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RAY NKONYENI MUNICIPALITY

TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 OCTOBER 2022 (M04)

Prepared By: Budget and Treasury Office

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2022/2023 BUDGET FOR THE PERIOD ENDING 31 OCTOBER 2022

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2022/23 Budget of the Ray Nkonyeni Municipality for the period ending 31 October 2022 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

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

4. BACKGROUND

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

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 October 2022 is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Revenue By source
- 5.3 Expenditure by Type
- 5.4 Debtors Age Analysis
- 5.5 Creditors Age Analysis
- 5.6 Capital Expenditure
- 5.7 Transfers and Grants Receipts
- 5.8 Transfers and Grants Expenditure
- 5.9 Salaries Expenditure
- 5.10 Long-term Loans
- 5.11 Performance Indicators
- 5.12 Investment Register

6. MAIN TABLES

6.1. Monthly Budget Statement Summary

6.2. Financial Performance by Revenue and Expenditure

6.3. Capital Expenditure

6.4. Cash Flow

6.5. Financial Position

5.1 Monthly Budget Statement of Financial Performance

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

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges	214 942	253 618	253 618	18 682	78 835	93 116	(14 281)	-15%	253 618
Investment revenue	5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Transfers and subsidies	256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other own revenue	141 612	131 888	131 888	10 685	25 104	44 147	(19 044)	-43%	131 888
Total Revenue (excluding capital transfers and contributions)	1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755
Employee costs	446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of Councillors	26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Depreciation & asset impairment	93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges	19 931	12 922	12 922	333	340	278	62	22%	12 922
Inventory consumed and bulk purchases	136 545	149 809	149 809	9 435	39 313	46 166	(6 853)	-15%	149 809
Transfers and subsidies	9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure	385 792	415 344	415 513	24 611	106 843	145 951	(39 108)	-27%	415 513
Total Expenditure	1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712
Surplus/(Deficit)	(35 250)	3 043	3 043	(7 883)	95 649	49 492	46 158	93%	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 929	132 360	152 333	-	20 321	43 952	(23 632)	-54%	152 333
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	130 292	135 403	155 377	(7 883)	115 970	93 444	22 526	24%	155 377
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	130 292	135 403	155 377	(7 883)	115 970	93 444	22 526	24%	155 377
Capital expenditure & funds sources									
Capital expenditure	210 882	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108
Capital transfers recognised	138 668	115 052	132 420	17 110	53 300	41 446	11 853	29%	132 420
Borrowing	1 867	7 166	7 166	417	417	-	417	#DIV/0!	7 166
Internally generated funds	33 256	58 521	58 521	774	3 134	10 963	(7 829)	-71%	58 521
Total sources of capital funds	173 791	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108
Financial position									
Total current assets	637 027	553 761	551 682	-	795 574	-	-	-	551 682
Total non current assets	1 987 740	1 878 708	1 896 076	-	2 014 524	-	-	-	1 896 076
Total current liabilities	345 489	321 834	317 149	-	406 571	-	-	-	317 149
Total non current liabilities	191 699	150 842	150 842	-	199 978	-	-	-	150 842
Community wealth/Equity	2 087 579	1 959 793	1 979 767	-	2 203 549	-	-	-	1 979 767
Cash flows									
Net cash from (used) operating	259 474	167 979	179 979	(14 836)	6 588	55 705	49 116	88%	179 979
Net cash from (used) investing	(185 208)	(179 130)	(195 815)	(14 121)	(59 658)	(52 684)	6 974	-13%	(195 815)
Net cash from (used) financing	(35 009)	(19 098)	(19 098)	(2 742)	(12 904)	(22 648)	(9 743)	43%	(19 098)
Cash/cash equivalents at the month/year end	182 070	112 823	108 139	-	65 617	123 445	57 828	47%	96 658
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	62 742	27 182	49 161	14 957	4 365	3 433	55 648	336 447	553 936
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

5.2 Financial Performance -Revenue by Source

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 448	51 502	60 952	(9 450)	-16%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 235	27 333	32 164	(4 831)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	466	1 145	890	255	29%	2 610
Interest earned - external investments		5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 947	10 943	8 071	2 872	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	93	182	7 345	(7 163)	-98%	22 158
Licences and permits		8 138	7 824	7 824	913	2 963	2 595	368	14%	7 824
Agency services		4 965	4 894	4 894	435	1 665	1 619	46	3%	4 894
Transfers and subsidies		256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other revenue		55 569	70 013	70 013	5 832	8 206	23 627	(15 421)	-65%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Debt impairment		27 659	9 984	9 984	566	1 851	2 496	(645)	-26%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges		19 931	12 922	12 922	333	340	278	62	22%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	8 277	36 470	41 272	(4 802)	-12%	137 074
Inventory consumed		13 825	12 735	12 735	1 158	2 842	4 894	(2 052)	-42%	12 735
Contracted services		213 910	244 881	245 007	16 479	66 894	84 718	(17 824)	-21%	245 007
Transfers and subsidies		9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure		143 732	160 480	160 522	7 567	38 097	58 737	(20 639)	-35%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(35 250)	3 043	3 043	(7 883)	95 649	49 492	46 158	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	152 333	-	20 321	43 952	(23 632)	(0)	152 333
Transfers and subsidies - capital (in-kind - all)		12 015	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377

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

Revenue by Source

This table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and details explained below.

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 448	51 502	80 952	(9 450)	-16%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 235	27 333	32 164	(4 831)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	466	1 145	890	255	29%	2 610
Interest earned - external investments		5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 947	10 943	8 071	2 872	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	93	182	7 345	(7 163)	-98%	22 158
Licences and permits		8 138	7 824	7 824	913	2 963	2 595	368	14%	7 824
Agency services		4 965	4 894	4 894	435	1 665	1 619	46	3%	4 894
Transfers and subsidies		256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other revenue		55 569	70 013	70 013	5 832	8 206	23 627	(15 421)	-65%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755

Property Rates

Property rates consists of multiple categories under the jurisdiction of Ray Nkonyeni Municipality, the bulk revenue is billed on three categories: Residential properties, Business and Commercial properties as well as State owned properties. The annual budget for Property rates is R498.62 million and The YTD actual billing is R227,2 million, compared to the YTD budget of R224,9 million. The R2,3 variance which is 1% more than the YTD Budget, this variance is in line with the anticipated billing revenue for property rates.

