



Msunduzi Municipality
MFMA s71 Monthly Report

January 2017 Report
Budget & Treasury Office

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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 2.493 billion for the period ending 31 January 2017. The YTD Budget was R 2.807 billion, therefore the actual underperformed against the budget by R 314.0 million against the revenue projected. The two main contributors, both accounting for 64% of the actual total YTD Revenue earned are Electricity (46%) & Property Rates revenue (18%). These two revenue sources make up more than 63% of the total YTD budget.

Operating Expenditure: The total actual YTD operating expenditure for the period ending 31 January 2017 amounted to R 2.345 billion while the YTD budget was R 2.776 billion. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 67% of the annual budget expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 508.5 million, the actual YTD Capital expenditure incurred amounted to R 213.0 million resulting in underperformance of the capital budget. This is mainly due to the slow start of the new financial year.

Grant Receipts: The total budgeted operational and capital grant receipts for this financial year is R 936.9 million inclusive of equitable share of R 432.3 million and Capital transfers of R 470.2 million.

Cash & Cash equivalents as at 31 January 2017 was R 1.050 billion.

Consumer Debt: Consumer debt at 31 January 2017 is at R 1.81 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 - M07 January

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	762 288	842 558	893 111	68 283	492 415	520 981	(28 566)	-5%	893 111
Service charges	2 468 237	2 878 830	3 116 589	200 178	1 512 295	1 818 011	(305 716)	-17%	3 116 589
Investment revenue	68 242	49 270	52 242	11 029	54 697	30 475	24 223	79%	52 242
Transfers recognised - operational	466 156	489 491	530 153	26	335 281	309 256	26 025	8%	530 153
Other own revenue	229 530	212 797	221 307	#REF!	99 113	129 096	(29 983)	-23%	221 307
Total Revenue (excluding capital transfers and contributions)	3 994 454	4 472 946	4 813 403	#REF!	2 493 801	2 807 818	(314 017)	-11%	4 813 403
Employee costs	938 283	1 035 660	1 101 367	81 786	617 164	642 464	(25 300)	-4%	1 101 367
Remuneration of Councillors	41 763	43 033	45 615	3 561	24 963	26 609	(1 646)	-6%	45 615
Depreciation & asset impairment	554 292	506 103	569 317	38 894	269 305	332 102	(62 797)	-19%	569 317
Finance charges	75 095	65 460	58 263	(1)	33 929	33 987	(58)	-0%	58 263
Materials and bulk purchases	1 950 574	2 117 550	2 311 745	136 141	1 011 060	1 348 518	(337 458)	-25%	2 311 745
Transfers and grants	5 911	148 325	153 542	1 730	5 270	89 566	(84 296)	-94%	153 542
Other expenditure	679 556	536 243	520 498	66 218	383 530	303 624	79 906	26%	520 498
Total Expenditure	4 245 473	4 452 374	4 760 347	328 328	2 345 221	2 776 869	(431 648)	-16%	4 760 347
Surplus/(Deficit)	(251 020)	20 572	53 055	#REF!	148 580	30 949	117 631	380%	53 055
Transfers recognised - capital	303 484	447 414	460 223	25 830	97 824	268 464	(170 640)	-64%	460 223
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	52 465	467 986	513 278	#REF!	246 404	299 412	(53 008)	-18%	513 278
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	52 465	467 986	513 278	#REF!	246 404	299 412	(53 008)	-18%	513 278
Capital expenditure & funds sources									
Capital expenditure	476 286	726 241	871 726	39 016	213 057	508 507	(295 450)	-58%	871 726
Capital transfers recognised	303 484	447 973	459 374	34 072	152 677	267 968	(115 291)	-43%	459 374
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	158 268	-	6 481	92 323	(85 842)	-93%	158 268
Internally generated funds	110 621	120 000	254 084	4 944	53 899	148 216	(94 317)	-64%	254 084
Total sources of capital funds	476 286	726 241	871 726	39 016	213 057	508 507	(295 450)	-58%	871 726
Financial position									
Total current assets	2 301 492	3 134 961	3 201 273	-	-	-	-	-	3 134 961
Total non current assets	7 913 847	7 628 886	8 097 964	-	-	-	-	-	7 628 886
Total current liabilities	1 026 044	1 318 873	1 120 614	-	-	-	-	-	1 318 873
Total non current liabilities	1 261 220	1 255 546	1 222 899	-	-	-	-	-	1 255 546
Community wealth/Equity	7 928 075	8 189 428	8 955 724	-	-	-	-	-	8 189 428
Cash flows									
Net cash from (used) operating	567 242	773 696	866 263	133 639	202 720	386 848	184 128	48%	866 263
Net cash from (used) investing	(476 769)	(617 305)	(867 636)	(40 643)	(214 674)	(308 653)	(93 979)	30%	(867 636)
Net cash from (used) financing	46 218	(17 762)	(23 307)	(19)	(30 431)	(8 881)	21 550	-243%	(23 307)
Cash/cash equivalents at the month/year end	969 624	1 051 338	1 026 910	-	934 332	1 120 904	186 571	17%	952 037
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	287 464	153 791	57 355	52 246	44 066	36 188	39 029	#####	1 814 032
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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										
Governance and administration		1 546 404	1 542 450	1 439 698	81 978	754 464	771 225	(16 761)	-2%	1 439 698
Executive and council		3 116	-	1 700	-	-	-	-		1 700
Budget and treasury office		1 539 007	1 528 270	1 424 981	81 978	754 459	764 135	(9 676)	-1%	1 424 981
Corporate services		4 280	14 180	13 017	0	5	7 090	(7 085)	-100%	13 017
Community and public safety		153 173	93 565	72 220	2 588	25 307	46 783	(21 475)	-46%	72 220
Community and social services		51 647	52 155	30 150	1 421	17 222	26 078	(8 856)	-34%	30 150
Sport and recreation		24 067	885	933	109	562	442	120	27%	933
Public safety		57 463	23 347	24 656	488	3 517	11 673	(8 156)	-70%	24 656
Housing		19 982	17 144	16 445	570	4 006	8 572	(4 566)	-53%	16 445
Health		13	34	36	-	-	17	(17)	-100%	36
Economic and environmental services		186 360	435 042	445 083	19 635	111 731	217 521	(105 790)	-49%	445 083
Planning and development		44 444	53 331	43 268	1 448	5 367	26 666	(21 298)	-80%	43 268
Road transport		141 916	381 711	401 814	12 385	53 445	190 856	(137 411)	-72%	401 814
Environmental protection		-	-	-	5 802	52 919	-	52 919	#DIV/0!	-
Trading services		2 884 393	3 426 115	3 284 083	214 749	1 689 569	1 713 057	(23 488)	-1%	3 284 083
Electricity		1 853 876	2 074 912	2 119 662	148 978	1 139 010	1 037 456	101 554	10%	2 119 662
Water		722 297	1 052 569	880 934	52 547	442 673	526 284	(83 611)	-16%	880 934
Waste water management		200 710	176 288	175 433	11 475	93 609	88 144	5 465	6%	175 433
Waste management		107 510	122 345	108 054	1 750	14 277	61 173	(46 896)	-77%	108 054
Other	4	30 794	31 371	32 542	15	10 553	15 686	(5 132)	-33%	32 542
Total Revenue - Standard	2	4 801 124	5 528 543	5 273 626	318 966	2 591 625	2 764 272	(172 646)	-6%	5 273 626
Expenditure - Standard										
Governance and administration		839 933	995 248	498 364	43 621	366 046	497 624	(131 578)	-26%	498 364
Executive and council		6 661	113 165	139 330	10 255	98 025	56 582	41 443	73%	139 330
Budget and treasury office		827 451	645 336	102 357	21 824	180 435	322 668	(142 233)	-44%	102 357
Corporate services		5 821	236 747	256 677	11 542	87 585	118 374	(30 788)	-26%	256 677
Community and public safety		679 603	551 767	643 365	58 114	355 471	276 171	79 300	29%	643 365
Community and social services		124 603	140 429	159 342	10 594	82 416	70 215	12 201	17%	159 342
Sport and recreation		168 142	118 290	140 074	9 649	74 965	59 145	15 820	27%	140 074
Public safety		274 361	236 010	272 714	35 164	178 453	118 293	60 160	51%	272 714
Housing		68 928	32 584	44 953	2 380	17 088	16 292	796	5%	44 953
Health		43 569	24 453	26 282	326	2 549	12 226	(9 677)	-79%	26 282
Economic and environmental services		486 939	567 103	575 131	29 772	237 561	283 552	(45 990)	-16%	575 131
Planning and development		109 220	110 222	129 588	5 523	40 054	55 111	(15 057)	-27%	129 588
Road transport		377 719	456 881	445 543	19 951	168 812	228 440	(59 629)	-26%	445 543
Environmental protection		-	-	-	4 297	28 695	-	28 695	#DIV/0!	-
Trading services		2 686 812	2 904 545	2 995 001	192 133	1 357 435	1 452 272	(94 837)	-7%	2 995 001
Electricity		1 700 454	1 695 915	1 738 568	119 410	908 568	847 958	60 610	7%	1 738 568
Water		623 176	912 149	903 438	52 929	306 184	456 074	(149 891)	-33%	903 438
Waste water management		204 428	192 253	226 066	15 688	112 717	96 127	16 591	17%	226 066
Waste management		158 754	104 227	126 929	4 105	29 966	52 114	(22 148)	-42%	126 929
Other		55 373	41 895	48 485	4 687	28 707	20 948	7 760	37%	48 485
Total Expenditure - Standard	3	4 748 659	5 060 558	4 760 347	328 326	2 345 221	2 530 567	(185 346)	-7%	4 760 347
Surplus/ (Deficit) for the year		52 465	467 985	513 278	(9 361)	246 404	233 705	12 700	5%	513 278

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) - M07 January

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 - City Manager	1	3 177	-	1 700	7	38	992	(954)	-96.2%	1 700
Vote 2 - City Finance		1 539 007	1 528 270	1 585 581	81 978	754 459	924 922	(170 463)	-18.4%	1 585 581
Vote 3 - Community Services & Social Equity		212 748	176 823	163 405	2 018	21 301	95 319	(74 018)	-77.7%	163 405
Vote 4 - Corporate Services		4 219	14 182	13 019	0	5	7 595	(7 589)	-99.9%	13 019
Vote 5 - Infrastructure Services		2 932 391	3 712 792	3 404 849	227 128	1 742 976	1 986 162	(243 186)	-12.2%	3 404 849
Vote 6 - Sustainable Development and City Enterprises		109 581	96 476	105 072	7 836	72 846	61 292	11 554	18.9%	105 072
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	4 801 124	5 528 543	5 273 626	318 966	2 591 625	3 076 282	(484 657)	-15.8%	5 273 626
Expenditure by Vote										
Vote 1 - City Manager	1	10 260	142 460	172 379	10 255	98 025	100 555	(2 529)	-2.5%	172 379
Vote 2 - City Finance		902 315	723 311	701 904	21 824	180 435	409 444	(229 009)	-55.9%	701 904
Vote 3 - Community Services & Social Equity		728 770	605 502	575 686	55 734	335 834	335 817	17	0.0%	575 686
Vote 4 - Corporate Services		8 747	216 740	264 003	11 542	87 585	154 002	(66 416)	-43.1%	264 003
Vote 5 - Infrastructure Services		2 860 578	3 220 418	2 860 289	212 084	1 526 247	1 668 502	(142 255)	-8.5%	2 860 289
Vote 6 - Sustainable Development and City Enterprises		237 989	152 126	186 086	16 888	117 094	108 550	8 544	7.9%	186 086
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	4 748 659	5 060 558	4 760 347	328 328	2 345 221	2 776 869	(431 649)	-15.5%	4 760 347
Surplus/ (Deficit) for the year	2	52 465	467 985	513 278	(9 361)	246 404	299 412	(53 008)	-17.7%	513 278

