	Other Revenue	7 821		
	Transfers and subsidies- Operational Interest	65 886 (2 117)	The budget for grants receipts was straight lines across 12 months, which creates difference as tranches are received in different	at year end total grants received will reconcile to the budget in terms of the gazetted allocations
	Suppliers and employees	167 965	This variance is due to misalignments in transacting due to balance sheet budgeting and system limitations in some aspects	The misalignments will be corrected during the adjustment budget
	Finance Charges	208	This variance is an additional interest charge from the second disbursement of a loan from DBSA	This interest charge will be adjusted for as well as include additional charges for the remaining 2 quarters
	Transfers and Grants Capital assets	(8 278) (14 458)	This variance is due to misalignments in transacting due to balance sheet budgeting and system limitations in some aspects	The misalignments will be corrected during the adjustment budget
	Decrease/(increase) in consumer deposits	40 901	This variance is due to misalignments in transacting due to balance sheet budgeting and system limitations in some aspects	The misalignments will be corrected during the adjustment budget
	Borrowing long term/ refinancing	(7 976)	the load received was credited in a non funding segment resulting in	The misalignments will be corrected during the adjustment budget
	Repayment of borrowings	35 356		

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2021/22	Budget Year 2022/23			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-1.4%	9.8%	9.8%	0.1%	3.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.9%	4.0%	3.6%	1.5%	3.6%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		15.4%	14.1%	13.7%	16.2%	13.7%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	23.9%	23.9%	0.0%	23.9%
Liquidity							
Current Ratio	Current assets/current liabilities	1	182.4%	172.1%	174.1%	214.7%	174.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		38.1%	35.9%	34.8%	60.7%	34.8%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		45.4%	37.0%	37.2%	91.2%	37.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		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		41.2%	38.1%	38.1%	34.5%	38.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		10.5%	9.8%	9.8%	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 received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

<u>Calculations</u>						
Borrowing		49 160	26 734	26 734	57 223	
Total Assets		2 617 969	2 432 469	2 446 999	2 886 188	2 446 999
Employee related costs		446 000	447 279	447 237	229 747	447 237
Repairs & Maintenance						
Interest (finance charges)		19 931	12 922	12 922	681	12 922
Principal paid		35 816	28 486	28 486	21 000	28 486
Depreciation		93 859	101 619	101 619		31 434
Operating expenditure		1 125 063	1 171 585	1 171 712	517 692	1 171 712
Total Capital Expenditure		210 882	180 739	198 137	86 389	198 137
Borrowed funding for capital		1 867	7 166	7 166	1 268	7 166
Debt		321 709	276 091	270 613	370 588	270 613
Equity		2 087 579	1 959 793	1 979 801	2 287 250	1 979 801
Reserves			111 644	111 644		111 644
Borrowing		49 160	26 734	26 734	57 223	26 734
Current assets		630 229	553 761	550 893	857 160	550 893
Current liabilities		345 489	321 834	316 356	399 176	316 356
Monetary assets		131 591	115 523	110 046	242 288	110 046
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	664 982	1 174 755
Transfers and subsidies		256 804	285 102	285 229	188 931	285 229
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		146 929	132 360	152 367	58 901	152 367
Debt service payments		(34 296)	(23 089)	(23 089)	(21 669)	(41 408)
Outstanding debtors (receivables)		491 580	434 937	437 546	606 414	437 546
Annual services revenue		214 942	253 618	253 618	115 768	
Cash + investments	Including LT investments	131 591	115 523	110 046	242 288	110 046
Fixed operational expend. (monthly)						
Longstanding debtors outstanding						
Longstanding debtors recovered						
Attorney collections						

