



Msunduzi Municipality
MFMA S71 Monthly Report

August 2015 Report
Budget & Treasury Office

Table of Contents

1.	PART 1 – IN YEAR REPORT	3
1.1	Executive Summary	3
1.2	In-year Budget Statement Tables	5
1	PART 2 – SUPPORTING DOCUMENTATION	21
2.1	Debtors Analysis.....	21
2.2	Creditors Analysis	24
2.3	Investment Portfolio Analysis	25
2.4	Allocation and Grant receipts and Expenditure	26
2.5	Councillor and Board Member and Employee Benefits	28
2.6	Material Variances to the SDBIP	30
2.7	Parent Municipality Financial Performance	32
2.8	Municipal Entity Financial Performance.....	36
2.9	Capital Programme Performance	37
2.10	In Year report of Municipal Entities Attached to the Municipality’s in-year report	42
2.11	Municipal Manager’s Quality’s Certification	43

1. PART 1 – IN YEAR REPORT

1.1 Executive Summary

Legislative Requirements

In terms of Section 71 of the MFMA, the Accounting Officer of the 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 in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.

- ✓ Actual revenue, per revenue source;
- ✓ Actual expenditure, per vote;
- ✓ Actual capital expenditure, per vote;
- ✓ The amount of any allocations received and actual expenditure on grant allocations excluding expenditure on the equitable share.
- ✓ when necessary, an explanation of—
 - any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - any material variances from the service delivery and budget implementation plan; and
- ✓ Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

FINANCIAL PERFORMANCE

Revenue: The Year to Date (YTD) total revenue earned was R 797.2 million for the period ending 31 August 2015. The YTD Budget was R 672.8 million, therefore the actual over performed against the budget by R 124.4 million against the revenue projected. The two main contributors, both accounting for 58% of the actual total YTD Revenue earned are Electricity (43%) & Property Rates revenue (15%). These two revenue sources make up more than 64% of the total YTD budget.

Operating Expenditure: The total YTD operating expenditure for the period ending 31 August 2015 amounted to R 707.7 million while the YTD budget was R 672.2 million. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 76% of the YTD expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 118.0 million, the actual YTD Capital expenditure incurred amounted to R 32.6 million resulting in underperformance of the capital budget. This is mainly due to the start of the new financial year.

Grant Receipts: The total budgeted operational and capital grant receipts for this financial year is R 929.7 million inclusive of equitable share of R 395.7 million and Capital transfers of R 489.0 million.

Cash & Cash equivalents at 31 August 2015 was R 930.4 million.

Consumer Debt: Consumer debt at 31 August 2015 was just over R 1.8 billion.

1.4 In-year Budget Statement Tables

Parent Municipality (Msunduzi Municipality Only)

Monthly Budget Statements Summary

Table C1 below provides a summary of the overall performance of the Municipality and is unpacked in the sections that follow.

KZN225 Msunduzi - Table C1 Monthly Budget Statement Summary - M02 August									
Description	2015/16	Budget Year 2016/17							
	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	716 603	784 462	-	65 488	130 803	130 744	59	0%	784 462
Service charges	2 227 636	2 566 359	-	235 678	449 135	427 727	21 409	5%	2 566 359
Investment revenue	50 973	34 045	-	4 014	5 508	5 674	(166)	-3%	34 045
Transfers recognised - operational	519 604	440 652	-	51 770	260 299	73 442	186 857	254%	440 652
Other own revenue	325 520	211 526	-	21 102	38 398	35 254	3 144	9%	211 526
Total Revenue (excluding capital transfers and contributions)	3 840 338	4 037 044	-	378 053	884 143	672 841	211 303	31%	4 037 044
Employee costs	832 532	960 606	-	67 133	134 583	160 101	(25 518)	-16%	960 606
Remuneration of Councillors	34 657	42 350	-	3 263	6 475	7 058	(583)	-8%	42 350
Depreciation & asset impairment	463 063	485 846	-	78 901	78 901	80 974	(2 074)	-3%	485 846
Finance charges	71 169	69 499	-	40	158	11 583	(11 425)	-99%	69 499
Materials and bulk purchases	1 591 553	1 766 912	-	194 735	409 885	294 485	115 400	39%	1 766 912
Transfers and grants	11 572	181	-	20	1 458	30	1 428	4733%	181
Other expenditure	1 121 566	708 192	-	94 613	163 132	118 032	45 100	38%	708 192
Total Expenditure	4 126 113	4 033 586	-	438 704	794 591	672 264	122 326	18%	4 033 586
Surplus/(Deficit)	(285 775)	3 458	-	(60 651)	89 553	576	88 976	15438%	3 458
Transfers recognised - capital	356 459	489 060	-	8 340	10 686	81 510	(70 824)	-87%	489 060
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	70 683	492 518	-	(52 311)	100 239	82 086	18 153	22%	492 518
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	70 683	492 518	-	(52 311)	100 239	82 086	18 153	22%	492 518
Capital expenditure & funds sources									
Capital expenditure	528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Capital transfers recognised	358 449	489 060	-	17 133	23 859	81 510	(57 651)	-71%	489 060
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	16 732	100 000	-	-	-	16 667	(16 667)	-100%	100 000
Internally generated funds	153 455	120 000	-	6 411	8 775	20 000	(11 225)	-56%	120 000
Total sources of capital funds	528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Financial position									
Total current assets	2 007 658	3 133 299	-	-	1 990 414	-	-	-	3 133 299
Total non current assets	7 548 842	7 568 078	-	-	7 450 441	-	-	-	7 568 078
Total current liabilities	915 372	1 378 122	-	-	711 640	-	-	-	1 378 122
Total non current liabilities	1 197 150	1 261 476	-	-	1 249 429	-	-	-	1 261 476
Community wealth/Equity	7 443 978	8 061 779	-	-	7 479 786	-	-	-	8 061 779
Cash flows									
Net cash from (used) operating	1 199 351	706 354	-	(46 235)	120 076	116 417	(3 660)	-3%	698 501
Net cash from (used) investing	(548 181)	(589 505)	-	(23 544)	(32 633)	(101 057)	(68 424)	68%	(606 345)
Net cash from (used) financing	(644 310)	55 400	-	417	970	(8 254)	(9 224)	112%	55 493
Cash/cash equivalents at the month/year end	834 133	1 123 760	-	-	930 481	958 617	28 136	3%	989 717
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	328 413	121 959	52 697	56 225	42 906	44 345	47 951	1 189 640	1 884 137
Creditors Age Analysis									
Total Creditors	384 892	1 906	3 805	2 693	115	1	-	-	393 412

Table C2 provides the statement of financial performance by standard classification.

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 281 199	-	112 716	322 618	134 163	188 455	140%	1 609 960
Executive and council		6 748	1 600	-	-	-	133	(133)	-100%	1 600
Budget and treasury office		1 422 429	1 276 437	-	112 935	324 770	133 195	191 575	144%	1 598 335
Corporate services		5 993	3 162	-	(219)	(2 152)	835	(2 987)	-358%	10 024
<i>Community and public safety</i>		225 653	13 361	-	6 569	8 042	5 766	2 276	39%	69 187
Community and social services		71 074	3 250	-	3 222	3 293	2 618	675	26%	31 421
Sport and recreation		24 880	729	-	45	87	70	18	25%	838
Public safety		111 819	5 827	-	2 307	2 786	1 815	971	53%	21 784
Housing		17 809	3 485	-	996	1 871	1 259	611	49%	15 112
Health		71	70	-	-	5	3	2	76%	32
<i>Economic and environmental services</i>		235 988	171 598	-	4 579	9 812	39 364	(29 552)	-75%	472 365
Planning and development		63 074	7 972	-	1 152	3 220	5 845	(2 625)	-45%	70 135
Road transport		172 914	163 627	-	3 426	6 592	33 519	(26 927)	-80%	402 230
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 690 243	2 437 047	-	251 801	541 033	253 627	287 406	113%	3 043 525
Electricity		1 723 118	1 700 095	-	177 286	352 861	159 234	193 627	122%	1 910 807
Water		660 510	500 521	-	52 573	140 637	73 190	67 448	92%	878 276
Waste water management		191 593	149 071	-	14 182	29 197	12 716	16 481	130%	152 591
Waste management		115 022	87 359	-	7 760	18 338	8 488	9 850	116%	101 851
<i>Other</i>	4	34 298	89 565	-	2 389	2 639	2 334	305	13%	28 007
Total Revenue - Standard	2	4 621 352	3 992 771	-	378 053	884 143	435 254	448 890	103%	5 223 044
Expenditure - Standard										
<i>Governance and administration</i>		874 771	691 420	-	77 986	138 059	77 680	60 379	78%	932 163
Executive and council		7 712	384 298	-	9 626	14 536	9 976	4 560	46%	119 713
Budget and treasury office		859 050	200 157	-	54 543	100 507	49 766	50 741	102%	597 196
Corporate services		8 009	106 965	-	13 817	23 016	17 938	5 078	28%	215 254
<i>Community and public safety</i>		670 660	421 741	-	41 122	70 967	41 521	29 445	71%	498 255
Community and social services		116 571	99 202	-	13 765	19 562	10 748	8 814	82%	128 972
Sport and recreation		145 186	81 358	-	7 468	13 899	8 939	4 961	55%	107 264
Public safety		316 932	196 317	-	15 363	29 873	17 102	12 771	75%	205 223
Housing		49 923	25 149	-	2 944	4 707	3 032	1 675	55%	36 390
Health		42 048	19 716	-	1 583	2 925	1 700	1 224	72%	20 406
<i>Economic and environmental services</i>		522 277	462 751	-	43 944	68 808	46 744	22 064	47%	560 929
Planning and development		97 679	128 290	-	9 842	23 054	9 151	13 903	152%	109 807
Road transport		424 597	334 461	-	34 102	45 755	37 594	8 161	22%	451 123
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	1 893 219	-	262 300	499 985	224 721	275 264	122%	2 696 650
Electricity		1 512 417	1 374 091	-	182 673	365 680	130 693	234 987	180%	1 568 316
Water		590 023	406 791	-	53 382	92 326	69 439	22 886	33%	833 273
Waste water management		175 548	9 621	-	17 220	26 735	15 541	11 194	72%	186 493
Waste management		150 620	102 716	-	9 025	15 244	9 047	6 196	68%	108 569
<i>Other</i>		54 353	31 122	-	5 012	6 085	3 546	2 538	72%	42 558
Total Expenditure - Standard	3	4 550 669	3 500 253	-	430 364	783 904	394 213	389 691	99%	4 730 556
Surplus/ (Deficit) for the year		70 683	492 518	-	(52 311)	100 239	41 041	59 198	144%	492 488

Table C3 presents the same information as table C2 above, the difference being that it's by Municipal vote.

KZN225 Msunduzi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description	Ref	2015/16		Budget Year 2016/17						Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote										
Vote 1 - Corporate Services	1	28 895	86 561	-	-	-	133	(133)	-100.0%	1 600
Vote 2 - Financial Management Area		1 422 510	1 466 381	-	112 935	324 770	133 195	191 575	143.8%	1 598 335
Vote 3 - Infrastructure Development, Service Delivery and M		2 314 893	2 766 960	-	(219)	(2 152)	835	(2 987)	-357.6%	10 024
Vote 4 - Sustainable Community Service Delivery Provision		855 055	206 199	-	1 152	3 220	5 845	(2 625)	-44.9%	70 135
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	5	3	2	76.4%	32
Vote 6 - [NAME OF VOTE 6]		-	-	-	3 222	3 293	2 618	675	25.8%	31 421
Vote 7 - [NAME OF VOTE 7]		-	-	-	996	1 871	1 259	611	48.5%	15 112
Vote 8 - [NAME OF VOTE 8]		-	-	-	2 307	2 786	1 815	971	53.5%	21 784
Vote 9 - [NAME OF VOTE 9]		-	-	-	45	87	70	18	25.1%	838
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	21 942	47 534	21 203	26 331	124.2%	254 442
Vote 12 - [NAME OF VOTE 12]		-	-	-	3 426	6 592	33 519	(26 927)	-80.3%	402 230
Vote 13 - [NAME OF VOTE 13]		-	-	-	52 573	140 637	73 190	67 448	92.2%	878 276
Vote 14 - [NAME OF VOTE 14]		-	-	-	177 286	352 861	159 234	193 627	121.6%	1 910 807
Vote 15 - [NAME OF VOTE 15]		-	-	-	2 389	2 639	2 334	305	13.1%	28 007
Total Revenue by Vote	2	4 621 352	4 526 101	-	378 053	884 143	435 254	448 890	103.1%	5 223 044
Expenditure by Vote										
Vote 1 - Corporate Services	1	59 220	665 551	-	9 626	14 536	9 976	4 560	45.7%	119 713
Vote 2 - Financial Management Area		865 520	592 672	-	54 543	100 507	49 766	50 741	102.0%	597 196
Vote 3 - Infrastructure Development, Service Delivery and M		2 753 365	2 440 094	-	13 817	23 016	17 938	5 078	28.3%	215 254
Vote 4 - Sustainable Community Service Delivery Provision		872 564	335 266	-	9 842	23 054	9 151	13 903	151.9%	109 807
Vote 5 - [NAME OF VOTE 5]		-	-	-	1 583	2 925	1 700	1 224	72.0%	20 406
Vote 6 - [NAME OF VOTE 6]		-	-	-	13 765	19 562	10 748	8 814	82.0%	128 972
Vote 7 - [NAME OF VOTE 7]		-	-	-	2 944	4 707	3 032	1 675	55.2%	36 390
Vote 8 - [NAME OF VOTE 8]		-	-	-	15 363	29 873	17 102	12 771	74.7%	205 223
Vote 9 - [NAME OF VOTE 9]		-	-	-	7 468	13 899	8 939	4 961	55.5%	107 264
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	26 245	41 979	24 589	17 391	70.7%	295 062
Vote 12 - [NAME OF VOTE 12]		-	-	-	34 102	45 755	37 594	8 161	21.7%	451 123
Vote 13 - [NAME OF VOTE 13]		-	-	-	53 382	92 326	69 439	22 886	33.0%	833 273
Vote 14 - [NAME OF VOTE 14]		-	-	-	182 673	365 680	130 693	234 987	179.8%	1 568 316
Vote 15 - [NAME OF VOTE 15]		-	-	-	5 012	6 085	3 546	2 538	71.6%	42 558
Total Expenditure by Vote	2	4 550 669	4 033 583	-	430 364	783 904	394 213	389 691	98.9%	4 730 556
Surplus/ (Deficit) for the year	2	70 683	492 518	-	(52 311)	100 239	41 041	59 198	144.2%	492 488