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 January 2017.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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 Source										
Property rates		742 052	798 728	846 651	66 625	473 192	493 880	(20 688)	-4%	846 651
Property rates - penalties & collection charges		20 236	43 830	46 460	1 658	19 224	27 102	(7 878)	-29%	46 460
Service charges - electricity revenue		1 784 586	2 008 246	2 161 676	142 281	1 512 295	1 260 977	251 317	20%	2 161 676
Service charges - water revenue		473 021	623 188	692 674	40 016	-	404 060	(404 060)	-100%	692 674
Service charges - sanitation revenue		126 391	147 839	156 710	10 712	-	91 414	(91 414)	-100%	156 710
Service charges - refuse revenue		84 240	99 557	105 531	7 168	-	61 560	(61 560)	-100%	105 531
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		20 222	43 809	43 232	1 516	11 779	25 218	(13 439)	-53%	43 232
Interest earned - external investments		68 242	49 270	52 242	11 029	54 697	30 475	24 223	79%	52 242
Interest earned - outstanding debtors		60 214	66 349	70 330	6 791	37 950	41 026	(3 076)	-7%	70 330
Dividends received		-	-	-	-	-	-	-	-	-
Fines		52 658	18 538	19 528	50	563	11 391	(10 829)	-95%	19 528
Licences and permits		90	92	97	5	40	57	(17)	-30%	97
Agency services		532	670	704	26	252	410	(158)	-39%	704
Transfers recognised - operational		466 156	489 491	530 153	1 558	335 281	309 256	26 025	8%	530 153
Other revenue		87 808	83 339	87 417	3 700	29 328	50 993	(21 665)	-42%	87 417
Gains on disposal of PPE		8 007	-	-	-	19 201	-	19 201	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 994 454	4 472 946	4 813 403	293 136	2 493 801	2 807 818	(314 017)	-11%	4 813 403
Expenditure By Type										
Employee related costs		938 283	1 035 660	1 101 367	81 786	617 164	642 464	(25 300)	-4%	1 101 367
Remuneration of councillors		41 763	43 033	45 615	3 561	24 963	26 609	(1 646)	-6%	45 615
Debt impairment		92 508	120 815	127 356	-	-	74 291	(74 291)	-100%	127 356
Depreciation & asset impairment		554 292	506 103	569 317	38 894	269 305	332 102	(62 797)	-19%	569 317
Finance charges		75 095	65 460	58 263	(1)	33 929	33 987	(58)	0%	58 263
Bulk purchases		1 799 214	1 936 708	2 106 296	132 707	1 002 936	1 228 673	(225 737)	-18%	2 106 296
Other materials		151 360	180 842	205 449	3 434	8 124	119 845	(111 721)	-93%	205 449
Contracted services		65 468	35 108	45 589	42 776	240 498	26 594	213 904	804%	45 589
Transfers and grants		5 911	148 325	153 542	1 730	5 270	89 566	(84 296)	-94%	153 542
Other expenditure		521 580	380 320	347 553	23 442	123 839	202 739	(78 900)	-39%	347 553
Loss on disposal of PPE		-	-	-	-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 245 473	4 452 374	4 760 347	328 328	2 345 221	2 776 869	(431 648)	-16%	4 760 347
Surplus/(Deficit)		(251 020)	20 572	53 055	(35 192)	148 580	30 949	117 631	0	53 055
Transfers recognised - capital		303 484	447 414	460 223	25 830	97 824	268 464	(170 640)	(0)	460 223
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		52 465	467 986	513 278	(9 361)	246 404	299 412			513 278
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		52 465	467 986	513 278	(9 361)	246 404	299 412			513 278
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		52 465	467 986	513 278	(9 361)	246 404	299 412			513 278
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		52 465	467 986	513 278	(9 361)	246 404	299 412			513 278

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) - M07 January

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 - City Manager		6 411	5 250	5 250	-	-	3 063	(3 063)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	26 288	(243)	188	15 334	(15 146)	-99%	26 288
Vote 3 - Community Services & Social Equity		34 870	51 700	51 700	1 103	9 165	30 158	(20 993)	-70%	51 700
Vote 4 - Corporate Services		-	5 985	25 985	1 580	1 580	15 158	(13 578)	-90%	25 985
Vote 5 - Infrastructure Services		326 001	546 074	634 820	34 639	145 670	370 312	(224 642)	-61%	634 820
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	63 544	40	16 851	37 067	(20 216)	-55%	63 544
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 Capital Multi-year expenditure	4,7	399 069	697 480	807 586	37 119	173 454	471 092	(297 638)	-63%	807 586
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	2 000	-	19	1 167	(1 147)	-98%	2 000
Vote 2 - City Finance		31 896	782	782	-	13 979	456	13 523	2965%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	46 065	1 671	14 808	26 871	(12 063)	-45%	46 065
Vote 4 - Corporate Services		6 460	527	511	42	2 164	298	1 866	627%	511
Vote 5 - Infrastructure Services		17 510	3 590	10 985	106	7 876	6 408	1 468	23%	10 985
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	3 798	78	756	2 215	(1 459)	-66%	3 798
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 Capital single-year expenditure	4	77 217	28 761	64 140	1 897	39 602	37 415	2 187	6%	64 140
Total Capital Expenditure		476 286	726 241	871 726	39 016	213 057	508 507	(295 450)	-58%	871 726
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	61 213	1 379	19 937	35 708	(15 770)	-44%	61 213
Executive and council		7 174	5 750	7 237	-	19	4 222	(4 202)	-100%	7 237
Budget and treasury office		36 832	25 710	27 200	(243)	14 168	15 866	(1 699)	-11%	27 200
Corporate services		6 460	6 512	26 777	1 622	5 750	15 620	(9 869)	-63%	26 777
Community and public safety		52 921	103 238	136 872	2 773	28 034	79 842	(51 808)	-65%	136 872
Community and social services		4 763	32 740	63 364	2 541	10 598	36 962	(26 364)	-71%	63 364
Sport and recreation		39 271	31 425	34 434	232	13 157	20 087	(6 930)	-35%	34 434
Public safety		3 022	3 640	3 640	-	-	2 123	(2 123)	-100%	3 640
Housing		5 864	35 434	35 434	-	4 278	20 670	(16 391)	-79%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	316 419	13 716	93 509	184 578	(91 069)	-49%	316 419
Planning and development		23 039	31 908	46 540	118	12 307	27 148	(14 841)	-55%	46 540
Road transport		126 943	260 312	268 418	13 597	81 202	156 577	(75 376)	-48%	268 418
Environmental protection		1 594	1 460	1 460	-	-	852	(852)	-100%	1 460
Trading services		218 966	291 352	357 223	21 148	71 446	208 380	(136 935)	-66%	357 223
Electricity		112 513	190 721	256 710	10 258	25 246	149 747	(124 502)	-83%	256 710
Water		65 591	58 728	70 304	634	1 107	41 011	(39 904)	-97%	70 304
Waste water management		37 404	31 403	19 159	4 679	32 740	11 176	21 564	193%	19 159
Waste management		3 457	10 500	11 050	5 578	12 353	6 446	5 907	92%	11 050
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	476 286	726 241	871 726	39 016	213 057	508 507	(295 450)	-58%	871 726
Funded by:										
National Government		270 402	428 074	424 639	34 071	147 074	247 706	(100 632)	-41%	424 639
Provincial Government		28 696	19 899	34 735	1	5 603	20 262	(14 659)	-72%	34 735
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		4 386	-	-	-	-	-	-	-	-
Transfers recognised - capital		303 484	447 973	459 374	34 072	152 677	267 968	(115 291)	-43%	459 374
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	158 268	-	6 481	92 323	(85 842)	-93%	158 268
Internally generated funds		110 621	120 000	254 084	4 944	53 899	148 216	(94 317)	-64%	254 084
Total Capital Funding		476 286	726 241	871 726	39 016	213 057	508 507	(295 450)	-58%	871 726

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 January 2017.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M07 January

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		82 425	100 000	100 088		100 000
Call investment deposits		895 518	951 338	926 910		951 338
Consumer debtors		888 164	965 246	1 055 896		965 246
Other debtors		370 235	376 441	376 444		376 441
Current portion of long-term receivables		-	43	43		43
Inventory		65 151	741 893	741 893		741 893
Total current assets		2 301 492	3 134 961	3 201 273	-	3 134 961
Non current assets						
Long-term receivables		-	9 455	9 455		9 455
Investments			-			-
Investment property		656 409	356 914	356 914		356 914
Investments in Associate			-			-
Property, plant and equipment		6 919 378	7 009 706	7 478 784		7 009 706
Agricultural		54 276	-	46 520		-
Biological assets			46 520			46 520
Intangible assets		39 519	27 283	27 283		27 283
Other non-current assets		244 266	179 008	179 008		179 008
Total non current assets		7 913 847	7 628 886	8 097 964	-	7 628 886
TOTAL ASSETS		10 215 340	10 763 847	11 299 237	-	10 763 847
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		69 315	67 762	73 307		67 762
Consumer deposits		92 378	92 798	92 798		92 798
Trade and other payables		836 519	1 152 229	948 424		1 152 229
Provisions		27 832	6 084	6 084		6 084
Total current liabilities		1 026 044	1 318 873	1 120 614	-	1 318 873
Non current liabilities						
Borrowing		568 480	511 999	438 691		511 999
Provisions		692 740	743 547	784 208		743 547
Total non current liabilities		1 261 220	1 255 546	1 222 899	-	1 255 546
TOTAL LIABILITIES		2 287 264	2 574 419	2 343 513	-	2 574 419
NET ASSETS	2	7 928 075	8 189 428	8 955 724	-	8 189 428
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 651 851	8 016 514	8 782 810		8 016 514
Reserves		276 224	172 914	172 914		172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 928 075	8 189 428	8 955 724	-	8 189 428

Table C7 below display the Cash Flow Statement for the month ending 31 January 2017.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		762 288	741 451	785 938	51 365	406 308	370 726	35 583	10%	785 938
Service charges		2 468 237	2 533 370	2 742 599	184 311	1 527 154	1 266 685	260 469	21%	2 742 599
Other revenue		68 802	138 875	143 350	80 896	250 937	69 438	181 500	261%	143 350
Government - operating		466 156	489 491	530 153	6 930	356 262	244 746	111 516	46%	530 153
Government - capital		303 484	447 973	460 223	56 984	365 365	223 987	141 378	63%	460 223
Interest		128 456	107 657	114 133	13 198	64 893	53 829	11 065	21%	114 133
Dividends				-			-	-		-
Payments										
Suppliers and employees		(3 554 849)	(3 611 671)	(3 843 266)	(258 315)	(2 730 819)	(1 805 836)	924 984	-51%	(3 843 266)
Finance charges		(75 095)	(65 460)	(58 263)	-	(33 920)	(32 730)	1 190	-4%	(58 263)
Transfers and Grants		(238)	(7 990)	(8 603)	(1 730)	(3 460)	(3 995)	(535)	13%	(8 603)
NET CASH FROM/(USED) OPERATING ACTIVITIES		567 242	773 696	866 263	133 639	202 720	386 848	184 128	48%	866 263
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-					-	-		-
Decrease (Increase) in non-current debtors		-					-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(24 771)					-	-		-
Payments										
Capital assets		(451 998)	(617 305)	(867 636)	(40 643)	(214 674)	(308 653)	(93 979)	30%	(867 636)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(476 769)	(617 305)	(867 636)	(40 643)	(214 674)	(308 653)	(93 979)	30%	(867 636)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		5 348	50 000	50 000			25 000	(25 000)	-100%	50 000
Increase (decrease) in consumer deposits					5	2 816	-	2 816	#DIV/0!	-
Payments										
Repayment of borrowing		40 870	(67 762)	(73 307)	(24)	(33 247)	(33 881)	(634)	2%	(73 307)
NET CASH FROM/(USED) FINANCING ACTIVITIES		46 218	(17 762)	(23 307)	(19)	(30 431)	(8 881)	21 550	-243%	(23 307)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		832 933	912 709	1 051 589		976 717	1 051 589			976 717
Cash/cash equivalents at month/year end:		969 624	1 051 338	1 026 910		934 332	1 120 904			952 037