Electricity Revenue

The YTD Actual for the electricity billing for the period ended 31 October 2022 is R51.5 million while the YTD Budget is R60,9 million. There is a variance of R9,5 million between the YTD actual and YTD budget. This variance of 16% 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.

Refuse Revenue

The overall YTD actual billing for refuse removals is R27.3 million and the YTD Budget billing is R32,2 million, with YTD variance of 15%. The municipality is aware of the huge difference will be considering adjusting downwards on the adjustment budget.

Interest on Investment

Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The investment revenue YTD Actual is R654 thousand, YTD budget is R1.8 million, and there is a variance of R1.1 million. The municipality did not manage to generate the estimated interest in its investments due to the amount invested and the fluctuation of repo rate of the country caused by the current economic status of the country. The municipality is currently sitting on the low cash coverage percentage.

Interest earned on arrear debtors

The interest charged on arrear debtors to date is R7.9 million, 32% more compared to the YTD budget of R6 million. This results from an increase in debtors that fail to pay timeously and therefore the debt collection policy is applied to encourage settlement of debt while also recovering revenue to the municipality. This will be monitored and if there is a need it will be adjusted for accordingly during the adjustment budget.

Agency Services

Agency services comprise of driver's license application, learners license application and renewal fees, this is the commission earned by the municipality on the services performed by the municipality on behalf of the Department of transport and third parties on payroll section. The annual projected revenue is R4.8 million, with the YTD actual of R1.67 million against YTD Budget of R1.62 million. This shows that the municipality is doing very well in collecting revenues on behalf of their principals and earns more commission than estimated.

Fines

Fines, Penalties, and forfeits are derived from building fines, illegal connections, overdue books, and the bulk budget being on traffic fines for R21.48 million and the total budget being R22.16 million. The YTD actual is R182 thousand with a YTD budget of R7.3 there is a 98% variance which results from traffic fines revenue and throughout the year there will be differences between the actual versus budget and this is mainly attributed to timing difference in capturing the fines in the financial system from the Traffman system. Total actual revenue for the as at the end of October amounts to R182 thousand rand which stems from the revenue from illegal connections and building fines. Traffic fines issued are sitting at R8.7 million but have not been captured on the main system.

Licenses and Permits

Licenses and permits actuals to date amounts to R2.9 million and there is a 14% variance against year-to-date budget of R2.6 million. This positive variance arises from an increase in the rate at which collection motor vehicle licenses and permits takes place. The municipality is doing well on this revenue item. The upward adjustment budget will be considered and will be determined by the mid-year review.

Rental of Facilities

Rental of facilities amounts annual budget is R2.6 million, this is the rental of fixed asset revenue such as halls, airport hangers, skip hire and garages. The YTD actuals for the rental of facilities is R 1.1 million, with the YTD budget being R890 thousand showing a 29% variance between actual and budgeted figures.

Transfers and Subsidies

Operational grants recognized YTD actual amounts to R 103 million, YTD Budget is R57 million. YTD variance is R46.1 million, the major variance is caused by the first tranche of Equitable Share that was received in the beginning of the financial year of R101.6 million as Equitable share is an unconditional grant therefore monies receive are recognized as revenue on receipt whereas operational conditional grants are recognized as revenue when conditions being met as per the set guidelines. Grant revenue in the financial system is straight lined across 12 months, yet the grants are received in tranches which further creates a variance on a monthly basis on transfers and subsidies.

Other Revenue

Other revenue is made up of numerous miscellaneous items (e.g., town planning fees, market income, cemetery fees, clinics subsidies, etc.) and gains on disposal of assets are included. Other revenue also includes construction contract revenue that is revenue recognized on receipt of funding for housing projects with a budget of R56 million, this revenue is contingent on the actual expenditure as the funding is based on claims for work done on the various housing projects. The actuals of other revenue to date are R8.2 million, YTD Budget is R23.6 million. The municipality has receipted about R 3.9 million from the Department of Human Settlement.

Overall Revenue YTD Budget to Date

The YTD Actual revenue excluding capital transfers is R435.0 million for the period ending 31 October 2022, YTD Budget is R449.5 million, the variance of R14.5 million is results from the differences within the different revenue streams and how they have been performing.

5.3 Expenditure by Type

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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										
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Debt impairment		27 659	9 984	9 984	566	1 851	2 496	(645)	-26%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges		19 931	12 922	12 922	333	340	278	62	22%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	8 277	36 470	41 272	(4 802)	-12%	137 074
Inventory consumed		13 825	12 735	12 735	1 158	2 842	4 894	(2 052)	-42%	12 735
Contracted services		213 910	244 881	245 007	16 479	66 894	84 718	(17 824)	-21%	245 007
Transfers and subsidies		9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure		143 732	160 480	160 522	7 567	38 097	58 737	(20 639)	-35%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712

Employee Related Costs and Remuneration of Councillors

Actual YTD for employee related costs amount to R150.9 million YTD Budget is R150.2 million as of 31 October 2022. Actual YTD remuneration of councillors YTD actuals amounts to R10.3 million with YTD Budget of R10.5 million and there is a 1% variance. Employee related cost is further detailed under table 5.9 Salaries Expenditure Details.

Contracted Services

Contracted services are made up of various operational projects such as Housing, Repairs and maintenance and typical work stream. Contracted services for the period ended 31 October 2022 amounts to R66.9 million, The YTD Budget is R84.7 million and YTD Variance is R17.8 million. The variance in contracted services as at the end of October is attributed to mainly housing projects with a huge variance between YTD budget and YTD actual the municipality budgets for the human settlement grant as per the provincial gazette allocation and the projects and implemented by the municipality and the department of human settlement through a tripartite agreement which creates a variance in the YTD budget and YTD actual on the projects that will be implemented during the financial year. Contracted services are monitored and identified adjustment will be made during the adjustment budget.

Inventory Consumed

YTD Inventory consumed amounts to R2.8 million as of 31 October 2022 with the YTD Budget being R4.9 million. This reflects a variance of R2.1 million. Inventory budget was straight lined across the 12 months of the financial year and will be a variance as consumption differs.