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 August 2015.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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		686 396	743 113		63 191	126 249	123 852	2 397	2%	743 113
Property rates - penalties & collection charges		30 207	41 349		2 297	4 553	6 892	(2 338)	-34%	41 349
Service charges - electricity revenue		1 566 133	1 863 770		174 528	339 441	310 628	28 813	9%	1 863 770
Service charges - water revenue		452 443	476 831		43 506	78 188	79 472	(1 284)	-2%	476 831
Service charges - sanitation revenue		127 516	134 917		10 599	19 227	22 486	(3 259)	-14%	134 917
Service charges - refuse revenue		81 544	90 841		7 045	12 279	15 140	(2 861)	-19%	90 841
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		23 477	41 329		1 229	3 384	6 888	(3 505)	-51%	41 329
Interest earned - external investments		50 973	34 045		4 014	5 508	5 674	(166)	-3%	34 045
Interest earned - outstanding debtors		69 529	62 593		6 452	3 415	10 432	(7 017)	-67%	62 593
Dividends received		-	-		-	-	-	-		-
Fines		108 634	17 488		2 083	2 218	2 915	(697)	-24%	17 488
Licences and permits		89	87		8	15	15	0	1%	87
Agency services		578	632		27	72	105	(34)	-32%	632
Transfers recognised - operational		519 604	440 652		51 770	260 299	73 442	186 857	254%	440 652
Other revenue		123 214	79 697		11 304	29 296	13 283	16 013	121%	79 697
Gains on disposal of PPE			9 700				1 617	(1 617)	-100%	9 700
Total Revenue (excluding capital transfers and contributions)		3 840 338	4 037 044	-	378 053	884 143	672 841	211 303	31%	4 037 044
Expenditure By Type										
Employee related costs		832 532	960 606		67 133	134 583	160 101	(25 518)	-16%	960 606
Remuneration of councillors		34 657	42 350		3 263	6 475	7 058	(583)	-8%	42 350
Debt impairment		222 110	124 586		-	-	20 764	(20 764)	-100%	124 586
Depreciation & asset impairment		463 063	485 846		78 901	78 901	80 974	(2 074)	-3%	485 846
Finance charges		71 169	69 499		40	158	11 583	(11 425)	-99%	69 499
Bulk purchases		1 586 802	1 736 811		194 360	409 307	289 469	119 839	41%	1 736 811
Other materials		4 751	30 101		375	577	5 017	(4 439)	-88%	30 101
Contracted services		29 698	18 851		2 058	2 058	3 142	(1 084)	-35%	18 851
Transfers and grants		11 572	181		20	1 458	30	1 428	4733%	181
Other expenditure		869 758	564 755		92 555	161 074	94 126	66 948	71%	564 755
Loss on disposal of PPE			-				-	-		-
Total Expenditure		4 126 113	4 033 586	-	438 704	794 591	672 264	122 326	18%	4 033 586
Surplus/(Deficit)		(285 775)	3 458	-	(60 651)	89 553	576	88 976	0	3 458
Transfers recognised - capital		356 459	489 060		8 340	10 686	81 510	(70 824)	(0)	489 060
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		70 683	492 518	-	(52 311)	100 239	82 086			492 518
Taxation								-		
Surplus/(Deficit) after taxation		70 683	492 518	-	(52 311)	100 239	82 086			492 518
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		70 683	492 518	-	(52 311)	100 239	82 086			492 518
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		70 683	492 518	-	(52 311)	100 239	82 086			492 518

A detailed analysis of the anomalies is provided under “2.6 Material Variances in the SDBIP”

Capital Expenditure

Table C5 below reports on the capital expenditure by department (municipal vote) for single year as well as multiyear capital appropriations. The bottom part of the schedule looks at the funding sources of the capital projects.

KZN225 Msunduzi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M02 August										
Vote Description	Ref	2015/16	Budget Year 2016/17							
		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 - Corporate Services		50 231	28 400	-	1 210	1 104	4 733	(3 630)	-77%	28 400
Vote 2 - Financial Management Area		14 606	25 000	-	-	-	4 167	(4 167)	-100%	25 000
Vote 3 - Infrastructure Development, Service Delivery and Maintenance Management		199 085	589 310	-	16 821	25 301	98 218	(72 918)	-74%	589 310
Vote 4 - Sustainable Community Service Delivery Provision Management		17 470	32 200	-	4 974	5 225	5 367	(142)	-3%	32 200
Total Capital Multi-year expenditure	4,7	281 392	674 910	-	23 006	31 629	112 485	(80 856)	-72%	674 910
Single Year expenditure appropriation	2									
Vote 1 - Corporate Services		20 394	4 865	-	258	290	811	(521)	-64%	4 865
Vote 2 - Financial Management Area		5 292	710	-	7	31	118	(88)	-74%	710
Vote 3 - Infrastructure Development, Service Delivery and Maintenance Management		165 720	12 505	-	273	684	2 084	(1 400)	-67%	12 505
Vote 4 - Sustainable Community Service Delivery Provision Management		55 839	16 071	-	-	-	2 678	(2 678)	-100%	16 071
Total Capital single-year expenditure	4	247 245	34 150	-	538	1 004	5 692	(4 687)	-82%	34 150
Total Capital Expenditure		528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Capital Expenditure - Standard Classification										
Governance and administration		78 329	59 385	-	1 468	1 417	9 897	(8 480)	-86%	59 385
Executive and council		9 794	5 800	-	999	999	967	32	3%	5 800
Budget and treasury office		68 535	53 585	-	470	419	8 931	(8 512)	-95%	53 585
Corporate services		-	-	-	-	-	-	-	-	-
Community and public safety		62 933	54 598	-	4 974	4 974	9 100	(4 126)	-45%	54 598
Community and social services		11 244	2 500	-	-	-	417	(417)	-100%	2 500
Sport and recreation		45 618	34 400	-	4 974	4 974	5 733	(759)	-13%	34 400
Public safety		1 883	8 353	-	-	-	1 392	(1 392)	-100%	8 353
Housing		3 191	7 725	-	-	-	1 288	(1 288)	-100%	7 725
Health		997	1 620	-	-	-	270	(270)	-100%	1 620
Economic and environmental services		145 494	339 647	-	9 876	13 471	56 608	(43 137)	-76%	339 647
Planning and development		32 080	9 590	-	4 764	6 927	1 598	5 328	333%	9 590
Road transport		113 415	330 057	-	5 113	6 544	55 010	(48 465)	-88%	330 057
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		235 566	121 166	-	7 225	12 521	42 339	(29 818)	-70%	121 166
Electricity		136 907	133	-	413	1 536	22 167	(20 630)	-93%	133
Water		53 989	83 133	-	5 671	8 019	13 856	(5 837)	-42%	83 133
Waste water management		32 050	36 900	-	999	2 823	6 150	(3 327)	-54%	36 900
Waste management		12 620	1 000	-	143	143	167	(24)	-14%	1 000
Other		6 314	1 398	-	-	251	233	18	8%	1 398
Total Capital Expenditure - Standard Classification	3	528 636	576 194	-	23 544	32 633	118 177	(85 543)	-72%	576 194
Funded by:										
National Government		68 155	489 060	-	17 132	23 759	81 510	(57 751)	-71%	489 060
Provincial Government		290 294	-	-	1	99	-	99	#DNV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		358 449	489 060	-	17 133	23 859	81 510	(57 651)	-71%	489 060
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	16 732	100 000	-	-	-	16 667	(16 667)	-100%	100 000
Internally generated funds		153 455	120 000	-	6 411	8 775	20 000	(11 225)	-56%	120 000
Total Capital Funding		528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060

A detailed analysis of the capital expenditure programme is provided in section 2.7 “Capital Expenditure Programme”.

Table C6 displays the financial position of the municipality as at 31 August 2015.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M02 August						
Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	45 513	–	36 177	45 513
Call investment deposits		745 471	1 086 263	–	843 188	1 086 263
Consumer debtors		728 136	883 147	–	1 193 573	883 147
Other debtors		390 671	376 440	–	(135 290)	376 440
Current portion of long-term receivables		46	43	–	–	43
Inventory		46 737	741 893	–	52 766	741 893
Total current assets		2 007 658	3 133 299	–	1 990 414	3 133 299
Non current assets						
Long-term receivables		10 482	9 455	–	10 394	9 455
Investments		–	–	–	–	–
Investment property		382 805	356 914	–	–	356 914
Investments in Associate		–	–	–	–	–
Property, plant and equipment		7 091 843	6 948 898	–	7 440 047	6 948 898
Agricultural		44 831	–	–	–	–
Biological assets		–	46 520	–	–	46 520
Intangible assets		18 880	27 283	–	–	27 283
Other non-current assets		–	179 008	–	–	179 008
Total non current assets		7 548 842	7 568 078	–	7 450 441	7 568 078
TOTAL ASSETS		9 556 500	10 701 377	–	9 440 855	10 701 377
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		53 524	61 751	–	1 245	61 751
Consumer deposits		89 479	92 798	–	90 785	92 798
Trade and other payables		765 335	1 217 489	–	613 581	1 217 489
Provisions		7 034	6 084	–	6 029	6 084
Total current liabilities		915 372	1 378 122	–	711 640	1 378 122
Non current liabilities						
Borrowing		543 401	579 761	–	595 680	579 761
Provisions		653 749	681 715	–	653 749	681 715
Total non current liabilities		1 197 150	1 261 476	–	1 249 429	1 261 476
TOTAL LIABILITIES		2 112 522	2 639 598	–	1 961 070	2 639 598
NET ASSETS	2	7 443 978	8 061 779	–	7 479 786	8 061 779
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 186 031	7 888 864	–	7 220 523	7 888 864
Reserves		257 948	172 915	–	259 262	172 915
TOTAL COMMUNITY WEALTH/EQUITY	2	7 443 978	8 061 779	–	7 479 786	8 061 779

Table C7 below display the Cash Flow Statement for the month ending 31 August 2015.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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										
Ratepayers and other		2 962 718	3 134 903	-	290 929	582 488	534 108	48 380	9%	3 204 647
Government - operating		519 604	440 652	-	10 800	208 240	79 847	128 393	161%	479 083
Government - capital		356 459	489 060	-	20 445	107 853	84 140	23 712	28%	504 842
Interest		120 502	64 894	-	3 017	6 538	10 278	(3 739)	-36%	61 666
Dividends			-	-			-	-		
Payments										
Suppliers and employees		(2 677 191)	(3 353 475)	-	(371 366)	(783 426)	(579 370)	204 057	-35%	(3 476 217)
Finance charges		(71 169)	(69 499)	-	(40)	(158)	(11 608)	(11 450)	99%	(69 647)
Transfers and Grants		(11 572)	(181)	-	(20)	(1 458)	(979)	479	-49%	(5 873)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 199 351	706 354	-	(46 235)	120 076	116 417	(3 660)	-3%	698 501
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421	-	-	-	-	-	-		
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		
Decrease (increase) in non-current investments		(1 928)	-	-	-	-	-	-		-
Payments										
Capital assets		(546 674)	(589 505)	-	(23 544)	(32 633)	(101 057)	(68 424)	68%	(606 345)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(548 181)	(589 505)	-	(23 544)	(32 633)	(101 057)	(68 424)	68%	(606 345)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		100 000	100 000	-	-	-	-	-		100 000
Increase (decrease) in consumer deposits		4 370	5 250	-	417	970	-	970	#DIV/0!	5 015
Payments										
Repayment of borrowing		(748 680)	(49 850)	-	-	-	(8 254)	(8 254)	100%	(49 522)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(644 310)	55 400	-	417	970	(8 254)	(9 224)	112%	55 493
NET INCREASE/ (DECREASE) IN CASH HELD										
		6 859	172 249	-	(69 362)	88 413	7 106			147 649
Cash/cash equivalents at beginning:		827 273	951 511			842 068	951 511			842 068
Cash/cash equivalents at month/year end:		834 133	1 123 760			930 481	958 617			989 717