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M07 January

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	762 288	842 558	893 111	68 283	492 415	520 981	(28 566)	-5%	842 558
Service charges	2 468 237	2 878 830	3 116 589	200 178	1 512 295	1 818 011	(305 716)	-17%	2 878 830
Investment revenue	68 435	49 330	52 307	11 035	54 742	30 551	24 192	79%	49 330
Transfers recognised - operational	466 156	489 491	530 153	1 558	335 281	309 256	26 025	8%	489 491
Other own revenue	229 532	212 797	221 307	12 088	99 113	129 096	(29 983)	-23%	212 797
Total Revenue (excluding capital transfers and contributions)	3 994 648	4 473 006	4 813 468	293 142	2 493 846	2 807 894	(314 048)	-11%	4 473 006
Employee costs	942 483	1 040 938	1 106 645	82 205	620 217	645 543	(25 326)	-4%	1 040 938
Remuneration of Councillors	41 763	43 033	45 615	3 561	24 963	26 609	(1 646)	-6%	43 033
Depreciation & asset impairment	556 772	507 298	570 147	38 963	269 789	332 586	(62 797)	-19%	507 298
Finance charges	75 095	65 474	58 275	(0)	33 936	33 994	(58)	-0%	65 474
Materials and bulk purchases	1 950 786	2 118 107	2 312 234	136 141	1 011 191	1 348 752	(337 561)	-25%	2 118 107
Transfers and grants	238	140 526	153 542	1 730	5 270	89 566	(84 296)	-94%	140 526
Other expenditure	678 690	538 193	522 208	66 319	384 567	304 622	79 945	26%	538 193
Total Expenditure	4 245 827	4 453 569	4 768 666	328 918	2 349 933	2 781 671	(431 738)	-16%	4 453 569
Surplus/(Deficit)	(251 179)	19 436	44 801	(35 776)	143 913	26 223	117 691	449%	19 436
Transfers recognised - capital	303 484	447 973	460 223	25 830	97 824	268 464	(170 640)	-64%	447 973
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	52 305	467 410	505 024	(9 945)	241 737	294 686	(52 949)	-18%	467 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	52 305	467 410	505 024	(9 945)	241 737	294 686	(52 949)	-18%	467 410
Capital expenditure & funds sources									
Capital expenditure	476 286	726 241	871 726	39 016	213 057	423 641	(210 584)	-50%	726 241
Capital transfers recognised	303 484	447 973	459 374	34 072	152 677	261 318	(108 641)	-42%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	158 268	-	6 481	92 323	(85 842)	-93%	158 268
Internally generated funds	110 621	120 000	254 084	4 944	53 899	70 000	(16 101)	-23%	120 000
Total sources of capital funds	476 286	726 241	871 726	39 016	213 057	423 641	(210 584)	-50%	726 241
Financial position									
Total current assets	2 302 946	3 135 284	3 202 376	-	-	-	-	-	3 136 412
Total non current assets	7 920 047	7 640 388	8 103 926	-	-	-	-	-	7 646 173
Total current liabilities	1 033 047	1 319 101	1 120 864	-	-	-	-	-	1 319 351
Total non current liabilities	1 261 220	1 255 547	1 222 899	-	-	-	-	-	1 255 547
Community wealth/Equity	7 928 726	8 201 024	8 962 539	-	-	-	-	-	8 207 687
Cash flows									
Net cash from (used) operating	567 142	773 947	858 350	133 123	202 720	501 020	298 300	60%	858 350
Net cash from (used) investing	(483 379)	(617 305)	(867 636)	(40 643)	(214 674)	(506 121)	(291 447)	58%	(867 636)
Net cash from (used) financing	46 218	(17 762)	(23 307)	(19)	(30 431)	(13 596)	16 835	-124%	(23 307)
Cash/cash equivalents at the month/year end	971 061	1 051 589	(32 593)	-	934 332	894 012	(40 320)	-5%	944 124
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	287 464	153 791	57 355	52 246	44 066	36 188	39 029	#####	1 814 032
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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										
Governance and administration		1 546 404	1 542 450	1 439 698	81 978	754 464	771 225	(16 761)	-2%	1 542 450
Executive and council		3 116	-	1 700	-	-	-	-	-	-
Budget and treasury office	1 539 007	1 528 270	1 424 981	81 978	754 459	764 135	(9 676)	-1%	1 528 270	
Corporate services	4 280	14 180	13 017	0	5	7 090	(7 085)	-100%	14 180	
Community and public safety		153 173	93 565	72 220	2 588	25 307	46 783	(21 475)	-46%	93 565
Community and social services	51 647	52 155	30 150	1 421	17 222	26 078	(8 856)	-34%	52 155	
Sport and recreation	24 067	885	933	109	562	442	120	27%	885	
Public safety	57 463	23 347	24 656	488	3 517	11 673	(8 156)	-70%	23 347	
Housing	19 982	17 144	16 445	570	4 006	8 572	(4 566)	-53%	17 144	
Health	13	34	36	-	-	17	(17)	-100%	34	
Economic and environmental services		186 360	435 042	445 083	19 635	111 731	217 521	(105 790)	-49%	435 042
Planning and development	44 444	53 331	43 268	1 448	5 367	26 666	(21 298)	-80%	53 331	
Road transport	141 916	381 711	401 814	12 385	53 445	190 856	(137 411)	-72%	381 711	
Environmental protection	-	-	-	5 802	52 919	-	52 919	#DIV/0!	-	
Trading services		2 884 393	3 426 115	3 284 083	214 749	1 689 569	1 713 057	(23 488)	-1%	3 426 115
Electricity	1 853 876	2 074 912	2 119 662	148 978	1 139 010	1 037 456	101 554	10%	2 074 912	
Water	722 297	1 052 569	880 934	52 547	442 673	526 284	(83 611)	-16%	1 052 569	
Waste water management	200 710	176 288	175 433	11 475	93 609	88 144	5 465	6%	176 288	
Waste management	107 510	122 345	108 054	1 750	14 277	61 173	(46 896)	-77%	122 345	
Other	4	30 794	31 371	32 542	15	10 553	15 686	(5 132)	-33%	31 371
Total Revenue - Standard	2	4 801 124	5 528 543	5 273 626	318 966	2 591 625	2 764 272	(172 646)	-6%	5 528 543
Expenditure - Standard										
Governance and administration		839 933	995 248	498 364	43 621	366 046	497 624	(131 578)	-26%	995 248
Executive and council	6 661	113 165	139 330	10 255	98 025	56 582	41 443	73%	113 165	
Budget and treasury office	827 451	645 336	102 357	21 824	180 435	322 668	(142 233)	-44%	645 336	
Corporate services	5 821	236 747	256 677	11 542	87 585	118 374	(30 788)	-26%	236 747	
Community and public safety		692 791	552 342	643 365	58 698	360 138	276 459	83 680	30%	552 342
Community and social services	124 603	141 004	159 342	11 178	87 083	70 502	16 580	24%	141 004	
Sport and recreation	168 142	118 290	140 074	9 649	74 965	59 145	15 820	27%	118 290	
Public safety	287 549	236 010	272 714	35 164	178 453	118 293	60 160	51%	236 010	
Housing	68 928	32 584	44 953	2 380	17 088	16 292	796	5%	32 584	
Health	43 569	24 453	26 282	326	2 549	12 226	(9 677)	-79%	24 453	
Economic and environmental services		486 939	567 103	575 131	29 772	237 561	283 552	(45 990)	-16%	567 103
Planning and development	109 220	110 222	129 588	5 523	40 054	55 111	(15 057)	-27%	110 222	
Road transport	377 719	456 881	445 543	19 951	168 812	228 440	(59 629)	-26%	456 881	
Environmental protection	-	-	-	4 297	28 695	-	28 695	#DIV/0!	-	
Trading services		2 673 784	2 904 545	3 003 255	192 133	1 357 435	1 452 272	(94 837)	-7%	2 904 545
Electricity	1 687 426	1 695 915	1 746 822	119 410	908 568	847 958	60 610	7%	1 695 915	
Water	623 176	912 149	903 438	52 929	306 184	456 074	(149 891)	-33%	912 149	
Waste water management	204 428	192 253	226 066	15 688	112 717	96 127	16 591	17%	192 253	
Waste management	158 754	104 227	126 929	4 105	29 966	52 114	(22 148)	-42%	104 227	
Other		55 373	41 895	48 485	4 687	28 707	20 948	7 760	37%	41 895
Total Expenditure - Standard	3	4 748 819	5 061 133	4 768 601	328 910	2 349 888	2 530 855	(180 967)	-7%	5 061 133
Surplus/ (Deficit) for the year		52 305	467 410	505 024	(9 945)	241 737	233 417	8 320	4%	467 410

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07

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 - City Manager	1	3 177	-	1 700	7	38	992	(954)	-96.2%	1 700
Vote 2 - City Finance		1 539 007	1 528 270	1 585 581	81 978	754 459	924 922	(170 463)	-18.4%	1 585 581
Vote 3 - Community Services & Social Equity		212 748	176 823	163 405	2 018	21 301	95 319	(74 018)	-77.7%	163 405
Vote 4 - Corporate Services		4 219	14 182	13 019	0	5	7 595	(7 589)	-99.9%	13 019
Vote 5 - Infrastructure Services		2 932 391	3 712 792	3 404 849	227 128	1 742 976	1 986 162	(243 186)	-12.2%	3 404 849
Vote 6 - Sustainable Development and City Enterprises		109 581	96 476	105 072	7 836	72 846	61 292	11 554	18.9%	105 072
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	4 801 124	5 528 543	5 273 626	318 966	2 591 625	3 076 282	(484 657)	-15.8%	5 273 626
Expenditure by Vote										
Vote 1 - City Manager	1	10 260	142 460	172 379	10 255	98 025	100 555	(2 529)	-2.5%	172 379
Vote 2 - City Finance		902 315	723 311	701 904	21 824	180 435	409 444	(229 009)	-55.9%	701 904
Vote 3 - Community Services & Social Equity		741 958	605 502	575 686	56 318	340 501	335 817	4 684	1.4%	575 686
Vote 4 - Corporate Services		8 747	216 740	264 003	11 542	87 585	154 002	(66 416)	-43.1%	264 003
Vote 5 - Infrastructure Services		2 847 550	3 220 418	2 868 543	212 084	1 526 247	1 673 317	(147 070)	-8.8%	2 868 543
Vote 6 - Sustainable Development and City Enterprises		237 989	152 701	186 086	16 888	117 094	108 550	8 544	7.9%	186 086
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	4 748 819	5 061 133	4 768 601	328 912	2 349 888	2 781 684	(431 796)	-15.5%	4 768 601
Surplus/ (Deficit) for the year	2	52 305	467 410	505 024	(9 945)	241 737	294 598	(52 860)	-17.9%	505 024

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	Budget Year 2016/17								
		2015/16 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		742 052	798 728	846 651	66 625	473 192	493 880	(20 688)	-4%	798 728
Property rates - penalties & collection charges		20 236	43 830	46 460	1 658	19 224	27 102	(7 878)	-29%	43 830
Service charges - electricity revenue		1 784 586	2 008 246	2 161 676	142 281	1 512 295	1 260 977	251 317	20%	2 008 246
Service charges - water revenue		473 021	623 188	692 674	40 016	-	404 060	(404 060)	-100%	623 188
Service charges - sanitation revenue		126 391	147 839	156 710	10 712	-	91 414	(91 414)	-100%	147 839
Service charges - refuse revenue		84 240	99 557	105 531	7 168	-	61 560	(61 560)	-100%	99 557
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		20 222	43 809	43 232	1 516	11 779	25 218	(13 439)	-53%	43 809
Interest earned - external investments		68 435	49 330	52 307	11 035	54 742	30 551	24 192	79%	49 330
Interest earned - outstanding debtors		60 214	66 349	70 330	6 791	37 950	41 026	(3 076)	-7%	66 349
Dividends received		-	-	-	-	-	-	-	-	-
Fines		52 658	18 538	19 528	50	563	11 391	(10 829)	-95%	18 538
Licences and permits		90	92	97	5	40	57	(17)	-30%	92
Agency services		532	670	704	26	252	410	(158)	-39%	670
Transfers recognised - operational		466 156	489 491	530 153	1 558	335 281	309 256	26 025	8%	489 491
Other revenue		87 810	83 339	87 417	3 700	29 328	50 993	(21 665)	-42%	83 339
Gains on disposal of PPE		8 007	-	-	-	19 201	-	19 201	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 994 648	4 473 006	4 813 468	293 142	2 493 846	2 807 894	(314 048)	-11%	4 473 006
Expenditure By Type										
Employee related costs		942 483	1 040 938	1 106 645	82 205	620 217	645 543	(25 326)	-4%	1 040 938
Remuneration of councillors		41 763	43 033	45 615	3 561	24 963	26 609	(1 646)	-6%	43 033
Debt impairment		92 508	120 815	127 356	-	-	74 291	(74 291)	-100%	120 815
Depreciation & asset impairment		556 772	507 298	570 147	38 963	269 789	332 586	(62 797)	-19%	507 298
Finance charges		75 095	65 474	58 275	(0)	33 936	33 994	(58)	0%	65 474
Bulk purchases		1 799 214	1 936 708	2 106 296	132 707	1 002 936	1 228 673	(225 737)	-18%	1 936 708
Other materials		151 572	181 399	205 938	3 434	8 255	120 079	(111 824)	-93%	181 399
Contracted services		65 468	35 408	45 852	42 795	240 645	26 748	213 897	800%	35 408
Transfers and grants		238	140 526	153 542	1 730	5 270	89 566	(84 296)	-94%	140 526
Other expenditure		520 715	381 970	349 000	23 524	124 729	203 583	(78 854)	-39%	381 970
Loss on disposal of PPE		-	-	-	-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 245 827	4 453 569	4 768 666	328 918	2 349 933	2 781 671	(431 738)	-16%	4 453 569
Surplus/(Deficit)		(251 179)	19 436	44 801	(35 776)	143 913	26 223	117 691	0	19 436
Transfers recognised - capital		303 484	447 973	460 223	25 830	97 824	268 464	(170 640)	(0)	447 973
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		52 305	467 410	505 024	(9 945)	241 737	294 686			467 410
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		52 305	467 410	505 024	(9 945)	241 737	294 686			467 410
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		52 305	467 410	505 024	(9 945)	241 737	294 686			467 410
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		52 305	467 410	505 024	(9 945)	241 737	294 686			467 410