Other Operating Expenditure

Other expenditure includes items such as audit fees, subsistence and travelling, professional fees, legal fees, bank charges, Budget Road shows, municipal running cost such as electricity consumption and water services. YTD Actuals for Other operating expenditure are R38.1 million, YTD Budget is R58.7 million and there is a 35% variance. The variance is a result of cost containment measures implemented by the municipality to ensure that the financial resources of the municipality are used efficiently.

Depreciation and Asset Impairment

Depreciation and asset impairment expenditure amounts to R30.1 million to date from the beginning of the year. The year-to-date budget is R39.8 million, resulting in a variance of 24%. Assets are procured based on the current needs of the departments and depreciation expense is charged from the day the asset is available for use and this will result in the variance between budget versus actual depreciation expense.

Debt Impairment

The YTD actuals for Debt Impairment amounts to R1.9 million while the year-to-date budget is R2.5 million. The R1.9 million YTD expenditure relates to interest written-off on outstanding accounts where consumers arrange with the municipality to pay the capital portion of the debt as a once off payment and have the interest written off and the conditions of write-off are based on the age of the debt if it is over 2 years then the full interest is written off on payment of the capital portion. Debt impairment expenditure is contingent on consumer applications for payment arrangement with the municipality and this is a contributing factor to the variance between the YTD actual versus the YTD budget.

Transfers and Subsidies

Transfers and subsidies relate to donations made by the municipality to fund local economic development such as SMME development, Cooperative's development, and poverty alleviation projects within the jurisdiction of Ray Nkonyeni Municipality. YTD actual of R1.6 million and a YTD budget of 7.2 million with a variance of R5.6 million which will be covered once the donations are made in the 2nd quarter of the financial year. Mayors' business forum at the end of November.

Overall Expenditure Budget

The overall expenditure YTD Actual is R339.4 million as of 31 October 2022, YTD Budget is R400.0 million. There is 15% variance, due to the trends of different types of expenditure as explained above such as contracted services having housing projects that have been directly paid by the department of human settlements reducing the expenditure incurred by the municipality on behalf of the department of human settlements, as well as some of the cost containment measures in other items of expenditure.

Surplus/ (Deficit)

Total Revenue less Total Expenditure equals to Surplus (Deficit). YTD Surplus excluding capital transfers is R95.6 million compared to the YTD Budget surplus R49.4million.

5.4 Debtors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	40	38	37	36	35	34	169	383	772	656	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	15 276	5 595	2 115	1 054	815	672	3 244	10 912	39 683	16 697	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	38 787	15 937	38 926	9 463	252	72	33 735	199 995	337 168	243 518	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	0	0	0	-	-
Receivables from Exchange Transactions - Waste Management	1600	5 172	2 704	5 124	1 600	20	-	5 794	38 124	58 538	45 538	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Ameer Debtor Accounts	1810	2 970	2 682	2 640	2 654	2 652	2 588	12 142	78 092	106 421	98 128	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	496	224	319	151	592	66	563	8 941	11 353	10 313	-	-
Total By Income Source	2000	62 742	27 182	49 161	14 957	4 365	3 433	55 848	338 447	553 938	414 851	-	-
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	3 945	998	19 242	1 135	538	491	3 799	33 971	64 119	39 934	-	-
Commercial	2300	21 278	7 800	7 141	2 972	827	701	11 732	60 495	112 947	76 727	-	-
Households	2400	37 518	18 383	22 778	10 850	3 000	2 241	40 117	241 981	376 869	298 189	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	62 742	27 182	49 161	14 957	4 365	3 433	55 848	338 447	553 938	414 851	-	-

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

5.5 Creditors Age Analysis

KZN216 Ray Nkonyeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2022/23								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1 784	1	-	-	20	-	-	320	2 125
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 784	1	-	-	20	-	-	320	2 125

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


5.6 Capital Expenditure

KZN216 Ray Nkonyeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	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									
Capital Expenditure - Functional Classification										
Governance and administration		39 765	3 280	3 280	3	42	1 172	(1 129)	-96%	3 280
Executive and council		186	20	20	-	-	-	-	-	20
Finance and administration		39 487	3 075	3 075	0	13	1 137	(1 123)	-99%	3 075
Internal audit		92	185	185	3	29	35	(6)	-16%	185
Community and public safety		12 521	5 813	5 813	356	978	1 847	(669)	-47%	5 813
Community and social services		5 881	200	200	-	-	67	(67)	-100%	200
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		6 525	5 340	5 340	348	958	1 780	(822)	-46%	5 340
Housing		115	273	273	8	20	-	20	#DIV/0!	273
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		150 838	154 495	171 864	17 526	55 413	47 049	8 364	18%	171 864
Planning and development		98 597	99 389	100 148	9 686	40 089	31 193	8 896	29%	100 148
Road transport		52 241	55 106	71 715	7 839	15 324	15 856	(532)	-3%	71 715
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		4 650	17 152	17 152	417	417	2 342	(1 924)	-82%	17 152
Energy sources		2 599	15 348	15 348	417	417	1 707	(1 290)	-78%	15 348
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		2 052	1 804	1 804	-	-	635	(635)	-100%	1 804
Other		3 108	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	210 882	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108
Funded by:										
National Government		123 164	115 052	131 661	17 110	53 283	41 446	11 837	29%	131 661
Provincial Government		4 618	-	760	-	17	-	17	#DIV/0!	760
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	132 420	17 110	53 300	41 446	11 853	29%	132 420
Borrowing	6	1 867	7 166	7 166	417	417	-	417	#DIV/0!	7 166
Internally generated funds		33 256	58 521	58 521	774	3 134	10 963	(7 829)	-71%	58 521
Total Capital Funding		173 791	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108

The above table give details of YTD actual capital expenditure and the funding. The YTD Actual capital expenditure is R56.9 million, the YTD budgeted is R52.4 million and there is 8% variance. Capital expenditure from National grants shows that the payments are R 11.8 million more than the YTD budget amount, which shows the positive performance of the municipality. The internal generated funds are mainly used to acquire Computers, Furniture and Equipment. The delay on the spending results from the expired contract for the service providers supplying Computers and there was delay on the SCM processes on appointing the new service provider. The delayed was caused by the non-response on the first advert and the municipality had to re advertised again.