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dye	151-180 Dye	181 Dye-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Income Source												
Trade and Other Receivables from Exchange Transactions - Water	1200	40	42	36	35	36	35	169	444	837	718	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	14 632	5 721	2 422	1 290	784	848	3 054	11 461	40 213	17 437	
Receivables from Non-exchange Transactions - Property Rates	1400	37 583	16 729	13 148	9 575	30 222	8 244	19 890	203 166	338 558	271 098	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	
Receivables from Exchange Transactions - Waste Management	1600	5 309	2 800	1 944	1 661	4 295	1 359	3 329	39 070	59 767	49 714	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	
Interest on Arrear Debtor Accounts	1810	2 970	2 948	2 853	2 608	2 575	2 585	12 357	80 916	109 810	101 039	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	536	170	234	154	260	131	921	9 006	11 410	10 471	
Total By Income Source	2000	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	580 585	450 478	
2022/23 - totals only		19 230	8 433	17 433	15 262	13 630	12 355	66 291	310 723	463 357	418 280	
Debtors Age Analysis By Customer Group												
Organs of State	2200	2 251	908	2 248	810	15 971	1 102	3 192	31 767	58 250	52 842	
Commercial	2300	21 083	8 145	4 593	3 294	3 990	2 681	8 446	63 291	115 524	81 702	
Households	2400	37 735	19 357	13 796	11 218	18 210	9 418	28 082	249 006	386 821	315 933	
Other	2500	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	61 070	28 410	20 637	15 322	38 171	13 201	39 720	344 063	580 585	450 478	

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2022/23								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
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	388	349	-	-	-	-	-	-	737
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3 873	(1 784)	1 784	-	-	-	-	-	3 873
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	4 261	(1 435)	1 784	-	-	-	-	-	4 610

KZN216 Ray Nkonyeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
STANDARD BANK - CALL 378692984011			CALL							9 617	57	R	R	9 674
STANDARD BANK - CALL 378692984003			CALL							619	4	R	R	623
STANDARD BANK - CALL 378692984004			CALL							1 028	6	R	R	1 034
STANDARD BANK - CALL 378692984005			CALL							326	2	R	R	328
STANDARD BANK - CALL 378692984006			CALL							12	0	R	R	12
STANDARD BANK - CALL 378692984007			CALL							79	0	R	R	79
STANDARD BANK - CALL 378692984008			CALL							79	0	R	R	79
STANDARD BANK - CALL 378692984009			CALL							1 455	9	R	R	1 464
STANDARD BANK - CALL 378692984010			CALL							145	1	R	R	146
STANDARD BANK - CALL 891401356988			CALL							32 856	159	R	R	33 015
STANDARD BANK - CALL 891391356986			CALL							245	1	R	R	246
STANDARD BANK - CALL 891411356989			CALL							11 627	56	R	R	11 683
STANDARD BANK - CALL 90439364623			CALL							527	3	R	R	529
INVESTEC - CALL 74873852518			CALL							16 031	92	R	R	16 123
STANDARD BANK-CALL 891111356985			CALL							50	0	R	R	50
STANDARD BANK-CALL 891111357732			CALL							11	0	R	R	11
FNB - CALL 62726614151			CALL							48 824	813	(67 000)	140 500	123 137
FNB 74873852518-			CALL							3 457	20	R	R	3 477
NEDBANK 37881000791			CALL							26 064	144	R	R	26 208
Municipality sub-total										153 050	1 368	(67 000)	140 500	227 918