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M02 August

Description	2015/16	Budget Year 2016/17							
	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	716 603	784 462	-	65 488	130 803	130 744	59	0%	784 462
Service charges	2 227 636	2 566 359	-	235 678	449 135	427 727	21 409	5%	2 566 359
Investment revenue	51 027	34 101	-	4 043	5 565	5 683	(118)	-2%	34 101
Transfers recognised - operational	519 604	440 652	-	5 270	173 420	73 442	99 978	136%	440 652
Other own revenue	325 520	211 526	-	21 102	38 398	35 254	3 144	9%	211 526
Total Revenue (excluding capital transfers and contributions)	3 840 392	4 037 100	-	331 582	797 322	672 850	124 472	18%	4 037 100
Employee costs	836 267	965 405	-	67 528	135 309	160 901	(25 592)	-16%	965 405
Remuneration of Councillors	34 657	42 350	-	3 263	6 475	7 058	(583)	-8%	42 350
Depreciation & asset impairment	463 564	487 399	-	79 030	79 160	81 233	(2 074)	-3%	487 399
Finance charges	71 180	69 511	-	41	160	11 584	(11 424)	-99%	69 511
Materials and bulk purchases	1 591 765	1 767 191	-	194 751	409 908	294 531	115 377	39%	1 767 191
Transfers and grants	11 572	181	-	20	1 458	30	1 428	4733%	181
Other expenditure	1 122 144	716 221	-	48 163	76 582	119 370	(42 788)	-36%	716 221
Total Expenditure	4 131 150	4 048 258	-	392 795	709 051	674 708	34 342	5%	4 048 258
Surplus/(Deficit)	(290 758)	(11 158)	-	(61 213)	88 271	(1 859)	90 130	-4849%	(11 158)
Transfers recognised - capital	356 459	489 060	-	8 340	10 686	81 510	(70 824)	-87%	489 060
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	65 700	477 902	-	(52 873)	98 958	79 651	19 307	24%	477 902
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	65 700	477 902	-	(52 873)	98 958	79 651	19 307	24%	477 902
Capital expenditure & funds sources									
Capital expenditure	528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Capital transfers recognised	358 449	489 060	-	17 133	23 859	81 510	(57 651)	-71%	489 060
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	16 732	100 000	-	-	-	16 667	(16 667)	-100%	100 000
Internally generated funds	153 455	120 000	-	6 411	8 775	20 000	(11 225)	-56%	120 000
Total sources of capital funds	528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Financial position									
Total current assets	2 015 881	3 133 752	-	-	1 998 268	-	-	-	3 133 752
Total non current assets	7 549 526	7 574 856	-	-	7 451 125	-	-	-	7 574 856
Total current liabilities	923 142	1 385 104	-	-	718 622	-	-	-	1 385 104
Total non current liabilities	1 197 150	1 261 476	-	-	1 249 429	-	-	-	1 261 476
Community wealth/Equity	7 445 115	8 062 028	-	-	7 481 342	-	-	-	8 062 028
Cash flows									
Net cash from (used) operating	1 194 858	693 292	-	(46 665)	119 059	114 242	(4 818)	-4%	693 292
Net cash from (used) investing	(548 494)	(589 505)	-	(23 544)	(32 633)	(101 057)	(68 424)	68%	(589 505)
Net cash from (used) financing	(644 310)	55 400	-	417	970	(8 254)	(9 224)	112%	55 400
Cash/cash equivalents at the month/year end	829 327	1 110 698	-	-	929 464	956 442	26 978	3%	1 001 255
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	328 413	121 959	52 697	56 225	42 906	44 345	47 951	#####	1 884 137
Creditors Age Analysis									
Total Creditors	384 892	1 906	3 805	2 693	115	1	-	-	393 412

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 281 199	-	112 716	322 618	268 327	54 291	20%	1 609 960
Executive and council		6 748	1 600	-	-	-	267	(267)	-100%	1 600
Budget and treasury office		1 422 429	1 276 437	-	112 935	324 770	266 389	58 381	22%	1 598 335
Corporate services		5 993	3 162	-	(219)	(2 152)	1 671	(3 823)	-229%	10 024
<i>Community and public safety</i>		225 653	13 361	-	6 569	8 042	11 531	(3 489)	-30%	69 187
Community and social services		71 074	3 250	-	3 222	3 293	5 237	(1 944)	-37%	31 421
Sport and recreation		24 880	729	-	45	87	140	(52)	-37%	838
Public safety		111 819	5 827	-	2 307	2 786	3 631	(845)	-23%	21 784
Housing		17 809	3 485	-	996	1 871	2 519	(648)	-26%	15 112
Health		71	70	-	-	5	5	(1)	-12%	32
<i>Economic and environmental services</i>		235 988	171 598	-	4 579	9 812	78 727	(68 916)	-88%	472 365
Planning and development		63 074	7 972	-	1 152	3 220	11 689	(8 469)	-72%	70 135
Road transport		172 914	163 627	-	3 426	6 592	67 038	(60 446)	-90%	402 230
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 690 243	2 437 047	-	251 801	541 033	507 254	33 779	7%	3 043 525
Electricity		1 723 118	1 700 095	-	177 286	352 861	318 468	34 393	11%	1 910 807
Water		660 510	500 521	-	52 573	140 637	146 379	(5 742)	-4%	878 276
Waste water management		191 593	149 071	-	14 182	29 197	25 432	3 765	15%	152 591
Waste management		115 022	87 359	-	7 760	18 338	16 975	1 363	8%	101 851
<i>Other</i>	4	34 298	89 565	-	2 389	2 639	4 668	(2 029)	-43%	28 007
Total Revenue - Standard	2	4 621 352	3 992 771	-	378 053	884 143	870 507	13 636	2%	5 223 044
Expenditure - Standard										
<i>Governance and administration</i>		874 771	691 420	-	77 986	138 059	155 852	(17 793)	-11%	935 113
Executive and council		7 712	384 298	-	9 626	14 536	20 036	(5 499)	-27%	120 213
Budget and treasury office		859 050	200 157	-	54 543	100 507	99 604	904	1%	597 622
Corporate services		8 009	106 965	-	13 817	23 016	36 213	(13 197)	-36%	217 277
<i>Community and public safety</i>		675 643	436 357	-	41 684	72 248	83 106	(10 859)	-13%	498 638
Community and social services		121 554	113 818	-	14 327	20 843	21 476	(633)	-3%	128 855
Sport and recreation		145 186	81 358	-	7 468	13 899	17 877	(3 978)	-22%	107 264
Public safety		316 932	196 317	-	15 363	29 873	34 287	(4 414)	-13%	205 723
Housing		49 923	25 149	-	2 944	4 707	6 065	(1 358)	-22%	36 390
Health		42 048	19 716	-	1 583	2 925	3 401	(476)	-14%	20 406
<i>Economic and environmental services</i>		522 277	462 751	-	43 944	68 808	93 913	(25 105)	-27%	563 480
Planning and development		97 679	128 290	-	9 842	23 054	18 340	4 714	26%	110 038
Road transport		424 597	334 461	-	34 102	45 755	75 574	(29 819)	-39%	453 442
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	1 893 219	-	262 300	499 985	448 456	51 529	11%	2 690 737
Electricity		1 512 417	1 374 091	-	182 673	365 680	260 298	105 383	40%	1 561 786
Water		590 023	406 791	-	53 382	92 326	138 962	(46 636)	-34%	833 773
Waste water management		175 548	9 621	-	17 220	26 735	31 082	(4 347)	-14%	186 493
Waste management		150 620	102 716	-	9 025	15 244	18 114	(2 870)	-16%	108 686
<i>Other</i>		54 353	31 122	-	5 012	6 085	7 093	(1 008)	-14%	42 558
Total Expenditure - Standard	3	4 555 652	3 514 869	-	430 926	785 185	788 421	(3 236)	0%	4 730 526
Surplus/ (Deficit) for the year		65 700	477 902	-	(52 873)	98 958	82 086	16 872	21%	492 518

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Corporate Services	1	28 895	86 561	-	2 525	3 370	4 160	(790)	-19.0%	24 960
Vote 2 - Financial Management Area		1 422 510	1 466 381	-	112 942	324 783	266 404	58 379	21.9%	1 598 424
Vote 3 - Infrastructure Development, Service Delivery and M		2 314 893	2 766 960	-	207 604	461 138	442 613	18 524	4.2%	2 655 680
Vote 4 - Sustainable Community Service Delivery Provision		850 072	191 583	-	54 420	93 571	157 330	(63 759)	-40.5%	943 980
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	4 616 369	4 511 485	-	377 491	882 862	870 507	12 355	1.4%	5 223 044
Expenditure by Vote										
Vote 1 - Corporate Services	1	59 220	665 551	-	26 997	48 569	54 188	(5 619)	-10.4%	325 129
Vote 2 - Financial Management Area		865 520	592 672	-	55 239	101 771	101 020	750	0.7%	606 122
Vote 3 - Infrastructure Development, Service Delivery and M		2 753 365	2 440 094	-	290 160	543 969	514 652	29 317	5.7%	3 087 912
Vote 4 - Sustainable Community Service Delivery Provision		872 564	335 266	-	57 969	89 595	118 560	(28 965)	-24.4%	711 363
Vote 5 - [NAME OF VOTE 5]		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	4 550 669	4 033 583	-	430 364	783 904	788 421	(4 517)	-0.6%	4 730 526
Surplus/ (Deficit) for the year	2	65 700	477 902	-	(52 873)	98 958	82 086	16 872	20.6%	492 518

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		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		686 396	743 113		63 191	126 249	123 852	2 397	2%	743 113
Property rates - penalties & collection charges		30 207	41 349		2 297	4 553	6 892	(2 338)	-34%	41 349
Service charges - electricity revenue		1 566 133	1 863 770		174 528	339 441	310 628	28 813	9%	1 863 770
Service charges - water revenue		452 443	476 831		43 506	78 188	79 472	(1 284)	-2%	476 831
Service charges - sanitation revenue		127 516	134 917		10 599	19 227	22 486	(3 259)	-14%	134 917
Service charges - refuse revenue		81 544	90 841		7 045	12 279	15 140	(2 861)	-19%	90 841
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		23 477	41 329		1 229	3 384	6 888	(3 505)	-51%	41 329
Interest earned - external investments		51 027	34 101		4 043	5 565	5 683	(118)	-2%	34 101
Interest earned - outstanding debtors		69 529	62 593		6 452	3 415	10 432	(7 017)	-67%	62 593
Dividends received		-	-		-	-	-	-		-
Fines		108 634	17 488		2 083	2 218	2 915	(697)	-24%	17 488
Licences and permits		89	87		8	15	15	0	1%	87
Agency services		578	632		27	72	105	(34)	-32%	632
Transfers recognised - operational		519 604	440 652		5 270	173 420	73 442	99 978	136%	440 652
Other revenue		123 214	79 697		11 304	29 296	13 283	16 013	121%	79 697
Gains on disposal of PPE			9 700				1 617	(1 617)	-100%	9 700
Total Revenue (excluding capital transfers and contributions)		3 840 392	4 037 100	-	331 582	797 322	672 850	124 472	18%	4 037 100
Expenditure By Type										
Employee related costs		836 267	965 405		67 528	135 309	160 901	(25 592)	-16%	965 405
Remuneration of councillors		34 657	42 350		3 263	6 475	7 058	(583)	-8%	42 350
Debt impairment		222 110	124 586		-	-	20 764	(20 764)	-100%	124 586
Depreciation & asset impairment		463 564	487 399		79 030	79 160	81 233	(2 074)	-3%	487 399
Finance charges		71 180	69 511		41	160	11 584	(11 424)	-99%	69 511
Bulk purchases		1 586 802	1 736 811		194 360	409 307	289 469	119 839	41%	1 736 811
Other materials		4 963	30 380		391	600	5 063	(4 462)	-88%	30 380
Contracted services		29 964	25 914		2 080	2 332	4 319	(1 987)	-46%	25 914
Transfers and grants		11 572	181		20	1 458	30	1 428	4733%	181
Other expenditure		870 070	565 721		46 083	74 250	94 287	(20 037)	-21%	565 721
Loss on disposal of PPE			-				-	-		-
Total Expenditure		4 131 150	4 048 258	-	392 795	709 051	674 708	34 342	5%	4 048 258
Surplus/(Deficit)		(290 758)	(11 158)	-	(61 213)	88 271	(1 859)	90 130	(0)	(11 158)
Transfers recognised - capital		356 459	489 060		8 340	10 686	81 510	(70 824)	(0)	489 060
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		65 700	477 902	-	(52 873)	98 958	79 651			477 902
Taxation								-		
Surplus/(Deficit) after taxation		65 700	477 902	-	(52 873)	98 958	79 651			477 902
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		65 700	477 902	-	(52 873)	98 958	79 651			477 902
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		65 700	477 902	-	(52 873)	98 958	79 651			477 902

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M02 August

Vote Description	Ref	2015/16	Budget Year 2016/17							
		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 - Corporate Services		50 231	28 400	-	1 210	1 104	4 733	(3 630)	-77%	28 400
Vote 2 - Financial Management Area		14 606	25 000	-	-	-	4 167	(4 167)	-100%	25 000
Vote 3 - Infrastructure Development, Service Delivery and Maintenance Management		199 085	589 310	-	16 821	25 301	98 218	(72 918)	-74%	589 310
Vote 4 - Sustainable Community Service Delivery Provision Management		17 470	32 200	-	4 974	5 225	5 367	(142)	-3%	32 200
Total Capital Multi-year expenditure	4,7	281 392	674 910	-	23 006	31 629	112 485	(80 856)	-72%	674 910
Single Year expenditure appropriation	2									
Vote 1 - Corporate Services		20 394	855	-	258	290	811	(521)	-64%	4 865
Vote 2 - Financial Management Area		5 292	4 129	-	7	31	118	(88)	-74%	710
Vote 3 - Infrastructure Development, Service Delivery and Maintenance Management		165 720	24 997	-	273	684	2 084	(1 400)	-67%	12 505
Vote 4 - Sustainable Community Service Delivery Provision Management		55 839	4 169	-	-	-	2 678	(2 678)	-100%	16 071
Total Capital single-year expenditure	4	247 245	34 150	-	538	1 004	5 692	(4 687)	-82%	34 150
Total Capital Expenditure		528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Capital Expenditure - Standard Classification										
Governance and administration		78 329	59 385	-	1 468	1 417	9 897	(8 480)	-86%	59 385
Executive and council		9 794	5 800	-	999	999	967	32	3%	5 800
Budget and treasury office		68 535	53 585	-	470	419	8 931	(8 512)	-95%	53 585
Corporate services		-	-	-	-	-	-	-	-	-
Community and public safety		62 933	54 598	-	4 974	4 974	9 100	(4 126)	-45%	54 598
Community and social services		11 244	2 500	-	-	-	417	(417)	-100%	2 500
Sport and recreation		45 618	34 400	-	4 974	4 974	5 733	(759)	-13%	34 400
Public safety		1 883	8 353	-	-	-	1 392	(1 392)	-100%	8 353
Housing		3 191	7 725	-	-	-	1 288	(1 288)	-100%	7 725
Health		997	1 620	-	-	-	270	(270)	-100%	1 620
Economic and environmental services		145 494	339 647	-	9 876	13 471	56 608	(43 137)	-76%	339 647
Planning and development		32 080	9 590	-	4 764	6 927	1 598	5 328	333%	9 590
Road transport		113 415	330 057	-	5 113	6 544	55 010	(48 465)	-88%	330 057
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		235 566	254 033	-	7 225	12 521	42 339	(29 818)	-70%	254 033
Electricity		136 907	133 000	-	413	1 536	22 167	(20 630)	-93%	133 000
Water		53 989	83 133	-	5 671	8 019	13 856	(5 837)	-42%	83 133
Waste water management		32 050	36 900	-	999	2 823	6 150	(3 327)	-54%	36 900
Waste management		12 620	1 000	-	143	143	167	(24)	-14%	1 000
Other		6 314	1 398	-	-	251	233	18	8%	1 398
Total Capital Expenditure - Standard Classification	3	528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060
Funded by:										
National Government		68 155	489 060	-	17 132	23 759	81 510	(57 751)	-71%	489 060
Provincial Government		290 294	-	-	1	99	-	99	0%	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		358 449	489 060	-	17 133	23 859	81 510	(57 651)	-71%	489 060
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	16 732	100 000	-	-	-	16 667	(16 667)	-100%	100 000
Internally generated funds		153 455	120 000	-	6 411	8 775	20 000	(11 225)	-56%	120 000
Total Capital Funding		528 636	709 060	-	23 544	32 633	118 177	(85 543)	-72%	709 060