5.7 Transfers and Grants Receipts

 KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER						
KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER OCT 2022						
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 23	Expenditure: Capital (Revenue Recognised)/GRAP 23	Internally Funded	Closing Balance as at
INTEGRATED URBAN DEVELOPMENT (IUDG)	R 2 241 546	R 32 544 000	R -	R 15 297 930		R 19 487 616
COGTA ELEC GRANT	R 784 811	R -	R -	R -		R 784 811
MUNICIPAL DISASTER RELIEF GRANT	R 8 100 000	R 11 000 000	R -	R 10 552 046		R 8 547 954
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	R -	R 2 000 000				R 2 000 000
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 782 715	R -		R 1 167 285
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITY (EPWP)		R 1 519 000	R 2 221 869	R -	R 702 869	
AIRPORT GRANT		R 1 033 900	R -			R 1 033 900
NEIGHBOURHOOD DEV GRANT	R 797 803	R 45 820 000	R -	R 33 050 848		R 13 566 955
MARKET STALLS GRANT	R 7 003 970	R -				R 7 003 970
MODULAR LIBRARIES GRANT	R 272 452	R -				R 272 452
ENERGY EFFICIENT AND DEMAND SIDE MANAGEMENT GRANT (EEDSM)		R 2 000 000	R -			R 2 000 000
TOTAL	R 19 200 582	R 97 866 900	R 3 004 583	R 58 900 823	R 702 869	R 55 864 944

Transfers and Grants Receipts

The total grants received to date for period ending 31 October 2022 amounts to R26.6 million, which include R23.6 million from Neighbourhood Development Grant, R2.0 million from Energy Efficiency and Demand Side Management Grant, R1.0 million from Margate Airport Grant.

5.8 Transfers and Grants Expenditure

 KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER						
KZN216 RAY NKONYENI MUNICIPALITY GRANT REGISTER OCT 2022						
Name of grant	Opening Balance as at	Receipts	Expenditure: Operating (Revenue Recognised)/GRAP 23	Expenditure: Capital (Revenue Recognised)/GRAP 23	Internally Funded	Closing Balance as at
INTEGRATED URBAN DEVELOPMENT (IUDG)	R 2 241 546	R 32 544 000	R -	R 15 297 930		R 19 487 616
COGTA ELEC GRANT	R 784 811	R -	R -	R -		R 784 811
MUNICIPAL DISASTER RELIEF GRANT	R 8 100 000	R 11 000 000	R -	R 10 552 046		R 8 547 954
INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME GRANT (INEP)	R -	R 2 000 000	R -	R -		R 2 000 000
FINANCIAL MANAGEMENT GRANT (FMG)	R -	R 1 950 000	R 782 715	R -		R 1 167 285
EXPANDED PUBLIC WORKS PROGRAMME INTEGRATED GRANT FOR MUNICIPALITY (EPWP)		R 1 519 000	R 2 221 869	R -	R 702 869	
AIRPORT GRANT		R 1 033 900	R -	R -		R 1 033 900
NEIGHBOURHOOD DEV GRANT	R 797 803	R 45 820 000	R -	R 33 050 848		R 13 566 955
MARKET STALLS GRANT	R 7 003 970	R -	R -	R -		R 7 003 970
MODULAR LIBRARIES GRANT	R 272 452	R -	R -	R -		R 272 452
ENERGY EFFICIENT AND DEMAND SIDE MANAGEMENT GRANT (EEDSM)		R 2 000 000	R -	R -		R 2 000 000
TOTAL	R 19 200 582	R 97 866 900	R 3 004 583	R 58 900 823	R 702 869	R 55 864 944

Transfers and Grants Expenditure

Grants are monitored monthly, and Grant's register is communicated/ shared with management to ensure effective management of grants and 100% expenditure. As of 31 October 2022, Operating and Capital Expenditure has a closing balance of R55.9 million, with YTD spending of R3.0 million and R58.9 million, for operational grants and capital grants respectively.

Grant's expenditure

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

An amount of R32.54 million has been received to date for the IUDG. This is a capital grant and the YTD actual for the period ended 31 October 2022 is R15.3 million and has been spent on various capital projects.

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

An amount of R 1.5 million has been received for EPWP grant. This is an operational grant to pay salaries for EPWP employees and the YTD actual for the period ended 31 October 2022 is R2.2 million.

- **Neighborhood Development Partnership Grant**

An amount of R45.8 million has been received for the Neighborhood Development Partnership Grant. This is a capital grant and the YTD actual for the period ended 31 October is R33.0 million.

- **Finance Management Grant**

An amount of R 1.95 million has been received for Finance management grant. This is an operational grant and the YTD actual for the period ended 31 October 2022 is R782.7 thousand.

- **Municipal Disaster Relief Grant**

An amount of R 11 million has been received for the disaster relief grant with an opening amount of R 8.1 million. This is an operational grant and the YTD actual for the period ended 31 October 2022 is R10,6 million to fund the repairs to roads due to the recent floods.