KZN216 Ray Nkonyeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		15 608	8 026	8 026	2 735	6 204	4 013	2 191	54.6%	8 026
Expanded Public Works Programme Integrated Grant		5 558	6 076	6 076	2 735	4 254	3 038	1 216	40.0%	6 076
Municipal Disaster Relief Grant		8 100	-	-	-	-	-	-	-	-
Local Government Financial Management Grant		1 950	1 950	1 950	-	1 950	975	975	100.0%	1 950
Energy Efficiency and Demand Side Management Grant		-	(0)	(0)	-	-	(0)	0	-100.0%	(0)
Provincial Government:		22 251	15 430	15 557	-	576	7 842	(7 266)	-92.7%	15 557
Specify (Add grant description)		12 017	12 418	12 418	-	-	6 209	(6 209)	-100.0%	12 418
Specify (Add grant description)		1 758	2 563	2 563	-	-	1 281	(1 281)	-100.0%	2 563
Specify (Add grant description)		1 365	(0)	(0)	-	-	0	(0)	-100.0%	(0)
Specify (Add grant description)		-	-	-	-	-	(0)	0	-100.0%	-
Specify (Add grant description)		682	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	127	-	127	127	-	-	127
Specify (Add grant description)		429	449	449	-	449	224	225	100.0%	449
Specify (Add grant description)		6 000	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		12 015	-	-	-	-	-	-	-	-
European Union		12 015	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	49 874	23 456	23 583	2 735	6 780	11 855	(5 075)	-42.8%	23 583
Capital Transfers and Grants										
National Government:		142 428	139 386	150 386	17 272	112 316	81 693	30 623	37.5%	150 386
Municipal Disaster Relief Grant		-	-	11 000	-	11 000	11 000	-	-	11 000
Energy Efficiency and Demand Side Management Grant		4 000	5 000	5 000	1 000	3 000	3 500	(500)	-14.3%	5 000
Neighbourhood Development Partnership Grant		31 257	46 000	46 000	-	46 000	23 000	23 000	100.0%	46 000
Integrated Urban Development Grant		99 131	81 360	81 360	16 272	48 816	40 680	8 136	20.0%	81 360
Integrated National Electrification Programme Grant		8 040	7 026	7 026	-	3 500	3 513	(13)	-0.4%	7 026
Provincial Government:		56 790	1 000	1 907	1 000	2 164	534	1 630	-	1 907
Specify (Add grant description)		8 000	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	(0)	907	1 000	1 873	34	1 840	5426.9%	907
Specify (Add grant description)		45 776	-	-	-	-	-	-	-	-
Specify (Add grant description)		2 197	-	-	-	290	-	290	#DIV/0!	-
Specify (Add grant description)		817	1 000	1 000	-	-	500	(500)	-100.0%	1 000
District Municipality:		-	-	-	-	-	-	-	0.0%	-
Other grant providers:		-	-	-	-	-	-	-	0.0%	-
Total Capital Transfers and Grants	5	199 218	140 386	152 293	18 272	114 480	82 227	32 253	39.2%	152 293
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	249 092	163 842	175 876	21 007	121 259	94 081	27 178	28.9%	175 876

KZN216 Ray Nkonyeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		11 508	8 026	8 026	-	13 557	4 013	9 544	237.8%	8 026
Expanded Public Works Programme Integrated Grant		5 558	6 076	6 076	-	2 222	3 038	(816)	-26.9%	6 076
Municipal Disaster Relief Grant		-	-	-	-	10 552	-	10 552	#DIV/0!	-
Local Government Financial Management Grant		1 950	1 950	1 950	-	783	975	(192)	-19.7%	1 950
Energy Efficiency and Demand Side Management Grant		4 000	-	-	-	-	-	-	-	-
Provincial Government:		22 010	16 430	16 557	-	-	8 215	(8 215)	-100.0%	16 557
Specify (Add grant description)		817	1 000	1 000	-	-	500	(500)	-100.0%	1 000
Specify (Add grant description)		12 017	12 418	12 418	-	-	6 209	(6 209)	-100.0%	12 418
Specify (Add grant description)		1 758	2 563	2 563	-	-	1 282	(1 282)	-100.0%	2 563
Specify (Add grant description)		410	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	127	-	-	-	-	-	127
Specify (Add grant description)		429	449	449	-	-	225	(225)	-100.0%	449
Specify (Add grant description)		5 215	-	-	-	-	-	-	-	-
Specify (Add grant description)		1 365	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		12 015	-	-	-	-	-	-	-	-
European Union		12 015	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		45 533	24 456	24 583	-	13 557	12 228	1 329	10.9%	24 583
Capital expenditure of Transfers and Grants										
National Government:		150 035	139 386	158 486	-	50 246	79 182	(28 936)	-36.5%	158 486
Municipal Disaster Relief Grant		-	-	19 100	-	-	8 489	(8 489)	-100.0%	19 100
Energy Efficiency and Demand Side Management Grant		-	5 000	5 000	-	1 897	3 500	(1 603)	-45.8%	5 000
Neighbourhood Development Partnership Grant		45 044	46 000	46 000	-	33 051	23 000	10 051	43.7%	46 000
Integrated Urban Development Grant		96 889	81 360	81 360	-	15 298	40 680	(25 382)	-62.4%	81 360
Integrated National Electrification Programme Grant		8 101	7 026	7 026	-	-	3 513	(3 513)	-100.0%	7 026
Provincial Government:		46 772	-	907	-	-	-	-	-	907
Specify (Add grant description)		996	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	907	-	-	-	-	-	907
Specify (Add grant description)		45 776	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		196 807	139 386	159 393	-	50 246	79 182	(28 936)	-36.5%	159 393
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		242 340	163 842	183 976	-	63 802	91 410	(27 608)	-30.2%	183 976

This table detailed the Expenditure on Councillors, Senior Management and Employees.