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M07 January

Vote Description	Ref	Budget Year 2016/17								
		2015/16 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 - City Manager		6 411	5 250	5 250	-	-	3 063	(3 063)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	26 288	(243)	188	14 541	(14 353)	-99%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	51 700	1 103	9 165	30 158	(20 993)	-70%	51 700
Vote 4 - Corporate Services		-	5 985	25 985	1 580	1 580	3 491	(1 911)	-55%	5 985
Vote 5 - Infrastructure Services		326 001	546 074	634 820	34 639	145 670	318 543	(172 873)	-54%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	63 544	40	16 851	37 067	(20 216)	-55%	63 544
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 Capital Multi-year expenditure	4,7	399 069	697 480	807 586	37 119	173 454	406 863	(233 409)	-57%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	2 000	-	19	292	(272)	-93%	500
Vote 2 - City Finance		31 896	782	782	-	13 979	456	13 523	2965%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	46 065	1 671	14 808	11 413	3 395	30%	19 565
Vote 4 - Corporate Services		6 460	527	511	42	2 164	307	1 857	605%	527
Vote 5 - Infrastructure Services		17 510	3 590	10 985	106	7 876	2 094	5 781	276%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	3 798	78	756	2 215	(1 459)	-66%	3 798
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 Capital single-year expenditure	4	77 217	28 761	64 140	1 897	39 602	16 777	22 825	136%	28 761
Total Capital Expenditure		476 286	726 241	871 726	39 016	213 057	423 641	(210 584)	-50%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	61 213	1 379	19 937	22 150	(2 213)	-10%	37 971
Executive and council		7 174	5 750	7 237	-	19	3 354	(3 335)	-99%	5 750
Budget and treasury office		36 832	25 710	27 200	(243)	14 168	14 997	(830)	-6%	25 710
Corporate services		6 460	6 512	26 777	1 622	5 750	3 798	1 952	51%	6 512
Community and public safety		52 921	103 238	136 872	2 773	28 034	60 222	(32 189)	-53%	103 238
Community and social services		4 763	32 740	63 364	2 541	10 598	19 098	(8 500)	-45%	32 740
Sport and recreation		39 271	31 425	34 434	232	13 157	18 331	(5 174)	-28%	31 425
Public safety		3 022	3 640	3 640	-	-	2 123	(2 123)	-100%	3 640
Housing		5 864	35 434	35 434	-	4 278	20 670	(16 391)	-79%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	316 419	13 716	93 509	171 313	(77 805)	-45%	293 680
Planning and development		23 039	31 908	46 540	118	12 307	18 613	(6 306)	-34%	31 908
Road transport		126 943	260 312	268 418	13 597	81 202	151 849	(70 647)	-47%	260 312
Environmental protection		1 594	1 460	1 460	-	-	852	(852)	-100%	1 460
Trading services		218 966	291 352	357 223	21 148	71 446	169 955	(98 510)	-58%	291 352
Electricity		112 513	190 721	256 710	10 258	25 246	111 254	(86 008)	-77%	190 721
Water		65 591	58 728	70 304	634	1 107	34 258	(33 151)	-97%	58 728
Waste water management		37 404	31 403	19 159	4 679	32 740	18 319	14 421	79%	31 403
Waste management		3 457	10 500	11 050	5 578	12 353	6 125	6 228	102%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	476 286	726 241	871 726	39 016	213 057	423 641	(210 584)	-50%	726 241
Funded by:										
National Government		270 402	428 074	424 639	34 071	147 074	249 710	(102 636)	-41%	428 074
Provincial Government		28 696	19 899	34 735	1	5 603	11 608	(6 005)	-52%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		4 386	-	-	-	-	-	-	-	-
Transfers recognised - capital		303 484	447 973	459 374	34 072	152 677	261 318	(108 641)	-42%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	158 268	-	6 481	92 323	(85 842)	-93%	158 268
Internally generated funds		110 621	120 000	254 084	4 944	53 899	70 000	(16 101)	-23%	120 000
Total Capital Funding		476 286	726 241	871 726	39 016	213 057	423 641	(210 584)	-50%	726 241

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M07 January

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		83 861	100 068	100 238		100 218
Call investment deposits		895 518	951 589	927 860		952 539
Consumer debtors		888 164	965 246	1 055 896		965 246
Other debtors		370 252	376 444	376 447		376 472
Current portion of long-term receivables			43	43		43
Inventory		65 151	741 893	741 893		741 893
Total current assets		2 302 946	3 135 284	3 202 376	-	3 136 412
Non current assets						
Long-term receivables			9 455	9 455		9 455
Investments						-
Investment property		656 409	356 914	356 914		356 914
Investments in Associate						-
Property, plant and equipment		6 925 578	7 021 207	7 484 746		7 026 992
Agricultural		54 276	46 520	46 520		46 520
Biological assets						-
Intangible assets		39 519	27 283	27 283		27 283
Other non-current assets		244 266	179 008	179 008		179 008
Total non current assets		7 920 047	7 640 388	8 103 926	-	7 646 173
TOTAL ASSETS		10 222 993	10 775 671	11 306 302	-	10 782 584
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		69 315	67 762	73 307		67 762
Consumer deposits		92 378	92 798	92 798		92 798
Trade and other payables		843 521	1 152 457	948 674		1 152 707
Provisions		27 832	6 084	6 084		6 084
Total current liabilities		1 033 047	1 319 101	1 120 864	-	1 319 351
Non current liabilities						
Borrowing		568 480	511 999	438 691		511 999
Provisions		692 740	743 548	784 208		743 548
Total non current liabilities		1 261 220	1 255 547	1 222 899	-	1 255 547
TOTAL LIABILITIES		2 294 267	2 574 648	2 343 763	-	2 574 898
NET ASSETS	2	7 928 726	8 201 024	8 962 539	-	8 207 687
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 352 502	8 028 109	8 789 625		8 034 772
Reserves		576 224	172 914	172 914		172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 928 726	8 201 024	8 962 539	-	8 207 687

KZN225 Msunduzi - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M07 January

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										
Property rates, penalties & collection charges		762 288	741 451	785 938	51 365	406 308	458 464	(52 155)	-11%	785 938
Service charges		2 468 237	2 533 370	2 742 599	184 311	1 527 154	1 599 849	(72 695)	-5%	2 742 599
Other revenue		68 703	138 875	143 350	80 896	250 937	83 621	167 317	200%	143 350
Government - operating		466 156	489 491	530 153	6 930	356 262	309 256	47 006	15%	530 153
Government - capital		303 484	447 973	460 223	56 984	365 365	268 464	96 901	36%	460 223
Interest		128 456	107 717	114 198	13 204	64 938	66 653	(1 715)	-3%	114 198
Dividends			-	-			-	-		-
Payments										
Suppliers and employees		(3 554 849)	(3 619 264)	(3 851 232)	(258 836)	(2 730 857)	(2 246 274)	484 583	-22%	(3 851 232)
Finance charges		(75 095)	(65 474)	(58 275)	(1)	(33 927)	(33 994)	(66)	0%	(58 275)
Transfers and Grants		(238)	(191)	(8 603)	(1 730)	(3 460)	(5 018)	(1 558)	31%	(8 603)
NET CASH FROM/(USED) OPERATING ACTIVITIES		567 142	773 947	858 350	133 123	202 720	501 020	298 300	60%	858 350
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-					-	-		-
Decrease (increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(31 380)					-	-		-
Payments										
Capital assets		(451 998)	(617 305)	(867 636)	(40 643)	(214 674)	(506 121)	(291 447)	58%	(867 636)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(483 379)	(617 305)	(867 636)	(40 643)	(214 674)	(506 121)	(291 447)	58%	(867 636)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		-
Borrowing long term/refinancing		5 348	50 000	50 000			29 167	(29 167)	-100%	50 000
Increase (decrease) in consumer deposits					5	2 816	-	2 816	#DIV/0!	-
Payments										
Repayment of borrowing		40 870	(67 762)	(73 307)	(24)	(33 247)	(42 763)	(9 516)	22%	(73 307)
NET CASH FROM/(USED) FINANCING ACTIVITIES		46 218	(17 762)	(23 307)	(19)	(30 431)	(13 596)	16 835	-124%	(23 307)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		841 079	912 709			976 717	912 709			976 717
Cash/cash equivalents at monthly/year end:		971 061	1 051 589	(32 593)		934 332	894 012			944 124

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

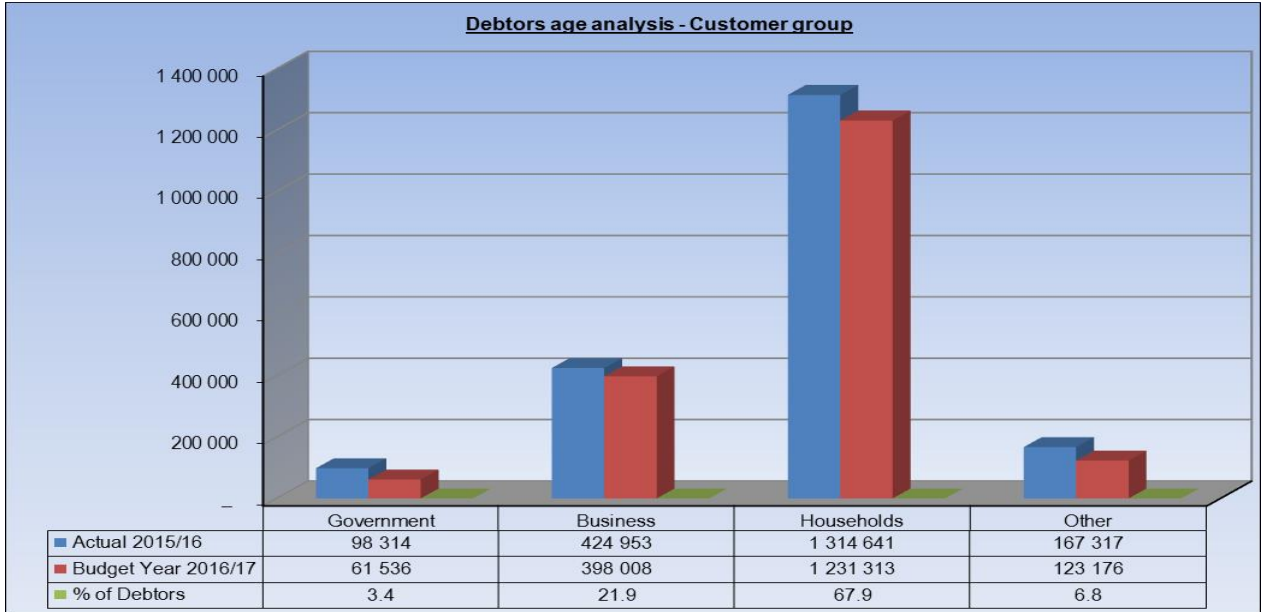
The table presented below summarises the Debtors Age Analysis as at 31 January 2017.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2016/17										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.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	48 582	27 714	18 045	17 764	18 231	16 555	13 777	380 853	541 521	447 180		149 458
Trade and Other Receivables from Exchange Transactions - Electricity	1300	154 944	80 953	23 142	7 489	6 368	4 367	3 001	52 356	332 621	73 582		20 686
Receivables from Non-exchange Transactions - Property Rates	1400	58 351	29 687	16 501	17 273	8 987	8 278	7 668	228 179	374 924	270 385		134 028
Receivables from Exchange Transactions - Waste Water Management	1500	11 202	5 807	3 384	3 239	3 086	3 038	2 949	75 855	108 561	88 168		36 515
Receivables from Exchange Transactions - Waste Management	1600	7 110	3 371	1 842	1 680	1 601	1 575	1 573	38 767	57 519	45 196		18 237
Receivables from Exchange Transactions - Property Rental Debtors	1700	617	572	540	523	528	523	513	20 885	24 702	22 972		13 633
Interest on Arrear Debtor Accounts	1810	9 619	9 139	8 494	8 542	8 575	8 360	9 237	233 500	295 466	268 214		121 055
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	(2 963)	(3 452)	(14 593)	(4 265)	(3 311)	(6 508)	311	113 500	78 719	99 726		74 199
Total By Income Source	2000	287 464	153 791	57 355	52 246	44 066	36 188	39 029	1 143 894	1 814 032	1 315 423	-	567 811
2015/16 - totals only		305 263	143 556	69 982	49 054	50 393	48 481	41 040	1 297 459	2 005 226	1 486 426		725 491
Debtors Age Analysis By Customer Group													
Organs of State	2200	19 426	7 824	(9 453)	(761)	79	(3 899)	1 850	46 469	61 536	43 739		34 135
Commercial	2300	140 608	78 902	27 979	10 719	8 351	5 725	4 561	121 162	398 008	150 518		57 970
Households	2400	119 989	62 456	35 011	38 708	33 031	31 919	29 594	880 606	1 231 313	1 013 858		418 726
Other	2500	7 440	4 609	3 818	3 580	2 604	2 443	3 024	95 657	123 176	107 308		56 979
Total By Customer Group	2600	287 464	153 791	57 355	52 246	44 066	36 188	39 029	1 143 894	1 814 032	1 315 423	-	567 811