5.9 Salaries Expenditure details

KZN216 Ray Nkonyeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

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)	1									
Basic Salaries and Wages		23 352	28 393	28 393	2 231	9 373	9 464	(91)	-1%	28 393
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		2 897	3 042	3 042	241	965	1 014	(48)	-5%	3 042
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	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	293	1 257	1 464	(207)	-14%	4 393
Pension and UIF Contributions		80	189	189	12	56	63	(7)	-11%	189
Medical Aid Contributions		72	78	78	17	70	26	44	169%	78
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		866	1 059	1 059	-	-	353	(353)	-100%	1 059
Motor Vehicle Allowance		495	1 158	1 158	69	316	386	(70)	-18%	1 158
Cellphone Allowance		109	115	115	6	30	38	(8)	-22%	115
Housing Allowances		1 425	3 488	3 488	210	989	1 163	(174)	-15%	3 488
Other benefits and allowances		0	0	0	0	0	0	0	76%	0
Payments in lieu of leave		239	-	-	50	111	-	111	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		10 615	10 481	10 481	657	2 829	3 494	(664)	-19%	10 481
% increase	4		-1.3%	-1.3%						-1.3%
Other Municipal Staff										
Basic Salaries and Wages		275 568	276 977	276 977	22 888	91 434	92 392	(958)	-1%	276 977
Pension and UIF Contributions		49 183	51 553	51 553	4 246	17 022	17 184	(162)	-1%	51 553
Medical Aid Contributions		18 869	20 813	20 813	1 652	6 565	6 938	(373)	-5%	20 813
Overtime		18 959	14 695	14 695	1 359	5 164	5 746	(582)	-10%	14 695
Performance Bonus		21 372	23 805	23 805	2 438	8 047	7 935	112	1%	23 805
Motor Vehicle Allowance		17 850	18 637	18 637	1 529	6 119	6 212	(94)	-2%	18 637
Cellphone Allowance		993	1 046	1 046	82	355	349	6	2%	1 046
Housing Allowances		3 771	3 946	3 946	337	1 356	1 315	41	3%	3 946
Other benefits and allowances		5 101	3 006	2 964	397	1 608	1 133	476	42%	2 964
Payments in lieu of leave		3 802	4 200	4 200	1 890	8 034	1 400	6 634	474%	4 200
Long service awards		5 264	2 270	2 270	344	925	757	169	22%	2 270
Post-retirement benefit obligations		14 654	15 852	15 852	360	1 462	5 284	(3 822)	-72%	15 852
Sub Total - Other Municipal Staff		435 385	436 798	436 756	37 523	148 092	146 644	1 447	1%	436 756
% increase	4		0.3%	0.3%						0.3%
Total Parent Municipality		472 249	478 713	478 671	40 652	161 259	160 616	643	0%	478 671

Councillors Remuneration

An actual amount of R10.3 million has been spent to date on the remuneration of councillors compared to the budgeted amount of R10.5 million. This indicates a variance of only R20 thousand. This indicates that this item is on schedule and the variance is not material.

Senior Managers of the Municipality

The head of departments on the municipality including the Municipal manager are classified under this subheading with a YTD actual of R2.8 million and a YTD budget of R3.5 million with the variance of R 664 thousand.

Other Municipal Staff

The municipal staff year to date spending is sitting at R148.1 million against the year-to-date budget of R 146.6 million with the variance of R 1.4 million and the variance is mainly caused by the different months of bonuses & salary notches for the employees.

5.10 Long-term Loans

RAY NKONYENI MUNICIPALITY
LONG TERM LOANS REGISTER : 31 OCTOBER 2022



DETAILS	%	REDEEMABLE	PROJECT NUMBER	CAPITAL OPENING BALANCE 01 OCTOBER 2022	LOAN ADVANCE	LOAN INTEREST CHARGED	INTEREST PAID	LOAN REPAYMENT	CLOSING BALANCE 31 OCTOBER 2022
				R				R	R
DBSA	9.36%	31-Mar-31	61007684	-R 3 221 820.21			-R 77 357.42	R 140 976.69	-R 3 158 200.94
DBSA	12.67%	22-Nov-30	61007761	-R 8 476 000.00			-R 254 817.15	R 387 515.83	-R 8 343 301.32
									R -
TOTAL DBSA LOANS				-R 11 697 820.21	R -	R -	-R 332 174.57	R 528 492.52	-R 11 501 502.26
TOTAL LOANS				-R 11 697 820.21	R -	R -	-R 332 174.57	R 528 492.52	-R 11 501 502.26

The municipality currently has a structured unsecured loan with the Development Bank of Southern Africa (DBSA), The Municipality entered into a loan agreement for the funding of Capital infrastructure projects. In the 2020/21 financial year the first drawdown of R3.5 million was received, as well as the second drawdown of R8.47 million and current loan balance outstanding is R11.5 million as of 31 October 2022. The municipality is still able to make loan repayments as and when they are due. The loan agreement from DBSA is spread across four years funding various capital projects the application was made at the end of last financial year and was received on the 1st month of the financial year.

ANNEXURE B: PROGRAMME/PROJECTS DESCRIPTION

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

5.11 Performance Indicators

KZN216 Ray Nkonyeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October

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
<u>Borrowing Management</u>							
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%	0.7%	3.6%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		15.4%	14.1%	13.7%	17.4%	13.7%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	23.9%	23.9%	0.0%	23.9%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	184.4%	172.1%	174.0%	195.7%	174.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		38.1%	35.9%	34.9%	48.3%	34.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		46.0%	37.0%	37.2%	135.9%	37.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
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%	34.7%	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%
<u>IDP regulation financial viability indicators</u>							
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						

The above table gives an overview of the financial indicators of the municipality for the period ended 31 October 2022 and the indicators are broken down below.

Borrowing Management

The outstanding amount in the loan from DBSA is currently sitting at R11 501 502 as of 31 October 2022.

Liquidity

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

Budgeted Current Ratio: R553 761 000/ R321 834 000= **1.72:1**

Adjusted Budget Current Ratio: R 550 893 000/316 356 000 =**1.74:1**

Actual Current Ratio as 31 October 2022: R795 574 000: R406 571 000=**1.96:1**

Current ratio is a liquidity ratio used to measure whether the municipality has enough resources to meet its short-term obligations. A good ratio is R1.5-R2 for every R1 owed. The budget showed a R1.74: R1 ratio and the actual ratio as of 31 October 2022 is R1.96:1. The ratio is performing well.