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 599	45 578		36 277	45 578
Call investment deposits		753 689	1 086 648		850 939	1 086 648
Consumer debtors		728 136	883 147		1 193 573	883 147
Other debtors		390 671	376 443		(135 287)	376 443
Current portion of long-term receivables		49	43		-	43
Inventory		46 737	741 893		52 766	741 893
Total current assets		2 015 881	3 133 752	-	1 998 268	3 133 752
Non current assets						
Long-term receivables		10 482	9 455		10 394	9 455
Investments		-	-		-	-
Investment property		382 805	356 914		-	356 914
Investments in Associate		-	-		-	-
Property, plant and equipment		7 092 527	6 955 676		7 440 731	6 955 676
Agricultural		44 831			-	-
Biological assets		-	46 520		-	46 520
Intangible assets		18 880	27 283		-	27 283
Other non-current assets		-	179 008		-	179 008
Total non current assets		7 549 526	7 574 856	-	7 451 125	7 574 856
TOTAL ASSETS		9 565 407	10 708 607	-	9 449 393	10 708 607
LIABILITIES						
Current liabilities						
Bank overdraft		-				-
Borrowing		53 524	61 751		1 245	61 751
Consumer deposits		89 479	92 798		90 785	92 798
Trade and other payables		773 105	1 224 471		620 563	1 224 471
Provisions		7 034	6 084		6 029	6 084
Total current liabilities		923 142	1 385 104	-	718 622	1 385 104
Non current liabilities						
Borrowing		543 401	579 761		595 680	579 761
Provisions		653 749	681 715		653 749	681 715
Total non current liabilities		1 197 150	1 261 476	-	1 249 429	1 261 476
TOTAL LIABILITIES		2 120 292	2 646 580	-	1 968 052	2 646 580
NET ASSETS	2	7 445 115	8 062 028	-	7 481 342	8 062 028
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 186 031	7 888 864		7 220 523	7 888 864
Reserves		259 085	173 163		260 818	173 163
TOTAL COMMUNITY WEALTH/EQUITY	2	7 445 115	8 062 028	-	7 481 342	8 062 028

KZN225 Msunduzi - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M02 August

Description	Ref	2015/16	Budget Year 2016/17							
		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										
Ratepayers and other		2 962 718	3 134 904		290 930	582 489	534 108	48 381	9%	3 134 904
Government - operating		519 604	440 652		10 800	208 240	79 847	128 393	161%	440 652
Government - capital		356 459	489 060		20 445	107 853	84 140	23 712	28%	489 060
Interest		120 556	64 950		3 046	6 595	10 287	(3 691)	-36%	64 950
Dividends							-	-		-
Payments										
Suppliers and employees		(2 681 727)	(3 366 582)		(371 827)	(784 503)	(581 555)	202 949	-35%	(3 366 582)
Finance charges		(71 180)	(69 511)		(39)	(156)	(11 607)	(11 451)	99%	(69 511)
Transfers and Grants		(11 572)	(181)		(20)	(1 458)	(979)	479	-49%	(181)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 194 858	693 292	-	(46 665)	119 059	114 242	(4 818)	-4%	693 292
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421	-		-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-		-	-	-	-		-
Decrease (increase) other non-current receivables		-	-		-	-	-	-		-
Decrease (increase) in non-current investments		(1 928)	-		-	-	-	-		-
Payments										
Capital assets		(546 987)	(589 505)		(23 544)	(32 633)	(101 057)	(68 424)	68%	(589 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(548 494)	(589 505)	-	(23 544)	(32 633)	(101 057)	(68 424)	68%	(589 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-		-	-	-	-		-
Borrowing long term/refinancing		100 000	100 000		-	-	-	-		100 000
Increase (decrease) in consumer deposits		4 370	5 250		417	970	-	970	0%	5 250
Payments										
Repayment of borrowing		(748 680)	(49 850)		-	-	(8 254)	(8 254)	100%	(49 850)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(644 310)	55 400	-	417	970	(8 254)	(9 224)	112%	55 400
NET INCREASE/ (DECREASE) IN CASH HELD										
		2 053	159 187	-	(69 792)	87 396	4 931			159 187
Cash/cash equivalents at beginning:		827 273	951 511			842 068	951 511			842 068
Cash/cash equivalents at month/year end:		829 327	1 110 698			929 464	956 442			1 001 255

1 PART 2 – SUPPORTING DOCUMENTATION

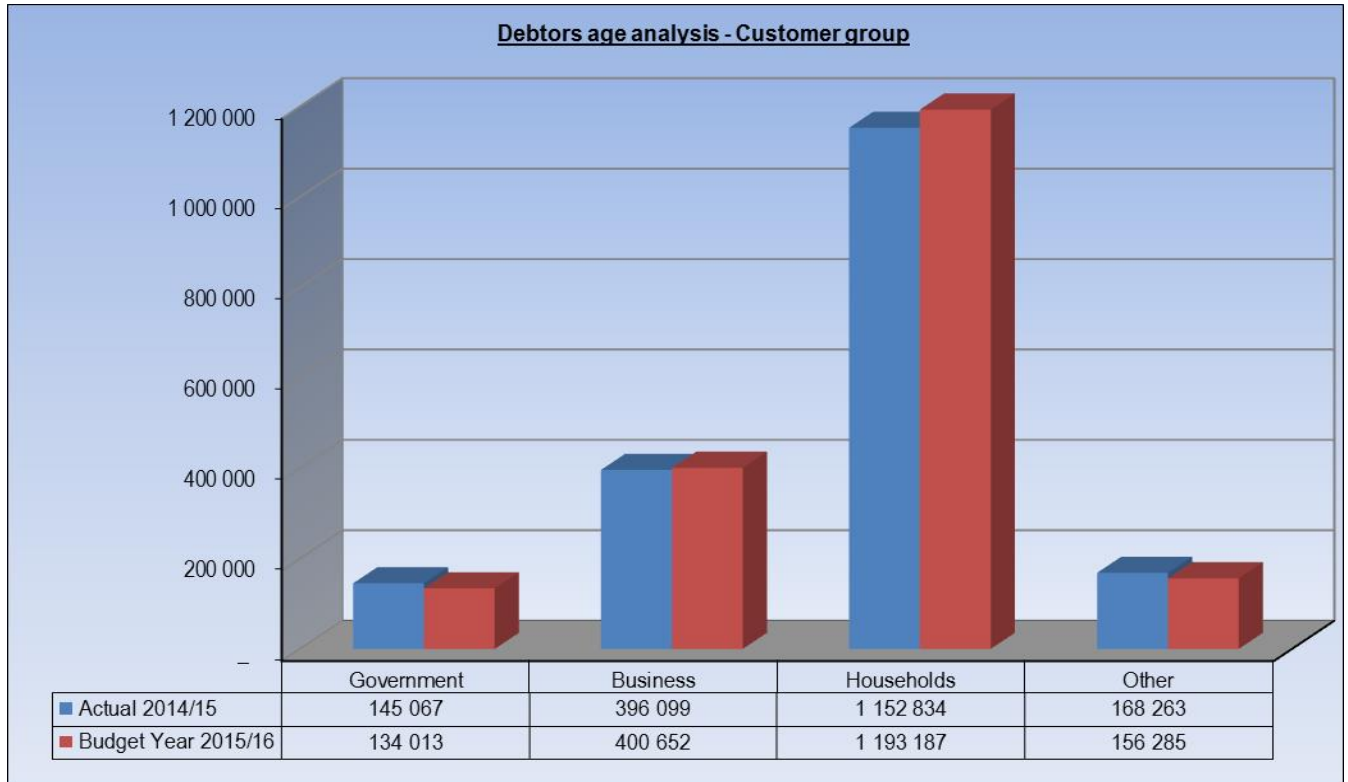
2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 August 2015.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors										M02 August 2015			
Description	NT Code	Budget Year 2015/16								Total	Bad Debts	>90 days	>90 Day Os %
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120	121-150	151-180	181 Dys-1 Yr	Over 1Yr				
Debtors Age Analysis By Revenue Source													
Water	1200	53 631 857	27 239 263	20 946 998	18 466 084	16 471 475	14 539 658	16 625 480	368 140 748	536 061 563	168 847 051	434 243 445	81%
Electricity	1300	192 230 120	48 733 187	6 832 039	5 593 706	4 321 414	4 383 867	3 475 062	70 633 010	336 202 405	34 026 990	88 407 059	26%
Rates	1400	59 770 570	28 584 965	10 531 735	8 953 414	8 086 646	11 898 536	14 148 909	209 441 743	351 416 518	122 847 918	252 529 248	72%
Sewerage / Sanitation	1500	11 803 871	5 353 546	3 531 254	3 159 060	2 928 268	2 914 993	3 043 417	84 833 679	117 568 088	46 758 865	96 879 417	82%
Refuse Removal	1600	6 904 195	2 928 931	1 724 012	1 592 613	1 517 071	1 456 391	1 403 619	45 461 327	62 988 159	26 118 084	51 431 021	82%
Housing (Rental Revenue)	1700	670 235	600 865	508 387	499 378	497 906	495 851	486 726	26 574 133	30 333 481	19 041 350	28 553 994	94%
Interest on arrear Drts	1810	8 945 140	8 603 048	7 996 282	8 411 224	7 626 269	7 328 685	7 107 754	257 484 299	313 502 701	170 746 964	287 958 231	92%
Recoverable unauthorised, irregular or fruitless & wasteful Expenditure	1820	0	0	0	0	0	0	0	0	0	0	0	0%
Other	1900	-5 542 661	-84 704	626 405	9 549 272	1 457 246	1 326 993	1 660 014	127 071 126	136 063 691	23 915 947	141 064 651	104%
Total By Revenue Source	2000	328 413	121 959	52 697	56 225	42 906	44 345	47 951	1 189 640	1 884 137	612 303	1 381 067	
Prior Year	2014/15	280 203	156 369	71 977	53 536	51 472	40 275	38 696	1 169 735	1 862 262	602 904	1 145 727	
Debtors Age Analysis By Customer Category												% Drts	
Government	2200	20 602 877	8 781 356	2 852 298	11 625 547	2 928 443	4 789 362	4 387 463	78 045 603	134 012 949	55 280 070		7%
Business	2300	174 402 125	52 424 798	8 541 169	7 697 386	5 464 228	7 134 040	6 050 685	138 937 295	400 651 726	74 323 019		21%
Households	2400	125 259 953	54 809 899	36 826 906	33 542 149	31 225 762	29 105 648	29 095 499	853 320 810	1 193 186 626	405 394 021		63%
Other	2500	8 148 372	5 943 048	4 476 739	3 359 669	3 287 862	3 315 924	8 417 334	119 336 357	156 285 305	77 306 059		8%
Total By Customer Category	2600	328 413	121 959	52 697	56 225	42 906	44 345	47 951	1 189 640	1 884 137	612 303		
Notes	%	17.43	6.47	2.80	2.98	2.28	2.35	2.54	63.14				

Chart 1: Debtors Age Analysis By Customer Group

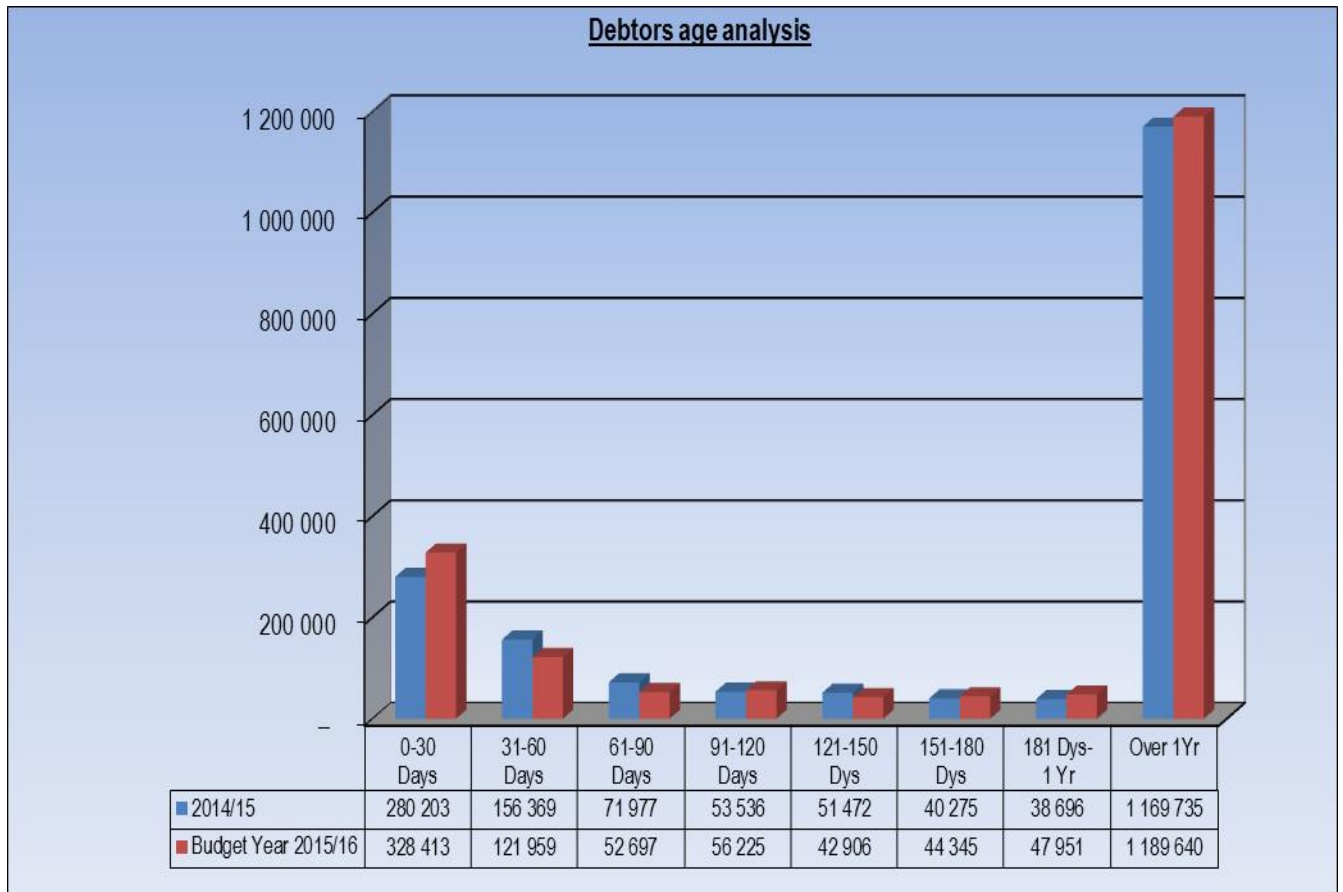


The information presented in the chart above reflects a decrease in the outstanding debtor's balances as at 31 August 2015 of R 16.9 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 8 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 63% of the total municipal debt as detailed below:

- ✓ Households 63%
- ✓ Commercial 21%
- ✓ Other 9%
- ✓ Organs of State 7%

Chart 2: Year on Year Debtors Age Analysis



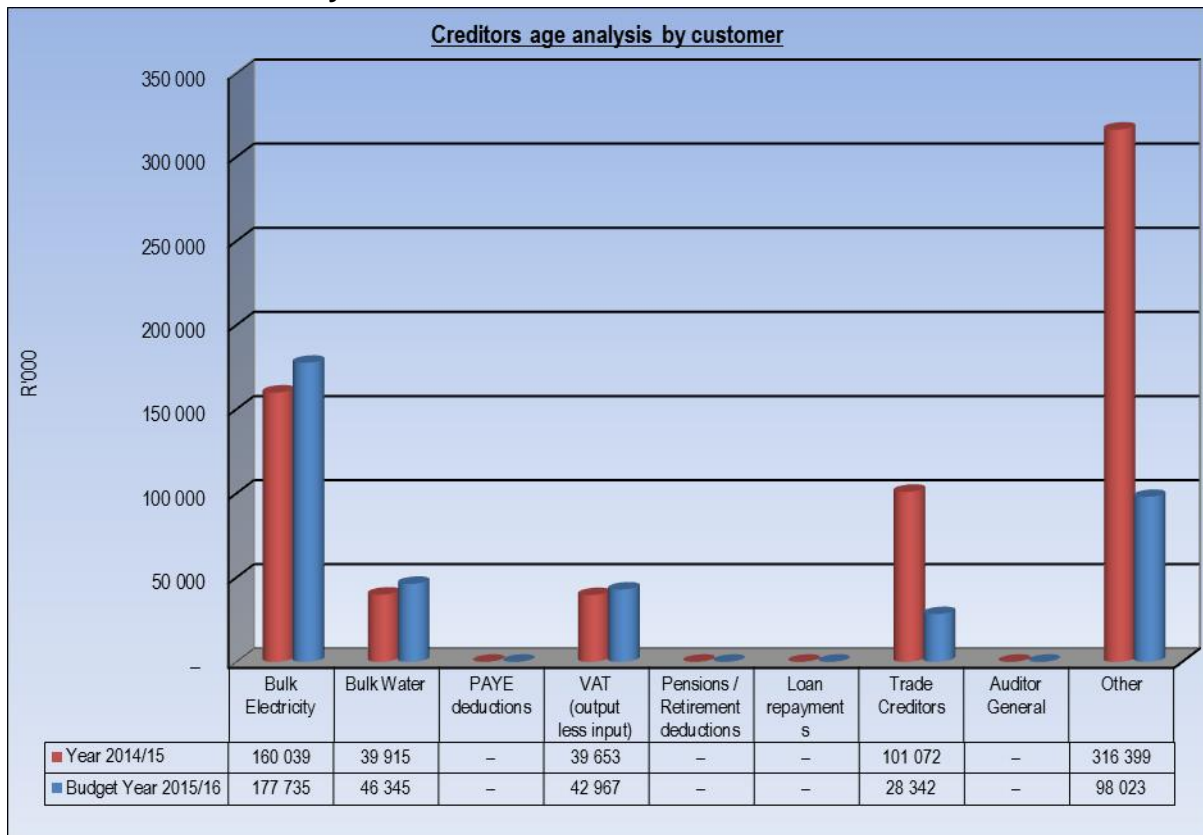
2.2 Creditors Analysis

Table SC 4 below presents the aged creditors as at 31 August 2015

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors										M02 August 2015	
Description	NT Code	Budget Year 2015/16								Total	Year 2014/15
		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	177 735	-	-	-	-	-	-	-	177 735	160 039
Bulk Water	0200	46 345	-	-	-	-	-	-	-	46 345	39 915
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	42 967	-	-	-	-	-	-	-	42 967	39 653
Pensions / Retirement deduction	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	19 822	1 906	3 805	2 693	115	1	-	-	28 342	101 072
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	98 023	-	-	-	-	-	-	-	98 023	316 399
Total By Customer Type	2600	384 892	1 906	3 805	2 693	115	1	-	-	393 412	657 078

The chart below presents a comparison of the age creditors between the current and prior year and for August month.

Chart 3: Creditors Analysis



2.3 Investment Portfolio Analysis

The following information presents the short term investments balances broken down per investment type as at 31 August 2015.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio									M02 August 2015
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
Fixed - ABSA - Call		Call	Call	on call					25 655
Fixed - ABSA - 12 months (WCA)		12 months							7 935
Fixed - ABSA - Various		Various							250 000
Fixed - FNB - Various		Various							377 628
Fixed - Investec - Call		various	Call						30 000
Fixed - Investec - 3 months		various							151 936
Municipality sub-total					-		-	-	843 154

The total consolidated investment balances as at 31 August 2015 was R 843.1 million.

2.4 Allocation and Grant receipts and Expenditure

Grant Receipts: The total operational and capital grant receipts for the year is R 929.7 million which is inclusive of the equitable share of R 395.7 million and Capital allocation of R 489.0 million.

KZN225 Msunduzi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts

M02 August 2015

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YDarTD budgDt	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		487 405	407 948	-	-	166 510	67 991	98 519	144.9%	407 948
Local Government Equitable Share		373 541	395 786	-	-	164 910	65 964	98 946	150.0%	395 786
Finance Management		1 600	1 600	-	-	1 600	267	1 333	500.0%	1 600
Municipal Systems Improvement		-	930	-	-	-	155	(155)	-100.0%	930
EPWP Incentive		2 784	4 032	-	-	-	672	(672)	-100.0%	4 032
Energy Efficiency and Demand Management		-	-	-	-	-	-	-	-	-
Water Services Operating Subsidy		-	-	-	-	-	-	-	-	-
Public Transport and Systems	3	109 480	-	-	-	-	-	-	-	-
Operating costs-MIG		-	5 000	-	-	-	833	(833)	-100.0%	5 000
Neighbourhood Development Partnership Technical ass		-	600	-	-	-	100	(100)	-100.0%	600
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		41 449	32 704	-	-	-	5 451	614	11.3%	32 704
Expanded Public Works Grant		3	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Human Settlements		10 148	8 715	-	-	-	1 453	4 612	317.5%	8 715
Arts and Culture - Subsidies		-	380	-	-	-	63	(63)	-100.0%	380
Arts and Culture - Comm Library		-	552	-	-	-	92	(92)	-100.0%	552
Arts and Culture - Provincialisiation		-	23 057	-	-	-	3 843	(3 843)	-100.0%	23 057
Sanitation Bucket eradication		-	-	-	-	-	-	-	-	-
GEDI		31 298	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	528 854	440 652	-	-	166 510	73 442	99 133	135.0%	440 652
Capital Transfers and Grants										
National Government:		316 544	489 060	-	-	118 338	81 510	36 781	45.1%	489 060
Municipal Infrastructure Grant (MIG)		163 157	187 456	-	-	72 825	31 243	41 582	133.1%	187 456
Public Transport and Systems		-	213 271	-	-	30 000	35 545	(5 545)	-15.6%	213 271
Neighbourhood Development Partnership		20 195	20 000	-	-	-	3 333	(3 333)	-100.0%	20 000
Dept of Mineral/Electricity		-	-	-	-	-	-	-	-	-
Intergrated National Electrification Porgramme		95 989	10 000	-	-	-	1 667	(1 667)	-100.0%	10 000
Mnicipal Water infrastrucure Grant		11 389	58 333	-	-	14 583	9 722	4 814	49.5%	58 333
MSIG		1 226	-	-	-	930	-	930	0.0%	-
Library		24 586	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		19 870	-	-	-	-	-	1 613	0.0%	-
Airport Development Project		-	-	-	-	-	-	-	-	-
Sport and Recreation		140	-	-	-	-	-	-	-	-
Publicity House Renovation		1 977	-	-	-	-	-	-	-	-
COGTA - SANITATION BUCKET ERADICATION		4	-	-	-	-	-	-	-	-
COGTA - MASSIFICATION		4 375	-	-	-	-	-	-	-	-
COGTA		5 810	-	-	-	-	-	1 613	0.0%	-
Operation Dluisumlando-Agriculture		500	-	-	-	-	-	-	-	-
Art and Culture		988	-	-	-	-	-	-	-	-
Market		6 077	-	-	-	-	-	-	-	-
Other grant providers:		37	-	-	-	-	-	-	-	-
Youth Advisory Council		35	-	-	-	-	-	-	-	-
COMMUNITY COMMUNICATION INITIATIVE		1	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	336 450	489 060	-	-	118 338	81 510	38 394	47.1%	489 060
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	865 304	929 712	-	-	284 848	154 952	137 527	88.8%	929 712

Capital and Operating grants: While the full year grant expenditure budget is R 929.7 million, the actual YTD grant expenditure incurred amounted to R 292.4 million resulting in underperformance of 47% of the capital grants budget.

KZN225 Msunduzi - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure

M02 August 2015

Description	Ref	2014/15	Budget Year 2015/16							
		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:		487 405	407 948	-	-	166 510	67 991	98 519	144.9%	407 948
Local Government Equitable Share		373 541	395 786	-	-	164 910	65 964	98 946	150.0%	395 786
Finance Management		1 600	1 600	-	-	1 600	267	1 333	500.0%	1 600
Municipal Systems Improvement		-	930	-	-	-	155	(155)	-100.0%	930
EPWP Incentive		2 784	4 032	-	-	-	672	(672)	-100.0%	4 032
Public Transport and Systems		109 480	-	-	-	-	-	-	-	-
Operating costs-MIG		-	5 000	-	-	-	833	(833)	-100.0%	5 000
Neighbourhood Development Partnership Technical ass		-	600	-	-	-	100	(100)	-100.0%	600
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		41 449	32 704	-	-	6 065	5 451	614	11.3%	32 704
Expanded Public Works Grant		3	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Human Settlements		10 148	8 715	-	-	6 065	1 453	4 612	317.5%	8 715
Arts and Culture - Subsidies		-	380	-	-	-	63	(63)	-100.0%	380
Arts and Culture - Comm Library		-	552	-	-	-	92	(92)	-100.0%	552
Arts and Culture - Provincialisiation		-	23 057	-	-	-	3 843	(3 843)	-100.0%	23 057
Sanitation Bucket eradication		-	-	-	-	-	-	-	-	-
GEDI		31 298	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		528 854	440 652	-	-	172 575	73 442	99 133	135.0%	440 652
Capital expenditure of Transfers and Grants										
National Government:		316 544	489 060	-	-	118 291	81 510	36 781	45.1%	489 060
Municipal Infrastructure Grant (MIG)		163 157	187 456	-	-	72 825	31 243	41 582	133.1%	187 456
Public Transport and Systems		-	213 271	-	-	30 000	35 545	(5 545)	-15.6%	213 271
Neighbourhood Development Partnership		20 195	20 000	-	-	-	3 333	(3 333)	-100.0%	20 000
Dept of Mineral/Electricity		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme		95 989	10 000	-	-	-	1 667	(1 667)	-100.0%	10 000
Municipal Water infrastructure Grant		11 389	58 333	-	-	14 536	9 722	4 814	49.5%	58 333
MSIG		1 226	-	-	-	930	-	930	#DIV/0!	-
Library		24 586	-	-	-	-	-	-	-	-
Provincial Government:		19 870	-	-	-	1 613	-	1 613	#DIV/0!	-
Airport Development Project		-	-	-	-	-	-	-	-	-
Sport and Recreation		140	-	-	-	-	-	-	-	-
Publicity House Renovation		1 977	-	-	-	-	-	-	-	-
COGTA - SANITATION BUCKET ERADICATION		4	-	-	-	-	-	-	-	-
COGTA - MASSIFICATION		4 375	-	-	-	-	-	-	-	-
COGTA		5 810	-	-	-	1 613	-	1 613	#DIV/0!	-
Operation Dlusumlando-Agriculture		500	-	-	-	-	-	-	-	-
Art and Culture		988	-	-	-	-	-	-	-	-
Market		6 077	-	-	-	-	-	-	-	-
Other grant providers:		37	-	-	-	-	-	-	-	-
Youth Advisory Council		35	-	-	-	-	-	-	-	-
COMMUNITY COMMUNICATION INITIATIVE		1	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		336 450	489 060	-	-	119 904	81 510	38 394	47.1%	489 060
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		865 304	929 712	-	-	292 479	154 952	137 527	88.8%	929 712