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		23 352	28 393	28 393	2 148	13 697	14 196	(499)	-4%	28 393
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 897	3 042	3 042	238	1 445	1 521	(76)	-5%	3 042
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		26 249	31 434	31 434	2 386	15 142	15 717	(575)	-4%	31 434
% increase	4		19.8%	19.8%						19.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		7 328	4 393	4 393	620	2 160	2 196	(36)	-2%	4 393
Pension and UIF Contributions		80	189	189	12	81	94	(14)	-15%	189
Medical Aid Contributions		72	78	78	17	105	39	66	169%	78
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		866	1 059	1 059	-	-	529	(529)	-100%	1 059
Motor Vehicle Allowance		495	1 158	1 158	69	454	579	(125)	-22%	1 158
Cellphone Allowance		109	115	115	8	44	58	(14)	-25%	115
Housing Allowances		1 425	3 488	3 488	218	1 416	1 744	(328)	-19%	3 488
Other benefits and allowances		0	0	0	0	0	0	0	71%	0
Payments in lieu of leave		239	-	-	65	226	-	226	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 615	10 481	10 481	1 008	4 486	5 240	(755)	-14%	10 481
% increase	4		-1.3%	-1.3%						-1.3%
Other Municipal Staff										
Basic Salaries and Wages		275 568	276 977	276 977	22 887	137 153	138 588	(1 435)	-1%	276 977
Pension and UIF Contributions		49 183	51 553	51 553	4 238	25 506	25 776	(270)	-1%	51 553
Medical Aid Contributions		18 869	20 813	20 813	1 646	9 849	10 406	(558)	-5%	20 813
Overtime		18 959	14 695	14 695	1 576	8 393	8 678	(285)	-3%	14 695
Performance Bonus		21 372	23 805	23 805	1 913	13 430	11 902	1 528	13%	23 805
Motor Vehicle Allowance		17 850	18 637	18 637	1 587	9 243	9 319	(76)	-1%	18 637
Cellphone Allowance		993	1 046	1 046	83	520	523	(3)	-1%	1 046
Housing Allowances		3 771	3 946	3 946	338	2 031	1 973	58	3%	3 946
Other benefits and allowances		5 101	3 006	2 964	376	2 345	1 722	622	36%	2 964
Payments in lieu of leave		3 802	4 200	4 200	2 422	13 075	2 100	10 975	523%	4 200
Long service awards		5 264	2 270	2 270	245	1 457	1 135	322	28%	2 270
Post-retirement benefit obligations	2	14 654	15 852	15 852	363	2 261	7 926	(5 665)	-71%	15 852
Sub Total - Other Municipal Staff		435 385	436 798	436 756	37 673	225 262	220 048	5 213	2%	436 756
% increase	4		0.3%	0.3%						0.3%
Total Parent Municipality		472 249	478 713	478 671	41 068	244 889	241 006	3 884	2%	478 671