Chart 1: Debtors Age Analysis By Customer Group

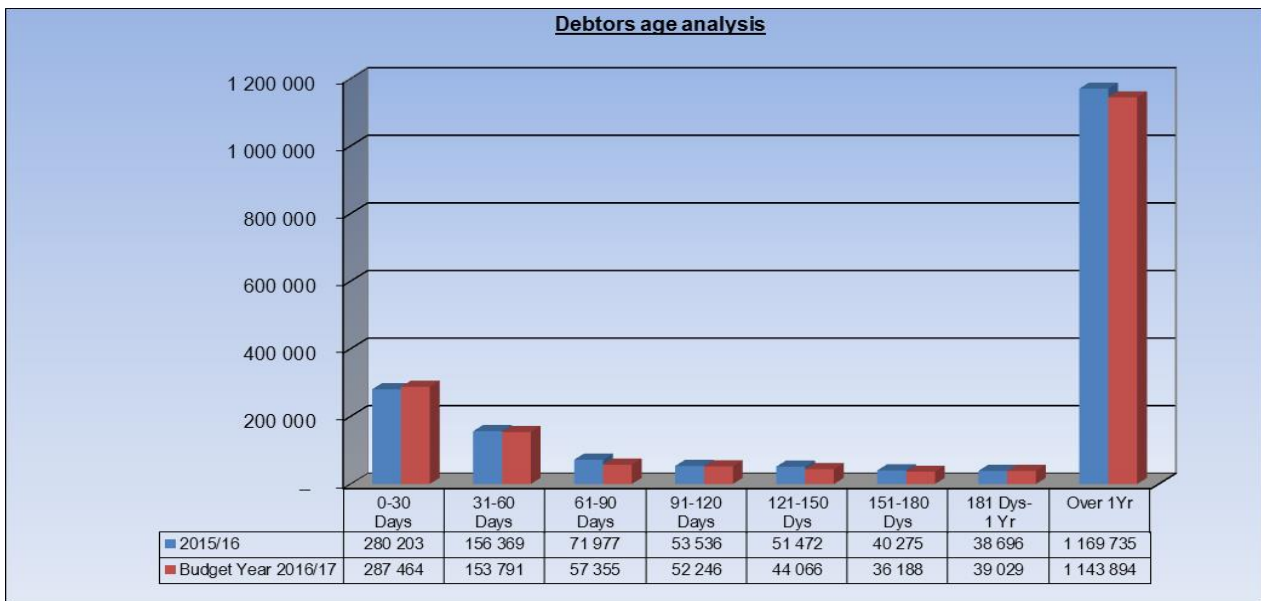


The information presented in the chart above reflects an increase in the outstanding debtor's balances as at 31 January 2017 of R 75.9 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 81billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 68% of the total municipal debt as detailed below:

- ✓ Households 68%
- ✓ Commercial 22%
- ✓ Other 7%
- ✓ Organs of State 3%

Chart 2: Year on Year Debtors Age Analysis



2.2 Creditors Analysis

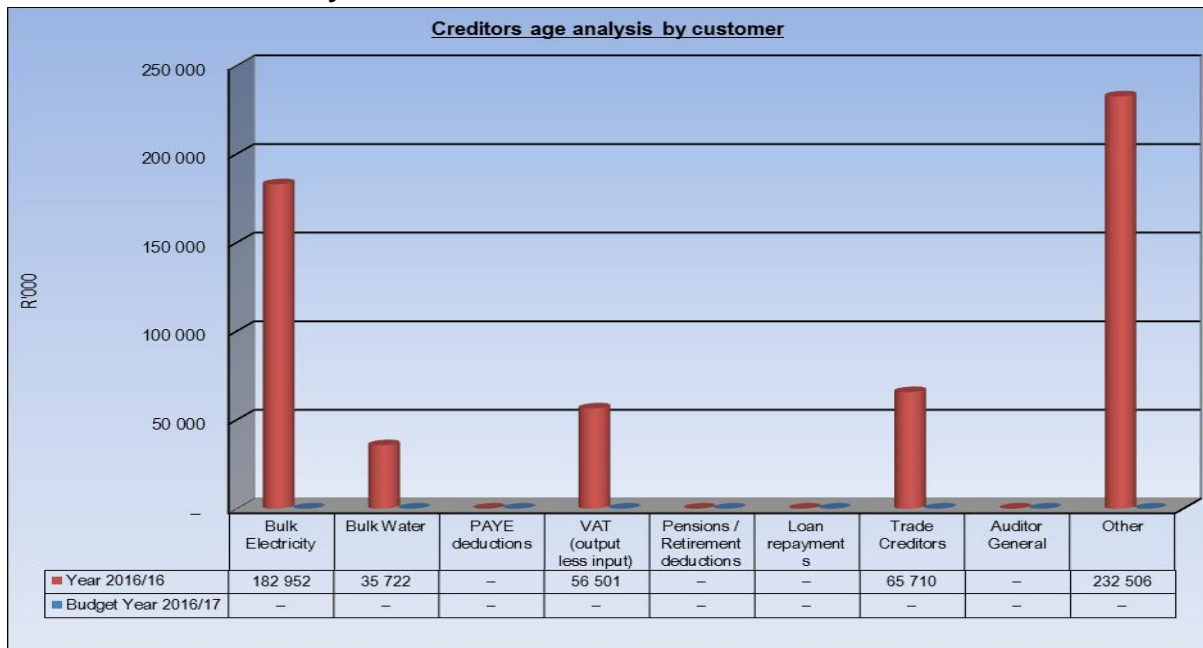
Table SC 4 below presents the aged creditors as at 31 January 2017

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	NT Code	Budget Year 2016/17									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	182 952
Bulk Water	0200										-	35 722
PAYE deductions	0300										-	-
VAT (output less input)	0400										-	56 501
Pensions / Retirement deductions	0500										-	-
Loan repayments	0600										-	-
Trade Creditors	0700										-	65 710
Auditor General	0800										-	-
Other	0900										-	232 506
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-	573 392

The chart below presents a comparison of the age creditors between the current and prior year and for January 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 January 2017.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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
		Yrs/Months							
R thousands									
Municipality									
Fixed - ABSA - Call		Call	Call	on call					28 206
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Standard bank		3 months							210 000
FNB Various									537 808
Municipality sub-total					-		-	-	934 332

The total consolidated investment balances as at 31 January 2017 was R 934.3 million.

2.4 Allocation and Grant receipts and Expenditure

Grant Receipts: The total operational and capital grant receipts for the year is R 936.9 million which is inclusive of the equitable share of R 432.3 million and Capital allocation of R 470.2 million.

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

M07 January 2017

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		475 432	455 827	-	3 327	227 914	(224 587)	-98.5%	455 827
Local Government Equitable Share		373 541	432 307			216 154	(216 154)	-100.0%	432 307
Finance Management		1 600	1 625		1 625	813	813	100.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		1 702	3 405	(1 703)	-50.0%	6 809
Energy Efficiency and Demand Management		-	8 000			4 000	(4 000)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			3 543	(3 543)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Provincial Government:		43 759	10 786	-	19 896	5 393	14 503	268.9%	10 786
Health subsidy		-	-			-	-		-
Provincial Government	3	-	-			-	-		-
Expanded Public Works Grant		-	-			-	-		-
Sport and Recreation	60	-	-			-	-		-
Health		-	-			-	-		-
Human Settlements	16 413	-	-			-	-		-
Public Works	-	-	-			-	-		-
Arts and Culture- Community Library Services	10 347	581	-			291	(291)	-100.0%	581
Arts and Culture- Provincialisation	16 201	9 805	-	19 896	4 903	14 994	305.8%	9 805	
Arts and Culture-Museum Subsidies	478	400	-	-	200	(200)	-100.0%	400	
COGTA	257	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
District Municipality:		-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	519 191	466 613	-	23 223	233 307	(210 084)	-90.0%	466 613
Capital Transfers and Grants									
National Government:		289 651	450 393	-	368 010	225 196	142 814	63.4%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		151 000	91 765	59 235	64.6%	183 531
Public Transport and Systems		20 634	200 031		148 989	100 016	48 974	49.0%	200 031
Neighbourhood Development Partnership		20 195	22 110		18 300	11 055	7 245	65.5%	22 110
Dept of Mineral/Electricity		9 188	-		13 000	-	13 000	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			4 000	(4 000)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		36 721	18 361	18 361	0.0%	36 721
Provincial Government:		66 807	19 899	-	639	9 950	(9 311)	0.0%	19 899
Airport Development Project		-	-		639	-	639	0.0%	-
Sport and Recreation	80	-	-		-	-	-	0.0%	-
Corridor Development		-	-		-	-	-		-
KZNPA	5 182	9 510	-	-	4 755	(4 755)	-100.0%	9 510	
Arts and Culture-Museum Subsidies	8 865	-	-	-	-	-	-	0.0%	-
COGTA	18 016	10 389	-	-	5 195	(5 195)	-100.0%	10 389	
Human Settlement	25 032	-	-	-	-	-	-		-
Municipal Water Infrastructure	9 631	-	-	-	-	-	-	0.0%	-
District Municipality:		-	-	-	-	-	-		-
Other grant providers:		413	-	-	-	-	-		-
Developer Contribution		413	-	-	-	-	-		-
Total Capital Transfers and Grants	5	356 872	470 292	-	368 649	235 146	133 503	56.8%	470 292
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	-	391 872	468 453	(76 581)	-16.3%	936 905

Capital and Operating grants: While the budgeted full year grant expenditure budget is R 936.9 million, the actual YTD Capital grant expenditure incurred amounted to R 169.0 million resulting in underperformance of the YTD capital grants budget of R 299.3 million.