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


Budgeted Acid test Ratio: (R 553 761 000-R3 301 000) / R321 834 000= **1.71:1**

Adjusted Budget Current Ratio: (R 550 893 000-3 301 000)/ R 316 356 000 = **1.73:1**

Actual Acid test Ratio as 31 October 2022: (R781 559 000– R8 006 000)/ R373 692 000=**2.07:1**

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

5.12 Investment Register



RAY NKONYENI MUNICIPALITY
INVESTMENT REGISTER FOR THE PERIOD ENDING 31/10/2022

ACCOUNT NO	INVESTMENT DETAILS		CURRENT MONTH						YTD					
	INSTITUTION & TYPE	PROJECT NAME / DETAILS	MONTHLY OPENING BALANCES	INTEREST INVESTED 31/10/2022	BANK CHARGES 31/10/2022	DEPOSIT 31/10/2022	WITHDRAWALS 31/10/2022	CURRENT BALANCE	INVESTMENT BALANCES AS AT 01/07/2022	INTEREST	BANK DEPOSITS	CHARGES	INVESTMENT WITHDRAWALS	BALANCE AS AT 31/10/2022
3789298401	STANDARD BANK - CALL	LOUISIANA HSG	9 516 234.39	50 514.26	-	-	-	9 566 748.65	9 388 400.89	178 347.76	-	-	-	9 566 748.65
3789298403	STANDARD BANK - CALL	NZIMAKWE 1 HSG	612 885.97	3 253.33	-	-	-	616 139.30	604 652.96	11 486.35	-	-	-	616 139.30
3789298404	STANDARD BANK - CALL	NZIMAKWE 2 HSG	1 016 861.35	5 997.72	-	-	-	1 022 259.07	1 003 201.66	19 057.42	-	-	-	1 022 259.07
3789298405	STANDARD BANK - CALL	BHOBOYI SUB-HSG	322 890.38	1 713.97	-	-	-	324 604.35	318 552.93	6 051.42	-	-	-	324 604.35
3789298406	STANDARD BANK - CALL	BHOBOYI EST-HSG	12 327.86	29.32	-	-	-	12 357.18	12 261.03	96.15	-	-	-	12 357.18
3789298407	STANDARD BANK - CALL	DAMAGED HSES	78 314.45	219.50	-	-	-	78 533.95	77 791.97	741.98	-	-	-	78 533.95
3789298408	STANDARD BANK - CALL	UPLANDS HSG	78 235.17	219.27	-	-	-	78 454.44	77 713.22	741.22	-	-	-	78 454.44
3789298409	STANDARD BANK - CALL	MIKHOLIMBE HSG	1 440 019.76	7 643.84	-	-	-	1 447 663.70	1 420 675.68	26 988.02	-	-	-	1 447 663.70
3789298410	STANDARD BANK - CALL	AIDS PROJECT	143 170.14	759.88	-	-	-	143 930.12	141 246.91	2 683.21	-	-	-	143 930.12
89140356988	STANDARD BANK - CALL	MASINENGE HSG	32 556 969.17	139 147.59	-	-	-	32 696 116.76	32 183 664.01	512 452.75	-	-	-	32 696 116.76
89139356986	STANDARD BANK - CALL	KWAMAVUNDLA HSG	242 609.38	1 036.90	-	-	-	243 646.28	239 827.57	3 818.71	-	-	-	243 646.28
89141256989	STANDARD BANK - CALL	KWAXOLO HOUSING	11 521 296.98	49 241.71	-	-	-	11 570 538.69	11 389 191.33	181 347.36	-	-	-	11 570 538.69
80439364623	STANDARD BANK - CALL	KWADWALANE HOUSING	522 014.83	2 231.08	-	-	-	524 245.91	516 029.30	8 216.61	-	-	-	524 245.91
			58 063 829.83	261 408.57	-	-	-	58 325 238.40	44 328 712.21	952 028.96	-	-	-	58 325 238.40
74873852518	INVESTEC - CALL	MHOA (HOUSING DEVELOPMENT FUND)	16 324 734.12	81 614.94	-	-	-	16 406 349.06	16 114 889.17	291 459.89	-	-	-	16 406 349.06
			16 324 734.12	81 614.94	-	-	-	16 406 349.06	16 114 889.17	291 459.89	-	-	-	16 406 349.06
89111356985	STANDARD BANK-CALL	RNM- UNSPENT CONDITIONAL GRANTS	49 080.22	209.81	-	-	-	49 290.03	48 525.35	772.68	-	-	-	49 290.03
89111357732	STANDARD BANK-CALL	RNM-ACCREDITATION FUNDS	10 856.37	46.45	-	-	-	10 902.77	10 731.88	170.89	-	-	-	10 902.77
			89 944.59	256.21	-	-	-	90 200.80	89 257.23	943.57	-	-	-	90 200.80
62726614151	FNB - CALL	RNM - PRIMARY INVESTMENT A/C	77 345 222.53	483 819.48	-	41 000 000.00	-39 000 000.00	79 829 042.01	47 140 857.71	2 488 202.30	255 500 000.00	-	-225 300 018.20	79 829 042.01
			77 345 222.53	483 819.48	-	41 000 000.00	-39 000 000.00	79 829 042.01	47 140 857.71	2 488 202.30	255 500 000.00	-	-225 300 018.20	79 829 042.01
74873852518	FNB	FNB- 48 HOUR CASH ACCELERATOR	3 421 573.55	17 726.57	-	-	-	3 439 300.12	3 376 881.86	62 418.26	-	-	-	3 439 300.12
			3 421 573.55	17 726.57	-	-	-	3 439 300.12	3 376 881.86	62 418.26	-	-	-	3 439 300.12
37881000791	NEDBANK	RESERVES INVESTMENT ACCOUNT	25 812 193.14	126 065.30	-	-	-	25 938 248.44	25 800 000.00	138 248.44	-	-	-	25 938 248.44
			25 812 193.14	126 065.30	-	-	-	25 938 248.44	25 800 000.00	138 248.44	-	-	-	25 938 248.44
		GRAND TOTAL RNM INVESTMENT + INTEREST	181 027 497.76	970 881.87	-	41 000 000.00	-39 000 000.00	182 998 378.83	136 820 598.18	3 932 301.62	255 500 000.00	-	-225 300 018.20	182 998 378.83

The Investment register as of 31 October 2022 has the closing balance of R183.9 million, with R970 thousand total interest earned for the month from which R483 thousand 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.