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

KZN216 Ray Nkonyeni - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2022/23												2020/21 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2022/23	Budget Year 2023/24	Budget Year 2024/25
R thousands	1															
Cash Receipts By Source																
Property rates		12 767	45 254	57 958	41 987	41 525	44 053	39 048	39 048	39 048	39 048	39 048	39 048	468 731	489 355	511 376
Service charges - electricity revenue		12 364	15 378	14 358	13 643	14 765	14 087	13 714	13 714	13 714	13 714	13 714	13 714	164 571	175 784	183 695
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		2 007	5 946	7 535	5 886	5 739	5 434	5 307	5 307	5 307	5 307	5 307	5 307	63 685	66 487	69 479
Rental of facilities and equipment		25	34	36	40	46	31	223	223	223	223	183	183	2 610	2 725	2 848
Interest earned - external investments		-	602	-	-	-	-	446	446	446	446	446	446	5 397	5 635	5 888
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		32	65	35	77	19	8	133	133	133	133	133	133	1 600	1 670	1 745
Licences and permits		611	685	909	992	775	651	649	649	649	649	638	638	7 824	8 168	8 536
Agency services		370	372	293	365	337	272	405	405	405	405	405	405	4 894	5 110	5 339
Transfers and Subsidies - Operational		104 121	5 886	1 230	1 459	1 311	87 065	32 779	32 779	32 779	32 779	32 779	6 714	341 677	351 438	367 900
Other revenue		9 810	(663)	(399)	3 583	7 753	3 798	2 412	2 412	2 412	2 412	1 768	1 768	27 749	13 979	14 608
Cash Receipts by Source		142 107	73 559	81 954	68 031	72 268	155 400	95 116	95 116	95 116	95 116	94 421	68 356	1 088 738	1 120 352	1 171 415
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		67 895	-	-	26 556	1 500	18 272	12 987	10 613	10 613	10 613	10 613	10 613	132 360	113 200	122 348
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	7 976	21 452	-
Increase (decrease) in consumer deposits		54	194	322	142	77	97	-	-	-	-	-	-	1 412	1 475	1 541
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		210 056	73 753	82 277	94 729	73 844	173 769	108 102	105 729	105 729	105 729	105 034	78 970	1 230 487	1 256 478	1 295 304
Cash Payments by Type																
Employee related costs		38 123	38 837	39 102	39 104	40 805	38 988	40 309	40 309	40 309	40 309	40 164	40 164	483 418	329 060	343 846
Remuneration of councillors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid		-	-	-	332	-	337	3	3	226	3	3	12 226	12 922	13 491	14 098
Bulk purchases - Electricity		176	15 577	17 213	9 696	10 588	11 032	11 423	11 423	11 423	11 423	11 423	11 423	137 074	142 321	148 726
Acquisitions - water & other inventory		939	1 097	833	2 622	2 449	1 501	1 094	1 094	1 094	1 094	1 094	1 094	13 128	13 706	14 322
Contracted services		-	-	-	-	8 823	11 865	20 474	20 474	20 474	20 474	20 404	20 322	245 381	243 488	245 932
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	817	817	817	817	817	817	13 178	11 979	12 518
General expenses		40 470	79 190	72 533	57 670	61 448	44 669	11 829	11 854	11 949	11 854	11 824	11 040	148 019	84 107	66 953
Cash Payments by Type		79 707	134 701	129 682	109 424	124 113	108 392	85 947	85 972	86 291	85 972	85 727	97 085	1 053 119	818 152	846 395
Other Cash Flows/Payments by Type																
Capital assets		13 278	10 552	21 707	14 121	14 965	15 965	19 927	15 827	15 577	15 577	15 103	9 584	179 130	154 547	165 555
Repayment of borrowing		3 751	3 424	3 558	2 884	3 772	3 611	2 296	2 296	2 682	2 296	2 296	2 265	28 486	24 371	25 468
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		96 736	148 677	154 947	126 429	142 851	127 968	108 170	104 095	104 550	103 845	103 126	108 934	1 260 735	997 069	1 037 418
NET INCREASE/(DECREASE) IN CASH HELD		113 320	(74 924)	(72 670)	(31 700)	(69 006)	45 801	(68)	1 634	1 178	1 884	1 908	(29 965)	(30 248)	259 409	257 886
Cash/cash equivalents at the month/year beginning:		131 591	244 911	169 987	97 316	65 617	(3 390)	42 411	42 343	43 977	45 156	47 040	48 948	143 072	112 823	372 232
Cash/cash equivalents at the month/year end:		244 911	169 987	97 316	65 617	(3 390)	42 411	42 343	43 977	45 156	47 040	48 948	18 983	112 823	372 232	630 118

Capital budget performance as from the 1st of July 2022 to 31 December 2022 the amount spent is R86.3 million of the total budget of R198.1 million which is 43% of the total capital budget.