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

M07 January 2017

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		475 432	455 827	-	2 285	227 914	(225 628)	-99.0%	455 827
Local Government Equitable Share		373 541	432 307			216 154	(216 154)	-100.0%	432 307
Finance Management		1 600	1 625		314	813	(498)	-61.3%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		1 971	3 405	(1 433)	-42.1%	6 809
Energy Efficiency and Demand Management		-	8 000			4 000	(4 000)	-100.0%	8 000
Water Services Operating Subsidy		1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			3 543	(3 543)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
Provincial Government:		43 759	10 786	-	-	5 393	(5 393)	-100.0%	10 786
Health subsidy						-	-		-
Provincial Government:		3				-	-		-
Expanded Public Works Grant						-	-		-
Sport and Recreation		60				-	-		-
Health						-	-		-
Human Settlements		16 413				-	-		-
Public Works		-				-	-		-
Arts and Culture- Community Library Services		10 347	581			291	(291)	-100.0%	581
DWAF		16 201	9 805	-		4 903	(4 903)	-100.0%	9 805
Cogta		478	400	-		200	(200)	-100.0%	400
Sport And Recreation		257	-			-	-		-
District Municipality:		-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	2 285	233 307	(231 021)	-99.0%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	166 751	225 196	(58 446)	-26.0%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		70 359	91 765	(21 406)	-23.3%	183 531
Public Transport and Systems		20 634	200 031		47 602	100 016	(52 413)	-52.4%	200 031
Neighbourhood Development Partnership		20 195	22 110		2 253	11 055	(8 802)	-79.6%	22 110
Dept of Mineral/Electricity		9 188	-		8 014	-	8 014	#DIV/0!	-
Intergrated National Electrification Porgramme		82 151	8 000			4 000	(4 000)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		29 943	18 361	11 583		36 721
Library		-	-		8 579	-	8 579	#DIV/0!	-
Provincial Government:		66 807	19 899	-	60	9 950	(9 890)	-	19 899
Airport Development Project		-	-		-	-	-		-
Sport and Recreation		80	-			-	-		-
Corridor Development		-	-			-	-		-
Arts and Culture-Museum Subsidies		8 865	-		60	-	60		-
COGTA		18 016	10 389	-		5 195	(5 195)	-100.0%	10 389
Human Settlement		25 032	-			-	-		-
Municipal Water Infrastructure		9 631	-			-	-		-
Other grant providers:		413	-	-	-	-	-	-	-
Developer Contribution		413	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		356 872	470 292	-	166 810	235 146	(68 335)	-29.1%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	169 096	468 453	(299 357)	-63.9%	936 905

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January										
Summary of Employee and Councillor remuneration	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	A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		31 389	28 637	28 637	2 522	17 812	16 705	1 107	7%	28 637
Pension and UIF Contributions		253	3 614	3 614	314	2 197	2 108	89	4%	3 614
Medical Aid Contributions		2 287	1 416	1 416	88	583	826	(243)	-29%	1 416
Motor Vehicle Allowance		528	7 292	7 292	474	3 480	4 254	(773)	-18%	7 292
Cellphone Allowance		133	2 034	2 034	139	992	1 187	(195)	-16%	2 034
Housing Allowances		10	41	41	10	51	24	27	113%	41
Other benefits and allowances		58			23	267		267	#DIV/0!	
Sub Total - Councillors		34 657	43 034	43 034	3 571	25 382	25 103	279	1%	43 034
% increase	4		24.2%	24.2%						24.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 651	6 102	6 102	657	4 932	3 560	1 373	39%	6 102
Pension and UIF Contributions		798	511	511	47	702	298	404	135%	511
Medical Aid Contributions		-	60	60	8	61	35	26	73%	60
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		210	382	382		180	223	(43)	-19%	382
Motor Vehicle Allowance		762	818	818	77	619	477	142	30%	818
Cellphone Allowance		-	100	100	8	63	58	5	8%	100
Housing Allowances		98	142	142	56	490	83	407	492%	142
Other benefits and allowances		38	509	509	0	13	297	(284)	-96%	509
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 558	8 624	8 624	854	7 061	5 031	2 030	40%	8 624
% increase	4		14.1%	14.1%						14.1%
Other Municipal Staff										
Basic Salaries and Wages		504 910	698 784	727 819	49 305	382 597	424 561	(41 964)	-10%	698 784
Pension and UIF Contributions		112 428	134 410	134 410	7 159	70 122	78 406	(8 284)	-11%	134 410
Medical Aid Contributions		40 020	46 584	46 584	4 170	26 745	27 174	(429)	-2%	46 584
Overtime		38 448	51 413	51 413	2 401	21 705	29 991	(8 286)	-28%	51 413
Performance Bonus		-	-	-	17	586	-	586	#DIV/0!	-
Motor Vehicle Allowance		12 324	14 308	14 308	1 170	8 198	8 346	(149)	-2%	14 308
Cellphone Allowance		2 340	2 843	2 843	234	1 617	1 658	(41)	-2%	2 843
Housing Allowances		3 108	4 323	4 323	57	2 409	2 522	(113)	-4%	4 323
Other benefits and allowances		96 672	49 944	49 944	8 765	89 128	29 134	59 994	206%	49 944
Payments in lieu of leave		2 280	-	-		2 168	-	2 168	#DIV/0!	-
Long service awards		12 444	18 100	18 100	374	4 171	10 558	(6 388)	-60%	18 100
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		824 974	1 020 709	1 049 744	73 653	609 446	612 351	(2 905)	0%	1 020 709
% increase	4		23.7%	27.2%						23.7%
Total Parent Municipality		867 189	1 072 367	1 101 402	78 077	641 888	642 485	(596)	0%	1 072 367
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		329	442	442		296	258	38	15%	442
Pension and UIF Contributions		-	-	-		-	-	-	-	-
Medical Aid Contributions		12	15	15		12	9	3	37%	15
Overtime		18	-	-		-	-	-	-	-
Performance Bonus		6	6	6		6	4	3	71%	6
Motor Vehicle Allowance		-	19	19		11	11	(0)	-1%	19
Cellphone Allowance		4	4	4		2	2	(0)	-14%	4
Housing Allowances		-	-	-		-	-	-	-	-
Other benefits and allowances		-	-	-		-	-	-	-	-
Payments in lieu of leave		-	-	-		-	-	-	-	-
Long service awards		-	-	-		-	-	-	-	-
Post-retirement benefit obligations		-	-	-		-	-	-	-	-
Sub Total - Senior Managers of Entities		369	486	486	-	327	284	44	15%	486
% increase	4		31.7%	31.7%						31.7%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 969	2 969		2 069	1 732	337	19%	2 969
Pension and UIF Contributions		154	209	209		143	122	21	17%	209
Medical Aid Contributions		389	586	586		191	342	(151)	-44%	586
Overtime		416	597	597		318	348	(30)	-9%	597
Performance Bonus		22	27	27		28	16	12	78%	27
Motor Vehicle Allowance		56	69	69		35	40	(5)	-13%	69
Cellphone Allowance		11	12	12		6	7	(1)	-14%	12
Housing Allowances		-	-	-		-	-	-	-	-
Other benefits and allowances		219	288	288		175	168	7	4%	288
Payments in lieu of leave		-	-	-		-	-	-	-	-
Long service awards		-	-	-		-	-	-	-	-
Post-retirement benefit obligations		-	-	-		-	-	-	-	-
Sub Total - Other Staff of Entities		3 526	4 757	4 757	-	2 965	2 775	190	7%	4 757
% increase	4		34.9%	34.9%						34.9%
Total Municipal Entities		3 895	5 243	5 243	-	3 292	3 058	234	8%	5 243
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610	1 106 645	78 077	645 180	645 543	(363)	0%	1 077 610
% increase	4		23.7%	27.0%						23.7%
TOTAL MANAGERS AND STAFF		836 427	1 034 576	1 063 611	74 506	619 798	620 440	(642)	0%	1 034 576

Councillor Allowances

The expenditure on councillor allowances as at 31 January 2017 was under spent by 6%. The year to date budget for Remuneration of Councillor's is R 26.6 million while the actual expenditure incurred was R 24.9 million resulting in 94% YTD expenditure performance.

Employee Benefits

The total consolidated salaries expenditure for 30 November 2016 was R 645.1 million, against the budget of R 645.5 million, resulting in a slight 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 31 January 2017 and the monthly forecast till year end. The first table mainly presents cash inflows, while the next page presents mainly outflows.

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January

Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands																
Cash Receipts By Source																
Property rates		51 006	57 401	61 601	57 589	62 522	57 859	50 397	59 905	59 905	59 905	58 573	45 261	702 880	745 053	789 756
Property rates - penalties & collection charges		1 111	1 036	1 415	1 009	1 374	1 021	968	3 287	3 287	3 287	3 214	2 484	38 570	40 885	43 338
Service charges - electricity revenue		174 573	154 895	168 410	207 744	172 450	181 994	136 018	151 122	151 122	151 122	147 271	108 763	1 767 256	1 902 275	2 047 608
Service charges - water revenue		30 590	32 291	33 777	32 729	29 983	27 932	32 645	38 020	38 020	38 020	45 700	122 500	548 405	609 553	677 518
Service charges - sanitation revenue		9 674	10 604	10 159	9 617	8 748	9 201	9 284	11 088	11 088	11 088	10 842	8 378	130 099	137 904	146 179
Service charges - refuse		5 954	6 541	6 540	6 516	5 833	6 088	6 364	7 467	7 467	7 467	7 301	5 642	87 610	92 867	98 439
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 195	1 412	899	1 154	1 029	1 259	1 052	3 286	3 286	3 286	3 213	2 482	38 552	38 044	39 946
Interest earned - external investments		39 515	1 313	1 989	1 040	6 226	1 613	12 473	4 106	4 106	4 106	4 106	4 106	49 330	52 177	55 204
Interest earned - outstanding debtors		1 061	910	735	817	889	931	724	4 976	4 976	4 976	4 866	3 760	58 387	61 890	65 604
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		347	427	274	216	62	161	62	1 390	1 390	1 390	1 359	1 051	16 313	17 185	17 639
Licences and permits		6	5	7	9	6	4	5	7	7	7	7	5	81	85	90
Agency services		0	0	0	-	0	0	0	50	50	50	49	38	590	619	650
Transfer receipts - operating		180 127	1 625	-	7 761	-	169 820	6 930	38 884	38 884	38 884	40 791	59 856	489 491	530 153	579 871
Other revenue		2 929	33 405	29 193	25 143	43 505	19 238	79 777	6 336	6 336	6 336	6 945	13 036	83 339	87 417	91 776
Cash Receipts by Source		498 087	301 865	315 000	351 345	332 629	467 121	336 699	329 925	329 925	329 925	334 237	377 361	4 010 904	4 316 107	4 653 617
Other Cash Flows by Source																
Transfer receipts - capital		99 385	20 320	1 920	76 065	1 512	109 178	56 984	38 957	38 957	38 957	37 331	21 076	447 973	460 223	521 989
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	50 000	120 000	120 000
Increase in consumer deposits		1 011	272	445	443	304	335	5	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		598 483	322 456	317 365	427 853	334 445	576 635	393 689	368 881	368 881	368 881	371 568	398 437	4 508 877	4 896 330	5 295 606
Cash Payments by Type																
Employee related costs		83 964	83 807	82 755	122 464	84 103	82 172	81 961	85 722	85 722	85 722	86 305	92 130	988 891	1 095 614	1 159 201
Remuneration of councillors		3 441	3 441	3 610	3 558	3 773	3 572	3 560	3 741	3 741	3 741	3 586	2 037	43 033	45 615	48 352
Finance charges		-	-	-	-	-	-	-	-	-	-	-	-	65 474	58 249	49 568
Bulk purchases - Electricity		-	0	16 251	-	0	17 669	-	-	14 956	-	-	16 576	1 408 955	1 519 699	1 639 148
Bulk purchases - Water & Sewer		182 952	205 250	205 271	121 897	124 240	122 031	110 725	117 565	117 565	117 565	117 413	115 889	527 753	586 597	652 003
Other materials		35 837	43 600	-	87 066	44 112	43 618	115 901	35 650	35 650	35 650	43 979	127 269	181 399	204 864	216 029
Contracted services		1 140	137	600	1 680	895	1 202	3 434	16 786	16 786	16 786	15 070	(2 085)	35 408	45 274	47 548
Transfers and grants - other municipalities		651	18 766	43 732	30 903	64 454	32 528	42 776	2 926	2 926	2 926	2 926	2 926	-	-	-
Transfers and grants - other		-	-	-	-	-	-	-	-	-	-	-	-	191	8 603	9 265
Other expenditure		1 710	-	-	-	-	20	1 730	650	650	650	666	825	373 951	345 821	284 450
Cash Payments by Type		389 146	381 977	354 752	372 502	527 094	363 973	375 946	285 924	300 880	285 924	301 638	475 362	3 625 056	3 910 336	4 105 563
Other Cash Flows/Payments by Type																
Capital assets		116	-	40 533	41 830	39 460	52 093	40 643	39 191	39 191	39 191	51 442	173 953	617 305	867 636	983 155
Repayment of borrowing		24	24	18 698	24	24	14 430	24	-	19 607	-	-	15 083	67 762	73 307	77 156
Other Cash Flow s/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		389 285	382 001	413 984	414 355	566 577	430 496	416 612	325 115	359 678	325 115	353 081	664 398	4 310 123	4 851 279	5 165 874
NET INCREASE/(DECREASE) IN CASH HELD																
Cash/cash equivalents at the month/year beginning:		976 717	1 185 914	1 126 370	1 029 751	1 043 249	811 117	957 255	934 332	978 098	987 302	1 031 068	1 049 556	976 717	1 175 471	1 220 522
Cash/cash equivalents at the month/year end:		1 185 914	1 126 370	1 029 751	1 043 249	811 117	957 255	934 332	978 098	987 302	1 031 068	1 049 556	783 595	1 175 471	1 220 522	1 350 254