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		23 348	29 522		2 136	4 272	4 920	(648)	-13%	29 522
Pension and UIF Contributions		3 038	3 496		269	538	583	(44)	-8%	3 496
Medical Aid Contributions		1 751	1 296		106	212	216	(3)	-2%	1 296
Motor Vehicle Allowance		6 493	6 333		559	1 118	1 056	63	6%	6 333
Cellphone Allowance		1 700	1 565		132	265	261	4	1%	1 565
Housing Allowances		-	137		10	19	23	(4)	-16%	137
Other benefits and allowances		771	-		-	-	-	-	-	-
Sub Total - Councillors		37 100	42 350	-	3 213	6 425	7 058	(633)	-9%	42 350
% increase	4		14.2%							14.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 435	6 744		481	962	1 124	(162)	-14%	6 744
Pension and UIF Contributions		587	870		65	139	145	(6)	-4%	870
Medical Aid Contributions		-	20		5	6	3	3	89%	20
Performance Bonus		180	360		-	11	60	(49)	-82%	360
Motor Vehicle Allowance		544	756		64	127	126	1	1%	756
Cellphone Allowance		-	90		8	16	15	1	4%	90
Housing Allowances		37	64		-	20	11	10	92%	64
Other benefits and allowances		156	-		-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 939	8 904	-	622	1 282	1 484	(202)	-14%	8 904
% increase	4		49.9%							49.9%
Other Municipal Staff										
Basic Salaries and Wages		495 526	741 800		45 273	89 361	123 633	(34 272)	-28%	741 800
Pension and UIF Contributions		8 792	16 945		9 308	18 621	2 824	15 797	559%	16 945
Medical Aid Contributions		-	110 158		3 360	6 752	18 360	(11 607)	-63%	110 158
Overtime		30 263	32 271		3 642	7 491	5 378	2 113	39%	32 271
Performance Bonus		-	-		-	-	-	-	-	-
Motor Vehicle Allowance		35 645	52 435		1 124	2 206	8 739	(6 533)	-75%	52 435
Cellphone Allowance		-	-		212	426	-	426	0%	-
Housing Allowances		2 935	9 351		253	509	1 558	(1 050)	-67%	9 351
Other benefits and allowances		143 124	-		3 494	7 253	-	7 253	0%	-
Payments in lieu of leave		-	-		282	519	-	519	0%	-
Long service awards		22 763	3 461		770	1 114	577	537	93%	3 461
Post-retirement benefit obligations	2	-	-		-	-	-	-	-	-
Sub Total - Other Municipal Staff		739 049	966 420	-	67 718	134 252	161 070	(26 818)	-17%	966 420
% increase	4		30.8%							30.8%
Total Parent Municipality		782 088	1 017 674	-	71 553	141 958	169 612	(27 654)	-16%	1 017 674
			30.1%							30.1%
Unpaid salary, allowances & benefits in arrears:										
Senior Managers of Entities										
Basic Salaries and Wages		285	333		-	-	55	(55)	-100%	333
Pension and UIF Contributions		-	-		-	-	-	-	-	-
Medical Aid Contributions		10	14		-	-	2	(2)	-100%	14
Overtime		18	-		-	-	-	-	-	-
Performance Bonus		4	6		-	-	1	(1)	-100%	6
Motor Vehicle Allowance		-	18		-	-	3	(3)	-100%	18
Cellphone Allowance		-	4		-	-	1	(1)	-100%	4
Housing Allowances		6	-		-	-	-	-	-	-
Sub Total - Senior Managers of Entities		323	374	-	-	-	62	(62)	-100%	374
% increase	4		15.8%							15.8%
Other Staff of Entities										
Basic Salaries and Wages		1 915	2 080		-	-	347	(347)	-100%	2 080
Pension and UIF Contributions		140	171		-	-	28	(28)	-100%	171
Medical Aid Contributions		359	469		-	-	78	(78)	-100%	469
Overtime		54	373		-	-	62	(62)	-100%	373
Performance Bonus		11	24		-	-	4	(4)	-100%	24
Motor Vehicle Allowance		-	54		-	-	9	(9)	-100%	54
Cellphone Allowance		375	11		-	-	2	(2)	-100%	11
Housing Allowances		30	-		-	-	-	-	-	-
Other benefits and allowances		215	245		-	-	41	(41)	-100%	245
Sub Total - Other Staff of Entities		3 099	3 427	-	-	-	571	(571)	-100%	3 427
% increase	4		10.6%							10.6%
Total Municipal Entities		3 422	3 801	-	-	-	633	(633)	-100%	3 801
TOTAL SALARY, ALLOWANCES & BENEFITS		785 509	1 021 475	-	71 553	141 958	170 246	(28 287)	-17%	1 021 475
% increase	4		30.0%							30.0%
TOTAL MANAGERS AND STAFF		748 410	979 125	-	68 340	135 533	163 188	(27 654)	-17%	979 125

Councillor Allowances

The expenditure on councillor allowances as at 31 August 2015 was under spent by 8%. The year to date budget for Remuneration of Councillor's is R 7.0 million while the actual expenditure incurred was R 6.4 million resulting in 92% YTD expenditure performance.

Employee Benefits

The total salaries expenditure for 31 August 2015 was R 134.5 million, against the budget of R 160.1 million, resulting in a 16% underperformance.

Board Member Fees – Safe City

The municipal entity's board members offer a voluntary service to the organisation and hence the nil expenditure in this regard.

The detailed staff benefits report is contained in the s66 report

2.6 Material Variances to the SDBIP

This section on material variances to the Service Delivery & Budget Implementation Plan analyses mainly the financial targets and non-financial target. This report analyses each major component under following headings;

- ✓ 2.6.1 Monthly Cash Projections
- ✓ 2.6.2 Material Variances: Financial Indicators
- ✓ 2.6.3 SDBIP: Non-Financial Performance

2.6.1 Monthly Cash Projections

Table SC9 presents the actual cash flows for the period ending August 2015 and the monthly forecast till year end. The first table mainly presents cash inflows, while the next the page presents mainly outflows.

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August																
Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	2016/17	+1 2017/18	+2 2018/19
Cash Receipts By Source																
Property rates		54 136	51 550	63 560	65 609	50 547	51 515	46 064	49 401	61 469	49 683	56 548	68 719	668 801	706 022	741 323
Property rates - penalties & collection charges		1 198	1 407	3 542	3 742	2 683	-	1 878	3 252	2 988	3 242	3 691	5 042	32 666	34 430	36 289
Service charges - electricity revenue		155 985	169 554	185 307	143 993	135 758	129 384	135 408	134 736	138 548	121 054	137 783	164 433	1 751 944	1 923 703	2 154 547
Service charges - water revenue		32 607	29 258	32 278	31 721	31 975	32 058	30 145	37 580	36 714	31 674	36 051	43 217	405 277	414 729	435 465
Service charges - sanitation revenue		10 881	8 749	9 007	8 768	9 501	9 940	7 917	10 564	9 941	8 675	9 874	10 864	114 680	120 204	126 695
Service charges - refuse		6 192	4 996	6 798	6 491	5 704	6 217	6 658	5 443	6 880	5 736	6 529	9 572	77 215	80 862	85 229
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 480	1 097	2 422	2 200	2 388	2 259	2 423	2 142	2 967	2 448	2 773	8 466	33 063	32 234	33 974
Interest earned - external investments		2 684	1 909	2 372	2 185	2 267	2 173	2 456	2 456	2 461	2 165	5 094	4 066	32 289	34 033	35 871
Interest earned - outstanding debtors		838	1 107	1 734	2 373	2 223	4 645	1 783	5 982	1 658	2 312	2 312	5 583	32 549	34 510	36 374
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		1 134	1 121	958	907	1 061	913	830	605	627	608	776	(447)	9 094	8 505	8 964
Licences and permits		7	7	7	11	6	2	6	2	9	11	10	9	87	92	97
Agency services		0	0	29	57	-	-	29	143	57	86	-	231	632	668	704
Transfer receipts - operating		197 440	10 800	-	4 327	82 367	-	-	735	183 264	-	149	(38 431)	440 652	463 799	502 985
Other revenue		27 939	23 190	3 735	9 885	1 922	4 886	3 838	1 801	2 444	1 641	626	(40 466)	41 442	42 502	44 798
Cash Receipts by Source		492 520	304 746	311 748	282 270	328 403	243 992	239 434	254 842	450 027	229 335	262 215	240 858	3 640 390	3 896 292	4 243 314
Other Cash Flows by Source																
Transfer receipts - capital		87 408	20 445	9 529	37 256	129 591	19 177	73 563	17 324	110 550	-	-	(15 782)	489 060	466 372	480 820
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	100 000	-	-	-	-	-	100 000	50 000	-
Increase in consumer deposits		552	417	488	312	1 602	165	108	254	126	336	186	702	5 250	6 150	5 250
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		580 481	325 608	321 765	319 838	459 596	263 334	413 104	272 420	560 703	229 670	262 401	225 778	4 234 700	4 418 814	4 729 384
Cash Payments by Type																
Employee related costs		70 097	69 777	73 230	113 534	80 208	74 854	76 038	76 762	75 796	78 667	77 887	89 686	956 536	1 009 506	1 073 538
Remuneration of councillors		3 213	3 263	3 321	3 321	3 312	3 312	3 312	3 312	5 255	3 537	3 537	3 655	42 350	45 659	48 124
Interest paid		118	40	19 914	-	-	21 326	769	-	435	443	481	25 964	69 489	68 312	61 719
Bulk purchases - Electricity		160 039	194 248	153 671	89 982	95 769	91 940	77 218	94 813	85 806	90 204	86 192	50 918	1 270 801	1 397 881	1 537 670
Bulk purchases - Water & Sewer		40 030	45 376	39 139	37 991	37 991	38 545	39 597	38 662	37 559	40 616	39 226	31 280	466 010	509 352	556 286
Other materials		-	-	569	552	552	560	576	562	546	590	570	1 696	6 773	9 269	9 770
Contracted services		-	-	1 455	1 513	1 513	1 661	1 634	1 463	1 697	1 555	1 709	4 357	18 556	19 483	20 535
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		1 438	20	24	1 415	24	24	1 415	24	24	1 415	24	7	5 854	6 599	6 999
General expenses		171 247	58 702	29 816	6 697	67 543	80 593	24 832	22 102	173 625	22 791	28 254	(99 386)	586 817	713 254	813 675
Cash Payments by Type		446 182	371 425	321 139	255 005	286 912	312 815	225 390	237 699	380 741	239 820	237 880	108 177	3 423 186	3 779 317	4 128 316
Other Cash Flows/Payments by Type																
Capital assets		9 089	23 544	42 837	36 412	38 709	22 571	59 870	20 650	21 306	70 560	67 043	176 914	589 505	555 584	537 677
Repayment of borrowing		23	24	8 700	187	55	11 776	33	33	33	22 566	33	6 387	49 850	53 628	53 757
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		455 295	394 993	372 676	291 604	325 676	347 162	285 293	258 382	402 080	332 946	304 957	291 477	4 062 541	4 388 529	4 719 749
NET INCREASE/(DECREASE) IN CASH HELD		125 186	(69 386)	(50 911)	28 235	133 921	(83 828)	127 811	14 038	158 623	(103 276)	(42 556)	(65 699)	172 159	30 286	9 635
Cash/cash equivalents at the monthly/year beginning:		874 633	999 819	930 434	879 522	907 757	1 041 678	957 850	1 085 662	1 099 699	1 258 323	1 155 047	1 112 491	874 633	1 046 793	1 077 078
Cash/cash equivalents at the monthly/year end:		999 819	930 434	879 522	907 757	1 041 678	957 850	1 085 662	1 099 699	1 258 323	1 155 047	1 112 491	1 046 793	1 046 793	1 077 078	1 086 713

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations - M02 August				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue By Source			
	Agency services	-32%	This revenue is a combination of various revenues, most of which are user driven	
	Other revenue	121%	This line item has over performed against the budget	
	Rental of facilities and equipment	-51%	This is a user driven revenue source	
	Licences and permits	1%		
	Interest earned - external investments	-3%		
	Transfers recognised - operational	136%	This line item has over performed against the budget	
	Interest earned - outstanding debtors	-67%	This line item has under performed against the budget	
2	Expenditure By Type			
	Debt impairment	-100%	The figure is based on the total outstanding debt, the entry to be annualised	
	Other materials	-88%	This line item has under performed against the budget, will smooth out as the year progresses	
	Contracted services	-35%	This line item has under performed against the budget	
	Transfers and grants	4733%	This line item has under performed against the budget, will smooth out as the year progresses	
	Finance charges	-99%	This line item has under performed against the budget, will smooth out as the year progresses	
	Bulk purchases	41%	This line item has over performed against the budget, seasonal adjustment	
	Depreciation & asset impairment	-3%		
	Other expenditure	-21%	This is a combination of various expenses where spending is under budget	

2.7 Parent Municipality Financial Performance

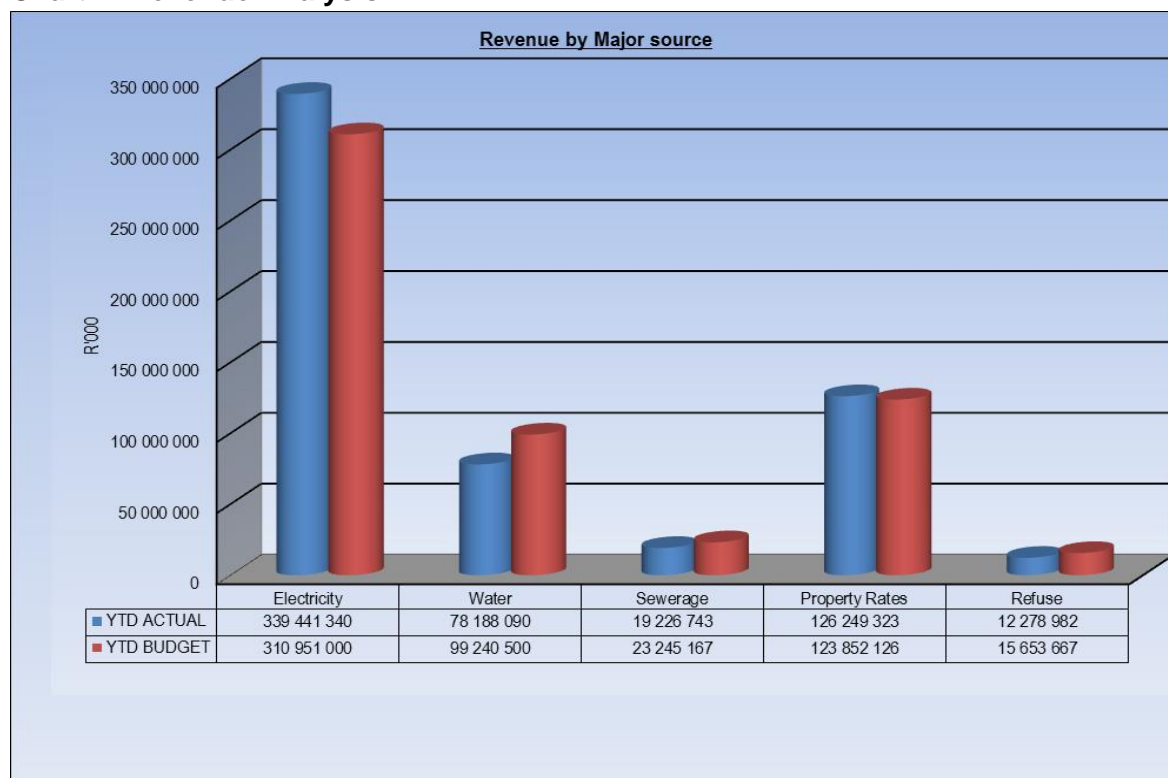
REVENUE ANALYSIS

This section on material variances to the Service Delivery & Budget Implementation Plan analyses the financial as well as the non-financial performance targets for the last quarter. The financial performance section analyses material variances between the actual targets as at Midyear and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and

2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 38% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges over performed by (R28.8 million) when compared to the Year Budget.