6.1 Monthly Budget Statement Summary

KZN216 Ray Nkonyeni - Table C1 Monthly Budget Statement Summary - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges	214 942	253 618	253 618	18 682	78 835	93 116	(14 281)	-15%	253 618
Investment revenue	5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Transfers and subsidies	256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other own revenue	141 612	131 888	131 888	10 685	25 104	44 147	(19 044)	-43%	131 888
Total Revenue (excluding capital transfers and contributions)	1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755
Employee costs	446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of Councillors	26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Depreciation & asset impairment	93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges	19 931	12 922	12 922	333	340	278	62	22%	12 922
Inventory consumed and bulk purchases	136 545	149 809	149 809	9 435	39 313	46 166	(6 853)	-15%	149 809
Transfers and subsidies	9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure	385 792	415 344	415 513	24 611	106 843	145 951	(39 108)	-27%	415 513
Total Expenditure	1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712
Surplus/(Deficit)	(35 250)	3 043	3 043	(7 883)	95 649	49 492	46 158	93%	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	146 929	132 360	152 333	-	20 321	43 952	(23 632)	-54%	152 333
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	130 292	135 403	155 377	(7 883)	115 970	93 444	22 526	24%	155 377
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	130 292	135 403	155 377	(7 883)	115 970	93 444	22 526	24%	155 377
Capital expenditure & funds sources									
Capital expenditure	210 882	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108
Capital transfers recognised	138 668	115 052	132 420	17 110	53 300	41 446	11 853	29%	132 420
Borrowing	1 867	7 166	7 166	417	417	-	417	#DIV/0!	7 166
Internally generated funds	33 256	58 521	58 521	774	3 134	10 963	(7 829)	-71%	58 521
Total sources of capital funds	173 791	180 739	198 108	18 302	56 852	52 409	4 442	8%	198 108
Financial position									
Total current assets	637 027	553 761	551 682	-	795 574	-	-	-	551 682
Total non current assets	1 987 740	1 878 708	1 896 076	-	2 014 524	-	-	-	1 896 076
Total current liabilities	345 489	321 834	317 149	-	406 571	-	-	-	317 149
Total non current liabilities	191 699	150 842	150 842	-	199 978	-	-	-	150 842
Community wealth/Equity	2 087 579	1 959 793	1 979 767	-	2 203 549	-	-	-	1 979 767
Cash flows									
Net cash from (used) operating	259 474	167 979	179 979	(14 836)	6 588	55 705	49 116	88%	179 979
Net cash from (used) investing	(185 208)	(179 130)	(195 815)	(14 121)	(59 658)	(52 684)	6 974	-13%	(195 815)
Net cash from (used) financing	(35 009)	(19 098)	(19 098)	(2 742)	(12 904)	(22 648)	(9 743)	43%	(19 098)
Cash/cash equivalents at the month/year end	182 070	112 823	108 139	-	65 617	123 445	57 828	47%	96 658
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	62 742	27 182	49 161	14 957	4 365	3 433	55 648	336 447	553 936
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

6.2 Statement of Financial Performance (Revenue and Expenditure)

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 448	51 502	60 952	(9 450)	-16%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 235	27 333	32 164	(4 831)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	466	1 145	890	255	29%	2 610
Interest earned - external investments		5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 947	10 943	8 071	2 872	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	93	182	7 345	(7 163)	-88%	22 158
Licences and permits		8 138	7 824	7 824	913	2 963	2 595	368	14%	7 824
Agency services		4 965	4 894	4 894	435	1 665	1 619	46	3%	4 894
Transfers and subsidies		256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other revenue		55 589	70 013	70 013	5 832	8 206	23 627	(15 421)	-65%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Debt impairment		27 659	9 984	9 984	566	1 851	2 496	(645)	-26%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges		19 931	12 922	12 922	333	340	278	62	22%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	8 277	36 470	41 272	(4 802)	-12%	137 074
Inventory consumed		13 825	12 735	12 735	1 158	2 842	4 894	(2 052)	-42%	12 735
Contracted services		213 910	244 881	245 007	16 479	66 894	84 718	(17 824)	-21%	245 007
Transfers and subsidies		9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure		143 732	160 480	160 522	7 567	38 097	58 737	(20 639)	-35%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(35 250)	3 043	3 043	(7 883)	95 649	49 492	46 158	0	3 043
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporators, Higher Educational Institutions)		146 929	132 360	152 333	-	20 321	43 952	(23 632)	(0)	152 333
Transfers and subsidies - capital (in-kind - all)		12 015	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		6 597	-	-	-	-	-	-	-	-
Taxation		130 292	135 403	155 377	(7 883)	115 970	93 444	-	-	155 377
Surplus/(Deficit) after taxation		-	-	-	-	-	-	-	-	-
Attributable to minorities		130 292	135 403	155 377	(7 883)	115 970	93 444	-	-	155 377
Surplus/(Deficit) attributable to municipality		-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		130 292	135 403	155 377	(7 883)	115 970	93 444	-	-	155 377
Surplus/ (Deficit) for the year		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377

The table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by source and expenditure by type for the period ended 31 October 2022. The full year forecast provides a guideline in terms of overall performance, and it gives an overview whether the municipality will be able to spend as per budget.