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations - M07 January

Ref	Description	Variance	Reasons for material deviations
	R thousands		
1	Revenue By Source		
	Agency services	-39%	This is based on the customer usage fgor fire services
	Other revenue	-42%	This is a user driven resource
	Rental of facilities and equipment	-53%	This is a user driven resource
	Licences and permits	-30%	This is a user driven resource
	Interest earned - external investments	79%	This is would smooth out during the year
2	Expenditure By Type		
	Debt impairment	-100%	This is an annulised year end entry
	Other materials	-93%	This is a seasonal category and will smooth out during
	Contracted services	804%	This is a seasonal category and will smooth out during the year
	Transfers and grants	-94%	These are quarterly payments, and would smooth out
	Bulk purchases	-18%	This is would smooth out during the year
	Depreciation & asset impairment	-19%	This is an annulised year end entry
	Other expenditure	-39%	This is would smooth out during the year

2.7 Parent Municipality Financial Performance

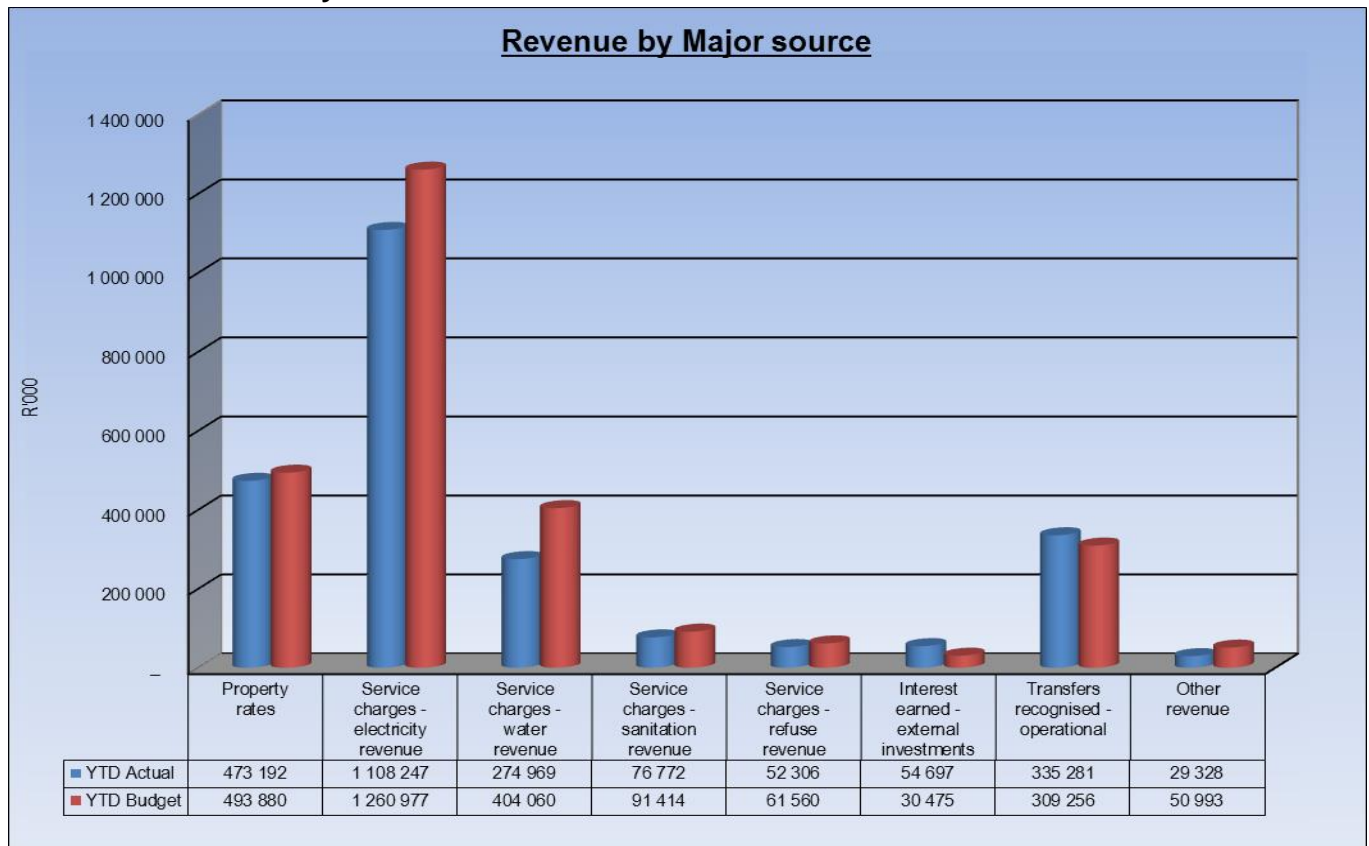
REVENUE ANALYSIS

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 year to date and the budget for the same period. This report analyses each major component under following headings;

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

2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 44% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges under performed by (R 152.7 million) when compared to the Year Budget.

Property Rates is the second largest contributor to the operating revenue basket making up 19% of the total operating revenue. When comparing YTD Actual revenue earned to YTD Budget, there is a slight under performance existed as at 31 January 2017.

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 14% of the budgeted revenue basket and 11% of YTD actual revenue, there is an underperformance against the budget causing a 32% variance when comparing YTD actual to YTD Budget.

Service Charges - sanitation revenue: reflects a under performance of 16% variance and is line when comparing the YTD actual revenue to the YTD budget.

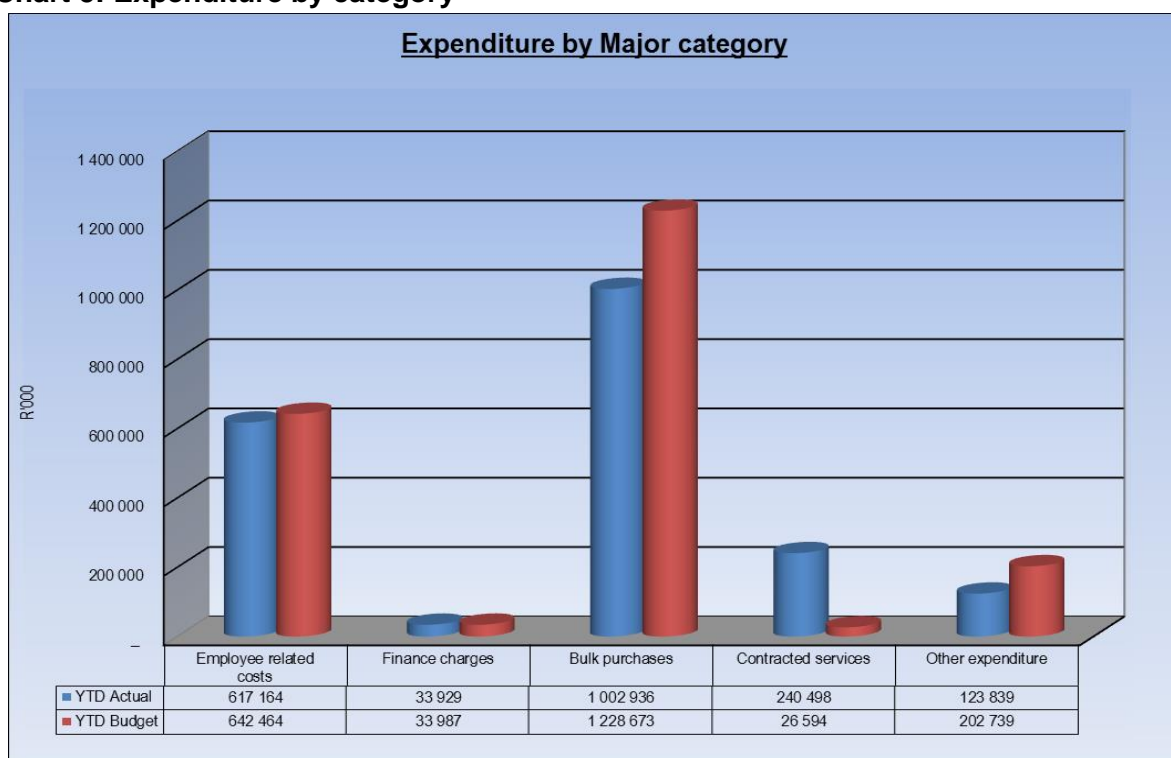
Service Charges - refuse revenue reflects an under performance of 15% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 2.7% to the total operating revenue received as at 31 January 2017.

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 category



Bulk Purchases: This category is slightly under budget by R 225.7 million, this could be due to the seasonal adjustment. The offset is that the revenue is also down by the same proportion.

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 202.7 million while the actual costs incurred was R 123.8 million resulting in under performance against the budget of R 78.9 million

Depreciation & Asset Impairment: The full year depreciation & asset impairment figure is R 569.3 million. The actuals being R 269.3 million whilst the YTD budget is R 332.1 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 65.4 million and the Actual YTD was R 33.9 million whilst the YTD budget is R 33.9 million which is line with the budget .

Contracted Services: YTD Budget for contracted services was R 26.5 million, whilst the actual are R 240.4 million, the variance is offset by positive variance in other materials

Remuneration of councillors: the YTD budget was R 26.6 million and the actual expenditure incurred was R 24.9 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M07 January

Description	2015/16	Current 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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	192	65	-	6	45	38	0	19%	65
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 284	6 841	-	-	3 421	3 421	0	0%	6 841
Total Revenue (excluding capital transfers and contributions)	12 476	6 906	-	6	3 466	3 459	7	0	6 906
Employee costs	4 227	5 278	-	419	3 053	3 079	(26)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	484	484	-	-	830
Finance charges	12	12	-	1	7	7	0	0	12
Materials and bulk purchases	167	489	-	0	131	234	(103)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	101	1 036	998	39	0	1 711
Total Expenditure	5 965	8 319	-	590	4 712	4 802	(90)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	(585)	(1 246)	(1 343)	97	(0)	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	(585)	(1 246)	(1 343)	97	(0)	(1 413)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	(585)	(1 246)	(1 343)	97	(0)	(1 413)
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital	6 610	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	6 610	-	-	-	-	-	-	-	-
Financial position									
Total current assets	1 406	1 103	-	-	456	-	-	-	1 128
Total non current assets	6 138	5 962	-	-	5 892	-	-	-	5 785
Total current liabilities	222	250	-	-	338	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	7 322	6 663	-	-	6 011	-	-	-	6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	(517)	7 687	(917)	8 604	(0)	(1 072)
Net cash from (used) investing	(6 610)	-	-	-	-	-	-	-	-
Net cash from (used) financing	(6 800)	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	1 382	7 147	8 219	(517)	7 687	(917)	8 604	(0)	7 147
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