KZN216 Ray Nkonyeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	7 441	10 854	10 854	10 102	10 102	10 854	752	6.9%	6%
August	10 475	13 597	13 597	9 730	19 832	24 450	4 618	18.9%	11%
September	11 371	12 167	14 012	18 717	38 549	38 462	(87)	-0.2%	21%
October	15 321	12 102	13 947	18 302	56 852	52 409	(4 442)	-8.5%	31%
November	7 785	21 001	22 955	11 558	68 409	75 364	6 955	9.2%	38%
December	20 597	35 711	37 665	17 979	86 389	113 029	26 641	23.6%	48%
January	5 486	16 417	18 370	-	-	131 400	-	-	-
February	17 428	12 317	14 270	-	-	145 670	-	-	-
March	18 546	12 067	14 020	-	-	159 691	-	-	-
April	21 502	12 067	14 050	-	-	173 741	-	-	-
May	15 341	11 858	13 811	-	-	187 552	-	-	-
June	59 589	10 585	10 585	-	-	198 137	-	-	-
Total Capital expenditure	210 882	180 739	198 137	86 389					

**RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 31 DECEMBER 2022**



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE
				01 DECEMBER 2022					31 DECEMBER 2022
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 3 158 200.94			-R 73 699.43	R 139 629.51	-R 3 092 270.86
DBSA	12.67%	22-Nov-30	61007761	-R 8 343 301.32			-R 263 508.43	R 414 268.04	-R 8 192 541.71
									R -
TOTAL DBSA LOANS				-R 11 501 502.26	R -	R -	-R 337 207.86	R 553 897.55	-R 11 284 812.57
TOTAL LOANS				-R 11 501 502.26	R -	R -	-R 337 207.86	R 553 897.55	-R 11 284 812.57

Loan register reflects municipal loans and repayment made and interest charged as at the 31 December 2022. The municipality has two loan accounts from DBSA with an outstanding balance as of 31 December 2022 of R11.2 million.

5. SDBIP MID-YEAR PERFORMANCE REPORT

PERFORMANCE ANALYSIS: 2022/2023

The mid-year report suggests that the municipality is continuously striving to achieve the goals entrenched in the Service Delivery Budget Implementation Plan (SDBIP). This report demonstrates that the municipality implements effective monitoring and evaluation mechanisms that consistently keep track of the organization's performance and thus ensures that the service delivery is achieved.

The quarter 1 and 2 reports of the year 2022-2023 illustrates a slight incline from of quarter 1 and quarter 2 of the previous year (2021-22). The municipality has 186 Key Performance Indicator (KPIs) targeted for quarter 1 and quarter 2 and the municipality was able to achieve 175 targets and 11 targets were not achieved.

The municipality has maintained a collection rate of 76% when comparing the 2021-2022 and 2022-2023 financial year, for the period under review. The Q2 target for the percentage of collection rate was set a 65% and the actual achievement rate for Q2 in 2022/2023 was 76%.

The following graph illustrates the Service Delivery and Budget Implementation Plan results for the first half of the financial period 1 July 2022 – 31 December 2022 which measures the municipality's overall performance by its individual Departments and by National Key Performance Areas (KPA's).

PERFORMANCE BASED ON MUNICIPAL DEPARTMENTS:

Mid-Year results (Q1&Q2)					Previous Financial Year
2022-23					2021-22
Department	No. of targets	No. Achieved	No. not achieved	% Achieved	% Achieved
Corporate Services	23	23	0	100%	100%
Treasury	21	21	0	100%	70%
Strategic Planning & Governance	24	22	2	92%	71%
Public Safety	47	43	4	91%	92%
Community Services	23	23	0	100%	97%
Technical Services	21	18	3	86%	96%
Development & Planning Services	27	25	2	93%	93%
Total	186	175	11	94%	89%

PERFORMANCE BASED ON MUNICIPALITY NATIONAL KEY PERFORMANCE AREAS:

National Key Performance Areas	Mid-Year results (Q1&Q2)				Previous Financial Year
	2022-23				2021-22
	No. of targets	No. Achieved	No. not achieved	% Achieved	% Achieved
Municipal Transformation & Organisational Development	17	17	0	100%	88%
Service Delivery	23	22	1	96%	96%
Local Economic Development	12	10	2	83%	94%
Good Governance & Public Participation	92	86	6	93%	86%
Municipal Financial Viability & Financial Management	22	20	2	91%	80%
Cross Cutting Issues	20	20	0	100%	100%
Total	186	175	11	94%	89%