Property Rates is the second largest contributor to the operating revenue basket making up 15% of the total operating revenue. When comparing Ytd Actual revenue earned to Ytd Budget, there is a 2% over performance existed as at 31 August 2015.

Transfers recognised – Operational is made up of all operational grants funding mainly from the National & Provincial Government Departments, the largest of these being the equitable share.

Service Charges - Water revenue: The revenue earned from Water charges shared 12% of the budgeted revenue basket and 10% of Ytd actual revenue, this is slightly down against the budget causing a underperformance of 2% when comparing Ytd actual to Ytd Budget.

Service Charges - sanitation revenue: reflects a 14% under performance when comparing the Ytd actual revenue to the Ytd budget.

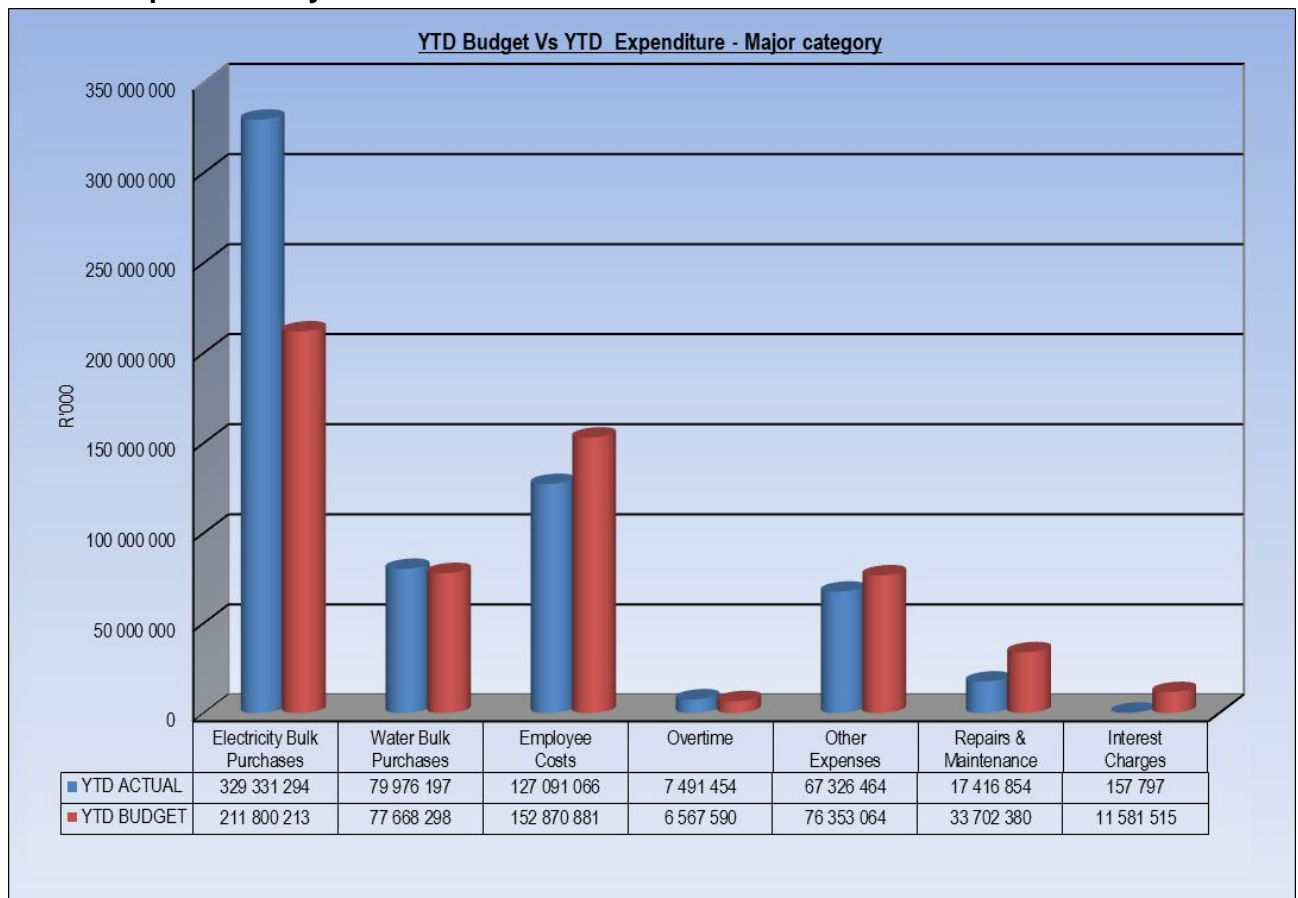
Service Charges - refuse revenue reflects an under performance of 19% when comparing the Ytd actual revenue to the Ytd budget.

Interest earned – outstanding debtors and other revenue contributed 4.8% to the total operating revenue received as at 31 August 2015.

OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

Chart 5: Expenditure by source



Bulk Purchases: The Ytd expenditure budget for Bulk Purchases was R 409.3 million with a slight overperformance against the budget. Bulk Purchases is made up of Bulk Electricity Purchases and Water Purchases as broken down below;

✓ Bulk Purchases – Electricity	R329 331	80%
✓ Bulk Purchases- Water	<u>R 79 976</u>	<u>20%</u>
Total	<u>R 409 307</u>	<u>100%</u>

Employee Related Costs: There is a slight under expenditure in respect of actual Ytd expenditure on employee related costs against the Ytd budget. A detailed line item and

business unit analysis of the employee related costs is contained in the MFMA S66 report on staff benefits.

Other Expenditure's Ytd budget figure was R 94.1 million while the actual costs incurred was R 74.1.0 million resulting in under performance against the budget of R 20.0 million. The table below provides a detailed listing of the top 20 cash drainers during the month of August 2015.

Table 3: Top 20 Cash Drainers - August

No:	Description	YTD Actual	August - 2015	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	1 654 777	3 859 287	42.9%
2	Subscriptions For Cities Network	0	1 555 000	0.0%
3	IDP Expenses	2 122 160	4 000 400	53.0%
4	Marketing & Promotion	1 276 792	21 491 911	5.9%
5	Postage And Stamps	741 897	3 340 944	22.2%
6	Contracted Services	2 057 692	18 055 560	11.4%
7	Motor Vehicle Licences	612 140	2 114 668	28.9%
8	Ward Committee Costs	616 220	4 172 413	14.8%
9	Entertainment	54 581	332 725	16.4%
10	Interview Costs	6 456	20 000	32.3%
11	Extraordinary Items	34 000	4 547 751	0.7%
12	Printing And Stationery	546 488	5 185 127	10.5%
13	Audit Fees	86 925	5 414 822	1.6%
14	Hire Charges	3 019 922	18 520 752	16.3%
15	Telephones	1 368 716	7 252 891	18.9%
16	Valuation Roll	0	500 000	0.0%
17	External Services	5 658 898	63 037 186	9.0%
18	Plant Hire	18 400	3 553 510	0.5%
19	Bank Charges	715 452	4 992 879	14.3%
20	Stores & Materials	577 455	4 263 911	13.5%
21	Uniforms	1 949 803	4 787 490	40.7%
22	Petrol & Lubricants	3 119 355	29 567 141	10.6%
23	Kwanalogo Subscriptions	0	7 186 460	0.0%
24	Plant & Equipment	10 011	823 450	1.2%

Depreciation & Asset Impairment: The full year depreciation & asset impairment figure is R 485.8 million. The actual YTD is R 78.9 million whilst the YTD budget is R 80.9 million.

Finance Charges: Ytd budgeted figure for finance charges for the year was R 11.5 million and the Actual figure was R 0.1 million pointing to a positive variance in this line item.

Contracted Services: Ytd Budget for contracted services was R 3.1 million, whilst the actual YTD is R 2.0 million, resulting in a positive variance in this line item.

Remuneration of councillors budget was R 7.0 million and the actual expenditure incurred was R 6.4 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M02 August

Description	2014/15	Current Year 2015/16							
	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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	54	56	-	29	57	9	0	512%	56
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	4 534	12 474	-	1 419	1 419	2 552	(1)	-44%	12 474
Total Revenue (excluding capital transfers and contributions)	4 588	12 530	-	1 448	1 476	2 561	(1 085)	(0)	12 530
Employee costs	3 735	4 799	-	395	726	800	(73)	(0)	4 799
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	501	1 553	-	129	259	259	-	-	1 553
Finance charges	11	12	-	1	2	1	1	0	12
Materials and bulk purchases	212	279	-	16	23	46	(24)	(0)	279
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	578	8 029	-	50	328	1 338	(1 010)	(0)	8 029
Total Expenditure	5 037	14 672	-	591	1 338	2 444	(1 107)	(0)	14 672
Surplus/(Deficit)	(449)	(2 142)	-	857	139	117	22	0	(2 142)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(449)	(2 142)	-	857	139	117	22	0	(2 142)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(449)	(2 142)	-	857	139	117	22	0	(2 142)
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	8 222	453	-	-	7 853	-	-	-	453
Total non current assets	684	6 778	-	-	684	-	-	-	6 778
Total current liabilities	7 770	6 982	-	-	6 982	-	-	-	6 982
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	1 136	0	-	-	0	-	-	-	0
Cash flows									
Net cash from (used) operating	7 852	(589)	-	988	401	(756)	1 157	(0)	(589)
Net cash from (used) investing	(313)	-	-	-	-	-	-	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	8 209	80	669	988	401	(756)	1 157	(0)	80
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Revenue Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

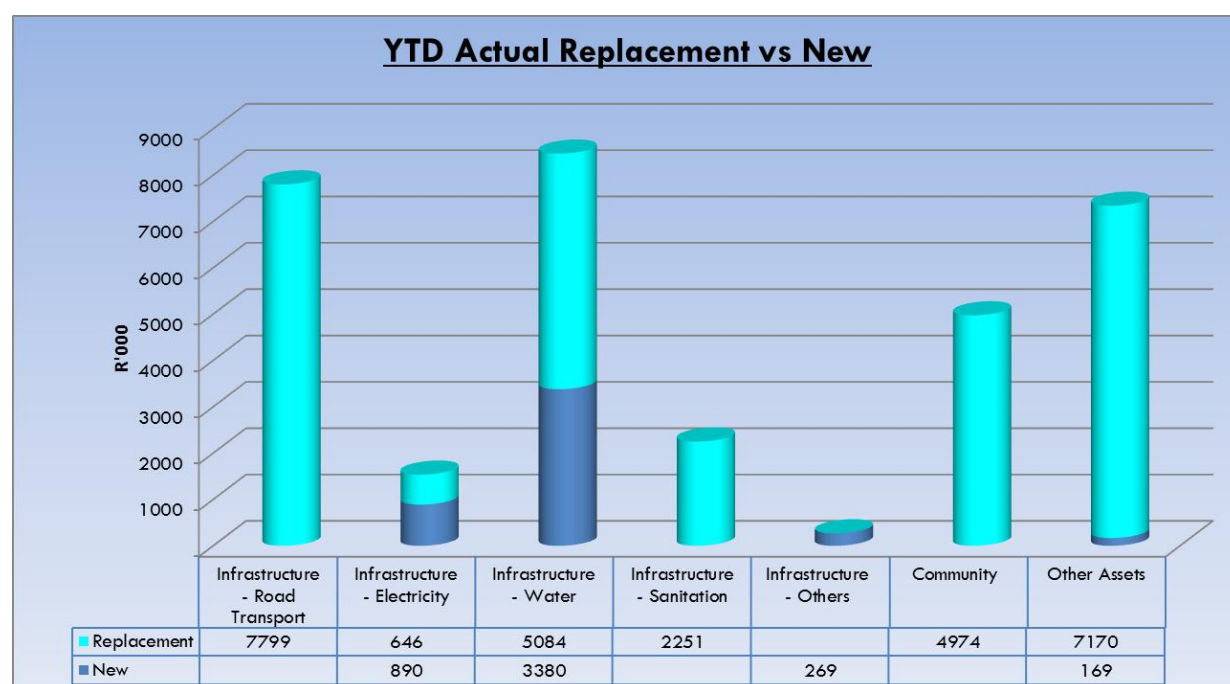
2.9 Capital Programme Performance

This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend									M02 August 2015
Month	2014/15	Budget Year 2015/16							
	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	1 459	19 856	9 089	-		9 089	-		
August	15 964	60 407	23 544	-		32 633	-		
September	29 556	58 688	-	-		91 321	-		
October	55 143	55 535	-	-		146 857	-		
November	28 042	66 844	-	-		213 701	-		
December	36 204	92 393	-	-		306 093	-		
January	59 425	12 874	-	-		318 967	-		
February	62 127	69 412	-	-		388 379	-		
March	51 888	62 204	-	-		450 583	-		
April	42 741	70 535	-	-		521 119	-		
May	40 445	73 060	-	-		594 179	-		
June	105 643	67 251	-	-		661 430	-		
Total Capital expenditure	528 635	709 060	32 633	-					