6.3 Capital Expenditure

KZN216 Ray Nkonyeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	45 419	227 228	224 917	2 311	1%	498 623
Service charges - electricity revenue		157 558	182 857	182 857	13 448	51 502	60 952	(9 450)	-16%	182 857
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		57 384	70 761	70 761	5 235	27 333	32 164	(4 831)	-15%	70 761
Rental of facilities and equipment		3 897	2 610	2 610	466	1 145	890	255	29%	2 610
Interest earned - external investments		5 182	5 397	5 397	2	654	1 785	(1 131)	-63%	5 397
Interest earned - outstanding debtors		31 155	24 389	24 389	2 947	10 943	8 071	2 872	36%	24 389
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		30 190	22 158	22 158	93	182	7 345	(7 163)	-98%	22 158
Licences and permits		8 138	7 824	7 824	913	2 963	2 595	368	14%	7 824
Agency services		4 965	4 894	4 894	435	1 665	1 619	46	3%	4 894
Transfers and subsidies		256 804	285 102	285 229	-	103 253	85 564	17 689	21%	285 229
Other revenue		55 569	70 013	70 013	5 832	8 206	23 627	(15 421)	-65%	70 013
Gains		7 697	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		1 083 016	1 174 628	1 174 755	74 788	435 074	449 530	(14 456)	-3%	1 174 755
Expenditure By Type										
Employee related costs		446 000	447 279	447 237	38 180	150 921	150 138	783	1%	447 237
Remuneration of councillors		26 249	31 434	31 434	2 472	10 338	10 478	(140)	-1%	31 434
Debt impairment		27 659	9 984	9 984	566	1 851	2 496	(645)	-26%	9 984
Depreciation & asset impairment		93 859	101 619	101 619	7 517	30 067	39 800	(9 733)	-24%	101 619
Finance charges		19 931	12 922	12 922	333	340	278	62	22%	12 922
Bulk purchases - electricity		122 720	137 074	137 074	8 277	36 470	41 272	(4 802)	-12%	137 074
Inventory consumed		13 825	12 735	12 735	1 158	2 842	4 894	(2 052)	-42%	12 735
Contracted services		213 910	244 881	245 007	16 479	66 894	84 718	(17 824)	-21%	245 007
Transfers and subsidies		9 890	13 178	13 178	123	1 603	7 228	(5 625)	-78%	13 178
Other expenditure		143 732	160 480	160 522	7 567	38 097	58 737	(20 639)	-35%	160 522
Losses		491	-	-	-	-	-	-	-	-
Total Expenditure		1 118 266	1 171 585	1 171 712	82 671	339 424	400 038	(60 614)	-15%	1 171 712
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(35 250)	3 043	3 043	(7 883)	95 649	49 492	46 158	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	152 333	-	20 321	43 952	(23 632)	(0)	152 333
Transfers and subsidies - capital (in-kind - all)		12 015	-	-	-	-	-	-	-	-
		6 597	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		130 292	135 403	155 377	(7 883)	115 970	93 444			155 377

This table provides an overview of actuals to date of the capital expenditure on monthly basis of the municipality for the period ended 31 October 2022.

6.4 Statement Cash Flow

KZN216 Ray Nkonyeni - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	41 987	157 966	156 191	1 775	1%	468 731
Service charges		212 962	228 256	228 256	19 528	77 116	76 085	1 030	1%	228 256
Other revenue		228 121	44 677	44 677	5 057	17 271	15 284	1 987	13%	44 677
Transfers and Subsidies - Operational		314 043	341 677	341 603	1 459	112 696	105 052	7 644	7%	341 603
Transfers and Subsidies - Capital		159 345	132 360	144 233	26 556	94 451	54 953	39 498	72%	144 233
Interest		1 520	5 397	5 397	-	602	1 785	(1 183)	-66%	5 397
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(1 086 911)	(1 027 019)	(1 027 019)	(109 092)	(453 182)	(346 769)	106 414	-31%	(1 027 019)
Finance charges		(306)	(12 922)	(12 922)	(332)	(332)	(233)	99	-43%	(12 922)
Transfers and Grants		(6 913)	(13 178)	(13 178)	-	-	(6 644)	(6 644)	100%	(13 178)
NET CASH FROM/(USED) OPERATING ACTIVITIES		259 474	167 979	179 979	(14 836)	6 588	55 705	49 116	88%	179 979
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)	(195 815)	(14 121)	(59 658)	(52 684)	6 974	-13%	(195 815)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(185 208)	(179 130)	(195 815)	(14 121)	(59 658)	(52 684)	6 974	-13%	(195 815)
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	142	713	(40 015)	40 728	-102%	1 412
Payments										
Repayment of borrowing		(35 816)	(28 486)	(28 486)	(2 884)	(13 617)	9 392	23 009	245%	(28 486)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(35 009)	(19 098)	(19 098)	(2 742)	(12 904)	(22 648)	(9 743)	43%	(19 098)
NET INCREASE/ (DECREASE) IN CASH HELD		39 257	(30 248)	(34 933)	(31 700)	(65 974)	(19 627)			(34 933)
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	108 139		65 617	123 445			96 658

A cash flow statement provides data regarding all cash inflows a municipality receives from its ongoing operations and external investment sources. As of 31 October 2022, cash from operating activities actual to date is 88% less than the budgeted YTD due to payments to suppliers and employees. The fluctuation in payments to suppliers is affected by timing of the suppliers' invoicing to the municipality which has an impact on the municipality's cash coverage. Property Rates and Service Charges are in line with the cashflow projections.

6.5 Statement financial Position

KZN216 Ray Nkonyeni - Table C6 Monthly Budget Statement - Financial Position - M04 October

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)	(11 212)	31 982	(11 212)
Call investment deposits		121 194	122 051	122 051	164 273	122 051
Consumer debtors		317 042	294 403	294 403	406 248	294 403
Other debtors		181 336	140 390	142 995	185 066	142 995
Current portion of long-term receivables		-	143	143	-	143
Inventory		7 058	3 301	3 301	8 006	3 301
Total current assets		637 027	553 761	551 682	795 574	551 682
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	1 685 828	1 703 174	1 685 828
Biological		-	-	-	-	-
Intangible		857	2 436	2 436	1 335	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	1 896 076	2 014 524	1 896 076
TOTAL ASSETS		2 624 767	2 432 469	2 447 758	2 810 098	2 447 758
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		14 580	1 378	1 378	963	1 378
Consumer deposits		32 846	33 452	33 452	33 558	33 452
Trade and other payables		257 969	247 979	243 294	324 695	243 294
Provisions		40 094	39 025	39 025	47 354	39 025
Total current liabilities		345 489	321 834	317 149	406 571	317 149
Non current liabilities						
Borrowing		49 160	26 734	26 734	57 439	26 734
Provisions		142 539	124 108	124 108	142 539	124 108
Total non current liabilities		191 699	150 842	150 842	199 978	150 842
TOTAL LIABILITIES		537 188	472 676	467 991	606 550	467 991
NET ASSETS	2	2 087 579	1 959 793	1 979 767	2 203 549	1 979 767
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		2 087 579	1 848 149	1 868 123	2 203 549	1 868 123
Reserves		-	111 644	111 644	-	111 644
TOTAL COMMUNITY WEALTH/EQUITY	2	2 087 579	1 959 793	1 979 767	2 203 549	1 979 767

The statement of financial position indicates the financial health of the municipality as the assets and liabilities are listed to measure the solvency of the municipality for the period ended 31 October 2022. Total assets are R2.8 billion over the total liabilities of R607 million this indicates that the municipality can cover its financial obligations.