The two tables that follow provide more detailed information on the capital expenditure by separating capital expenditure by asset types and also by “New” or “Replacement” assets. The chart below displays capital expenditure for new and replacement assets for the month of August 2015.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 32.6 million, R 4.7 million (14%) was new assets and R 27.9 million (86%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		150 672	46 075	-	2 499	4 539	6 438	1 899	29.5%	38 630
Infrastructure - Road transport		53 733	2 230	-	-	-	372	372	100.0%	2 230
<i>Roads, Pavements & Bridges</i>		53 733	2 230	-	-	-	372	372	100.0%	2 230
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		65 251	18 000	-	92	890	3 000	2 110	70.3%	18 000
<i>Generation</i>			10 000	-	92	890	1 667	776	46.6%	10 000
<i>Transmission & Reticulation</i>		65 251	-	-	-	-	-	-	-	-
<i>Street Lighting</i>			8 000	-	-	-	1 333	1 333	100.0%	8 000
Infrastructure - Water		17 375	25 445	-	2 407	3 380	3 000	(380)	-12.7%	18 000
<i>Dams & Reservoirs</i>			-	-	-	-	-	-	-	-
<i>Water purification</i>			-	-	-	-	-	-	-	-
<i>Reticulation</i>		17 375	25 445	-	2 407	3 380	3 000	(380)	-12.7%	18 000
Infrastructure - Sanitation		5 986	-	-	-	-	-	-	-	-
<i>Reticulation</i>		5 986	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>			-	-	-	-	-	-	-	-
Infrastructure - Other		8 327	400	-	-	269	67	(203)	-304.1%	400
<i>Waste Management</i>		8 327	400	-	-	269	67	(203)	-304.1%	400
Community		21 386	10 288	-	-	-	1 715	1 715	100.0%	10 288
Parks & gardens		15 047	-	-	-	-	-	-	-	-
Sportsfields & stadia			-	-	-	-	-	-	-	-
Swimming pools			3 200	-	-	-	533	533	100.0%	3 200
Community halls		360	-	-	-	-	-	-	-	-
Libraries		487	-	-	-	-	-	-	-	-
Recreational facilities			-	-	-	-	-	-	-	-
Fire, safety & emergency		2 460	618	-	-	-	103	103	100.0%	618
Security and policing			1 200	-	-	-	200	200	100.0%	1 200
Buses		1 510	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		324	-	-	-	-	-	-	-	-
Cemeteries		403	2 000	-	-	-	333	333	100.0%	2 000
Social rental housing			-	-	-	-	-	-	-	-
Other		795	3 270	-	-	-	545	545	100.0%	3 270
Heritage assets		-	5 350	-	-	-	-	-	-	-
Buildings			5 350	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development			-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-
Other assets		21 259	10 712	-	266	169	2 677	2 508	93.7%	16 062
General vehicles			-	-	-	7	892	884	99.2%	5 350
Specialised vehicles		-	3 500	-	-	-	583	583	100.0%	3 500
Plant & equipment			3 347	-	255	255	558	303	54.3%	3 347
Computers - hardware/equipment			2 995	-	3	19	499	480	96.1%	2 995
Furniture and other office equipment			600	-	7	39	100	61	61.2%	600
Markets		969	-	-	-	-	-	-	-	-
Civic Land and Buildings			-	-	-	(152)	-	152	#DIV/0!	-
Other Buildings		544	-	-	-	-	-	-	-	-
Other		19 747	270	-	1	1	45	44	98.3%	270
Total Capital Expenditure on new assets	1	193 317	72 424	-	2 765	4 709	10 830	6 121	56.5%	64 980
Specialised vehicles		-	3 500	-	-	-	583	583	0	3 500
Refuse			-	-	-	-	-	-	-	-
Fire			3 500	-	-	-	583	583	0	3 500
Conservancy			-	-	-	-	-	-	-	-
Ambulances			-	-	-	-	-	-	-	-

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		114 268	560 911	-	11 049	15 781	93 485	42 011	89.9%	560 911
Infrastructure - Road transport		76 131	350 722	-	6 322	7 799	58 454	27 749	0	350 722
<i>Roads, Pavements & Bridges</i>		76 016	350 722	-	6 322	7 799	58 454	27 749	94.9%	350 722
<i>Storm water</i>		115	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	115 000	-	321	646	19 167	9 259	96.6%	115 000
<i>Generation</i>		-	115 000	-	321	646	19 167	9 259	96.6%	115 000
Infrastructure - Water		31 683	64 689	-	3 709	5 084	10 781	4 016	74.5%	64 689
<i>Dams & Reservoirs</i>		-	64 689	-	3 709	5 084	10 781	4 016	74.5%	64 689
<i>Water purification</i>		31 683	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	29 500	-	697	2 251	4 917	904	36.8%	29 500
<i>Reticulation</i>		-	29 500	-	697	2 251	4 917	904	36.8%	29 500
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		6 454	1 000	-	-	-	167	83	100.0%	1 000
<i>Waste Management</i>		-	1 000	-	-	-	167	83	100.0%	1 000
<i>Transportation</i>		6 454	-	-	-	-	-	-	-	-
Community		22 013	31 250	-	4 974	4 974	5 208	2 604	100.0%	31 250
Parks & gardens		-	1 000	-	-	-	167	83	100.0%	1 000
Sportsfields & stadia		13 919	21 500	-	4 974	4 974	3 583	1 792	100.0%	21 500
Swimming pools		-	2 000	-	-	-	333	167	100.0%	2 000
Community halls		4 458	-	-	-	-	-	-	-	-
Fire, safety & emergency		2 766	-	-	-	-	-	-	-	-
Cemeteries		870	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 750	-	-	-	1 125	563	100.0%	6 750
Other assets		48 690	26 920	-	4 757	7 170	4 487	(170)	-7.6%	26 920
Computers - hardware/equipment		-	3 750	-	-	292	625	21	6.7%	3 750
Markets		1 973	-	-	-	-	-	-	-	-
Civic Land and Buildings		43 678	10 170	-	4 757	6 879	1 695	(1 275)	-150.4%	10 170
Other Buildings		301	-	-	-	-	-	-	-	-
Other		2 738	13 000	-	-	-	2 167	1 083	100.0%	13 000
Intangibles		19	25 000	-	-	-	4 167	2 083	100.0%	25 000
Computers - software & programming		-	25 000	-	-	-	4 167	2 083	100.0%	25 000
Other		19	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing ass	1	184 990	644 081	-	20 780	27 925	107 347	46 528	86.7%	644 081

The chart below displays a comparison between the previous year's capital expenditure performances to that of the current year for the month under review.

Chart 7: Capital Expenditure Monthly Trend



The monthly 2014/15 trend presents monthly actual expenditure figures for prior year. Original Budget stipulates the budget for the year. The monthly actual figures stipulates a monthly trend, there has been a slight increase when compared to the previous month.

The chart below, on the other hand, tracks the capital expenditure's cumulative balances budget versus actual.

Chart 8: Capital Expenditure: YTD Actual vs. YTD Target

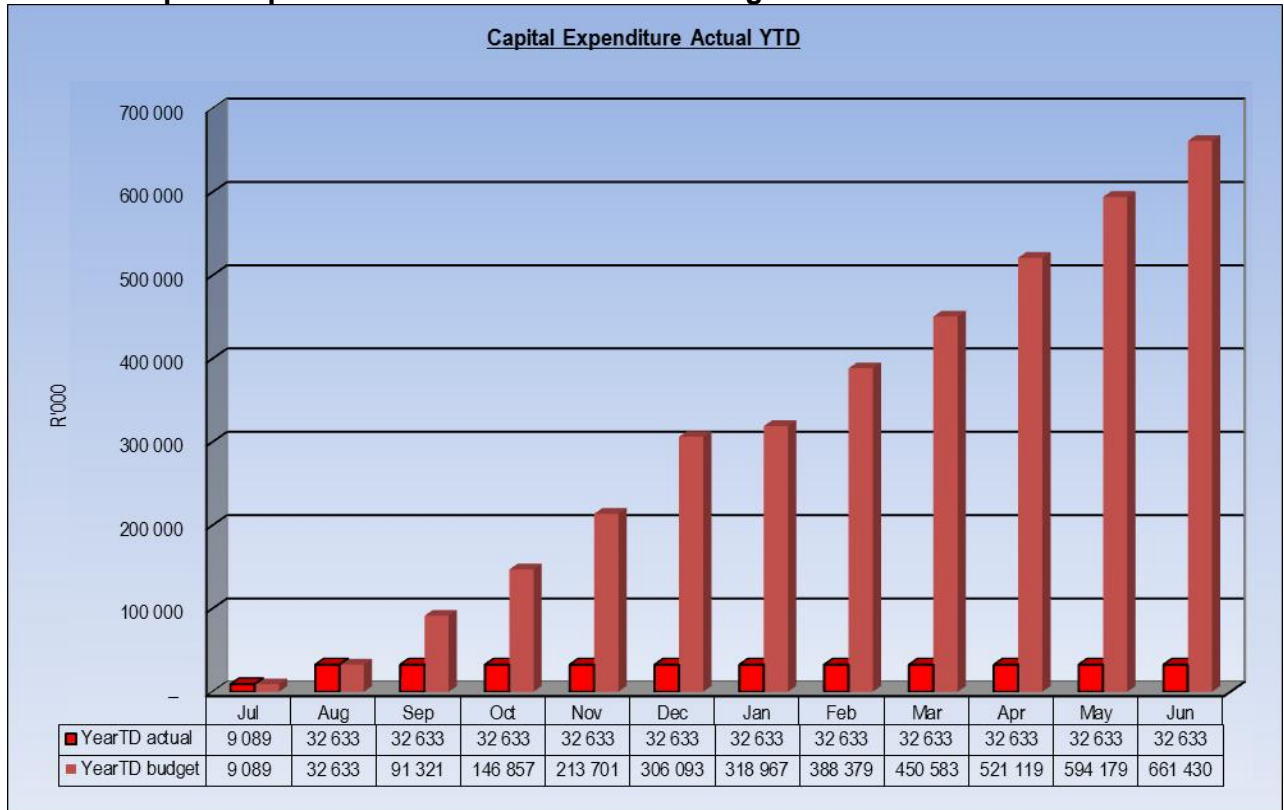
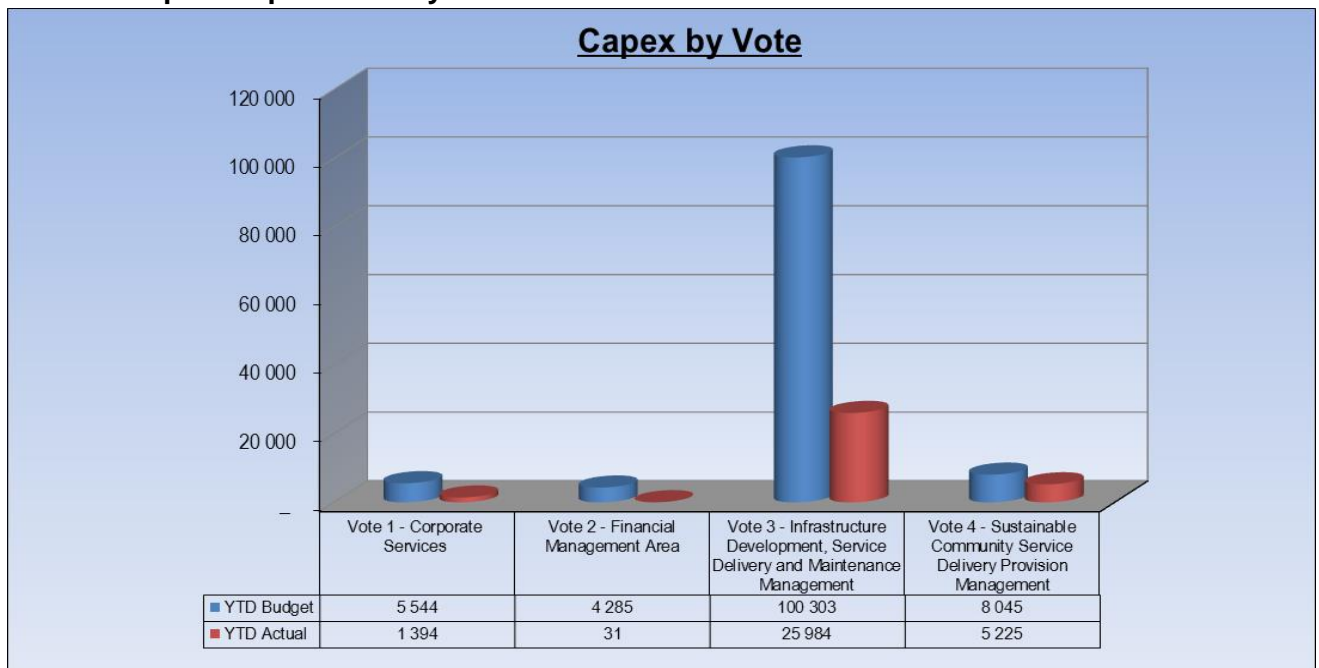


Chart 9: Capital Expenditure by Vote





In Year report of Municipal Entities Attached to the Municipality's in-year report

The municipal entity's report for the month ending August 2015 has been attached.

2.10 Municipal Manager's Quality's Certification

Quality Certificate

I, **MXOLISI NKOSI**, the municipal manager of **MSUNDUZI LOCAL MUNICIPALITY**, hereby certify that –

- the monthly budget statement

for the month of **August 2015** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **MXOLISI NKOSI**

Municipal manager of: **MSUNDUZI MUNICIPALITY**

Signature: _____

Date: _____