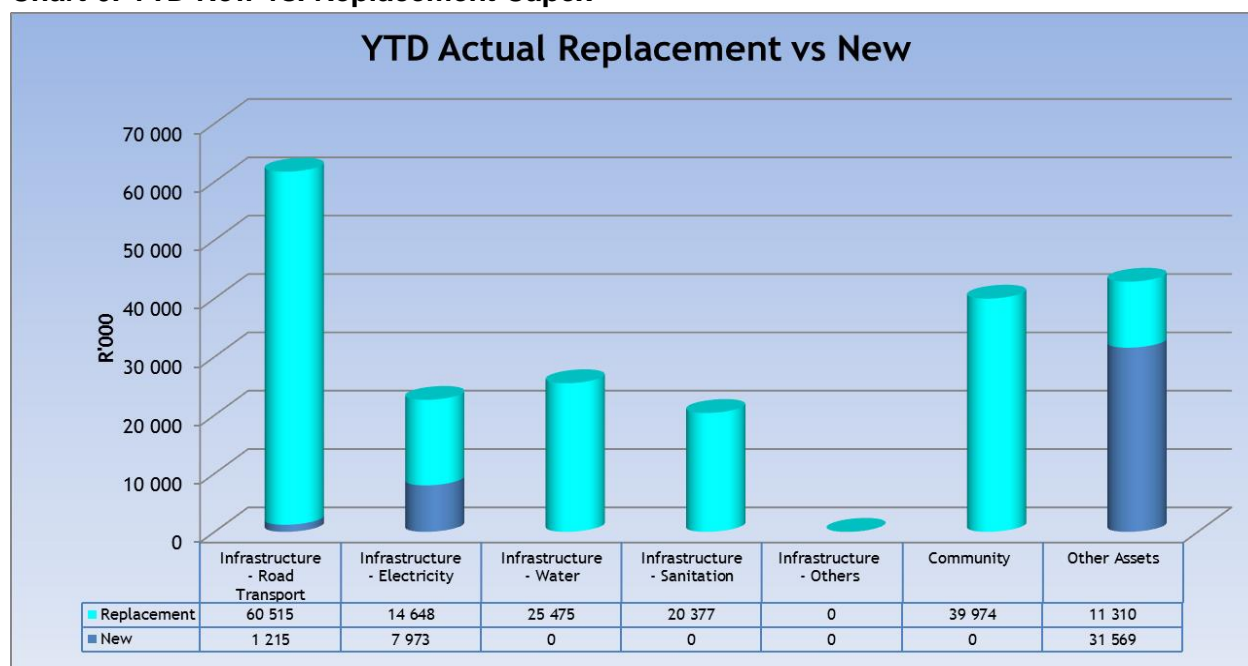
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2015/16	Budget Year 2016/17							
	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	9 089	48 957	48 957	0	0	48 957	48 957	100.0%	0%
August	23 544	48 957	48 957	116	116	97 914	97 798	99.9%	0%
September	39 949	48 957	48 957	40 533	40 533	146 871	106 338	72.4%	6%
October	46 126	48 957	48 957	41 847	41 847	195 828	153 981	78.6%	6%
November	39 269	48 957	48 957	39 460	39 460	244 785	205 325	83.9%	5%
December	63 575	48 957	48 957	52 085	52 085	293 742	241 657	82.3%	7%
January	15 750	48 957	48 957	39 016	39 016	342 699	303 683	88.6%	5%
February	32 316	48 957	48 957			391 656	-		
March	32 165	48 957	48 957			440 613	-		
April	46 620	48 957	48 957			489 570	-		
May	44 113	60 520	60 520			550 090	-		
June	83 769	176 151	321 637			871 727	-		
Total Capital expenditure	476 286	726 241	871 727	213 057					

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 as at the month of January 2017.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 213.0 million, R 40.7 million (19%) was new assets and R 172.2 million (81%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M07 January

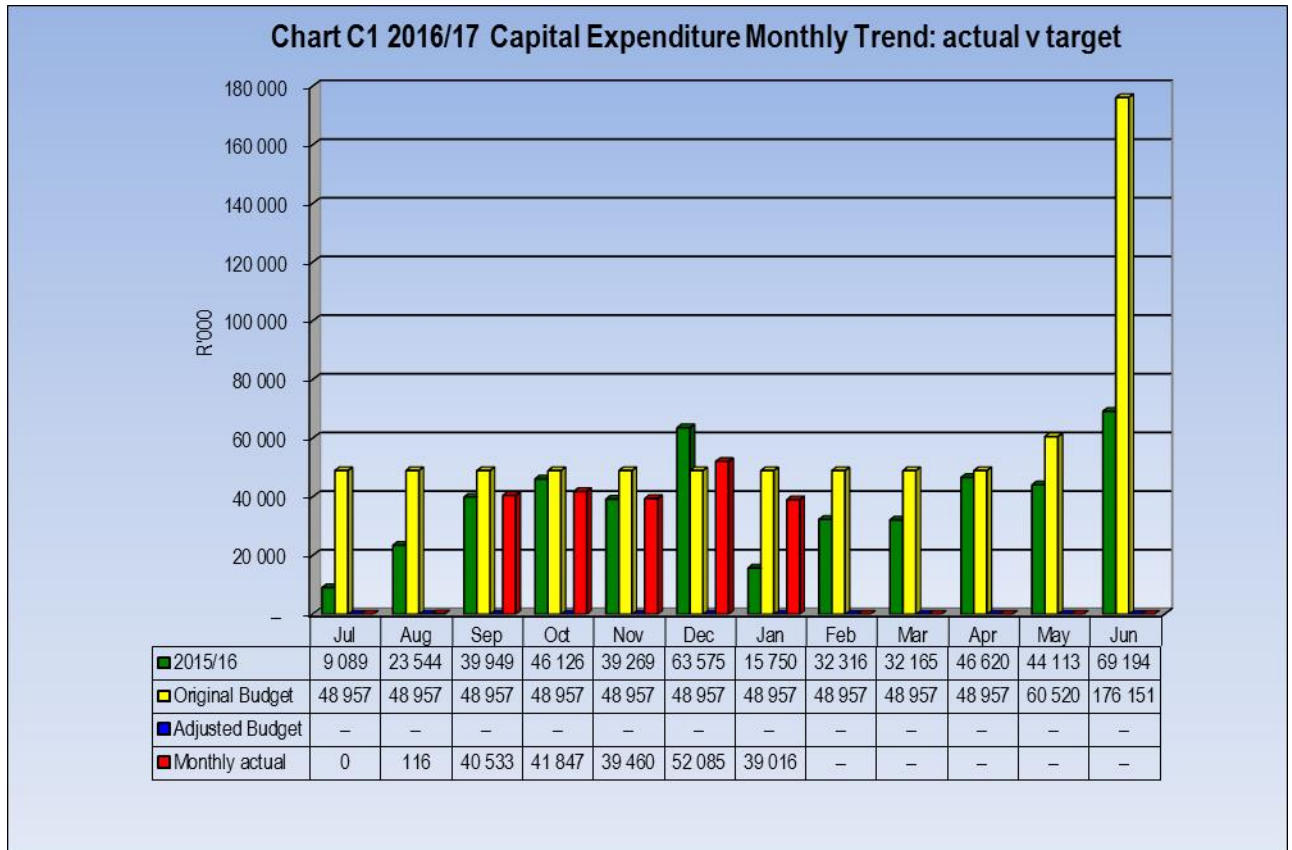
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		52 671	174 021	175 460	8 005	9 188	101 512	92 324	90.9%	174 021
Infrastructure - Road transport		24 562	2 714	3 135	747	1 215	1 583	368	23.3%	2 714
Roads, Pavements & Bridges		24 562	2 714	3 135	747	1 215	1 583	368	23.3%	2 714
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	161 248	7 258	7 973	98 482	90 509	91.9%	168 827
Generation		-	168 827	153 248	7 258	7 973	98 482	90 509	91.9%	168 827
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	8 000	-	-	-	-	-	-
Infrastructure - Water		17 110	-	10 578	-	-	-	-	-	-
Dams & Reservoirs		297	-	10 578	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		16 813	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		10 999	980	-	-	-	572	572	100.0%	980
Reticulation		-	980	-	-	-	572	572	100.0%	980
Sewerage purification		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	500	-	-	875	875	100.0%	1 500
Waste Management		-	1 500	500	-	-	875	875	100.0%	1 500
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		33 810	20 591	23 300	-	-	12 011	12 011	100.0%	20 591
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	2 500	-	-	3 879	3 879	100.0%	6 650
Swimming pools		-	-	5 000	-	-	-	-	-	-
Community halls		-	-	15 800	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	2 123	2 123	100.0%	3 640
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	1 301	1 301	100.0%	2 230
Cemeteries		-	2 000	-	-	-	1 167	1 167	100.0%	2 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	3 541	3 541	100.0%	6 071
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		40 021	23 329	90 903	4 201	18 131	13 609	(4 522)	-33.2%	23 329
General vehicles		6 716	-	5 510	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	42 508	10	5 240	823	(4 417)	-537.1%	1 410
Computers - hardware/equipment		3 486	470	461	29	29	274	245	89.3%	470
Furniture and other office equipment		5 981	50	-	-	3 176	29	(3 147)	#####	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	10 889	2 159	2 159	6 060	3 901	64.4%	10 389
Other Buildings		-	-	-	-	5 523	-	(5 523)	#DIV/0!	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	31 535	2 003	2 003	6 423	4 420	68.8%	11 010
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	24 468	24 026	-	13 438	14 273	834	5.8%	24 468
Computers - software & programming		-	24 468	24 026	-	13 438	14 273	834	5.8%	24 468
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	126 501	242 409	313 689	12 206	40 757	141 405	100 648	71.2%	242 409

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M07

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		284 545	367 404	440 069	26 632	121 016	214 319	93 303	43.5%	367 404
Infrastructure - Road transport		125 812	239 143	261 279	12 771	60 515	139 500	78 985	56.6%	239 143
<i>Roads, Pavements & Bridges</i>		125 552	239 143	260 729	12 771	60 515	139 500	78 985	56.6%	239 143
<i>Storm water</i>		260		550						
Infrastructure - Electricity		66 802	25 520	104 721	3 000	14 648	14 887	239	1.6%	25 520
<i>Generation</i>		66 802	25 520	95 288	3 000	14 648	14 887	239	1.6%	25 520
<i>Transmission & Reticulation</i>									0.0%	
<i>Street Lighting</i>				9 433						
Infrastructure - Water		65 030	55 602	46 420	6 165	25 475	32 435	6 959	21.5%	55 602
<i>Dams & Reservoirs</i>		65 030	55 602	46 420	6 165	25 475	32 435	6 959	21.5%	55 602
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		26 146	47 139	17 650	4 697	20 377	27 498	7 121	25.9%	47 139
<i>Reticulation</i>			47 139	17 650	4 697	20 377	27 498	7 121	25.9%	47 139
<i>Sewerage purification</i>		26 146							0.0%	
Infrastructure - Other		755		10 000						
<i>Waste Management</i>		755		10 000						
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>									0.0%	
Community		4 551	62 950	79 224	232	39 974	36 721	(3 253)	-8.9%	62 950
Parks & gardens			500	1 000			292	292	100.0%	500
Sportsfields & stadia	121		28 750	19 206	232	8 765	16 771	8 006	47.7%	28 750
Swimming pools			2 000	2 078		1 112	1 167	54	4.7%	2 000
Community halls			30 700			4 942	17 908	12 966	72.4%	30 700
Libraries				8 660		3 256		(3 256)	#DIV/0!	
Recreational facilities	2 823								0.0%	
Fire, safety & emergency										
Security and policing										
Buses						21 898		(21 898)	#DIV/0!	
Clinics										
Museums & Art Galleries			1 000	1 630			583	583	100.0%	1 000
Cemeteries				28 500						
Social rental housing				18 150						
Other	1 607									
Heritage assets										
Buildings										
Other										
Investment properties				6 895						
Housing development				6 895						
Other										
Other assets		31 275	53 478	31 850	(54)	11 310	31 196	19 886	63.7%	53 478
General vehicles										
Specialised vehicles										
Plant & equipment						1 201		(1 201)	0.0%	
Computers - hardware/equipment				4 985						
Furniture and other office equipment	2 019			80					0.0%	
Abattoirs										
Markets	251									
Civic Land and Buildings	14 359	33 569	23 475		3 903	19 582	15 679	15 679	80.1%	33 569
Other Buildings			3 261		5 629		(5 629)	(5 629)	#DIV/0!	
Other Land										
Surplus Assets - (Investment or Inventory)										
Other	14 646	19 910	49	(54)	577	11 614	11 037	11 037	95.0%	19 910
Agricultural assets										
<i>List sub-class</i>										
Biological assets										
<i>List sub-class</i>										
Intangibles		29 415								
Computers - software & programming		29 415								
Other									0.0%	
Total Capital Expenditure on renewal of existing assets	1	349 785	483 832	558 038	26 810	172 299	282 236	109 936	39.0%	483 832

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 2015/16 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 slow start to spending in the financial year.

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

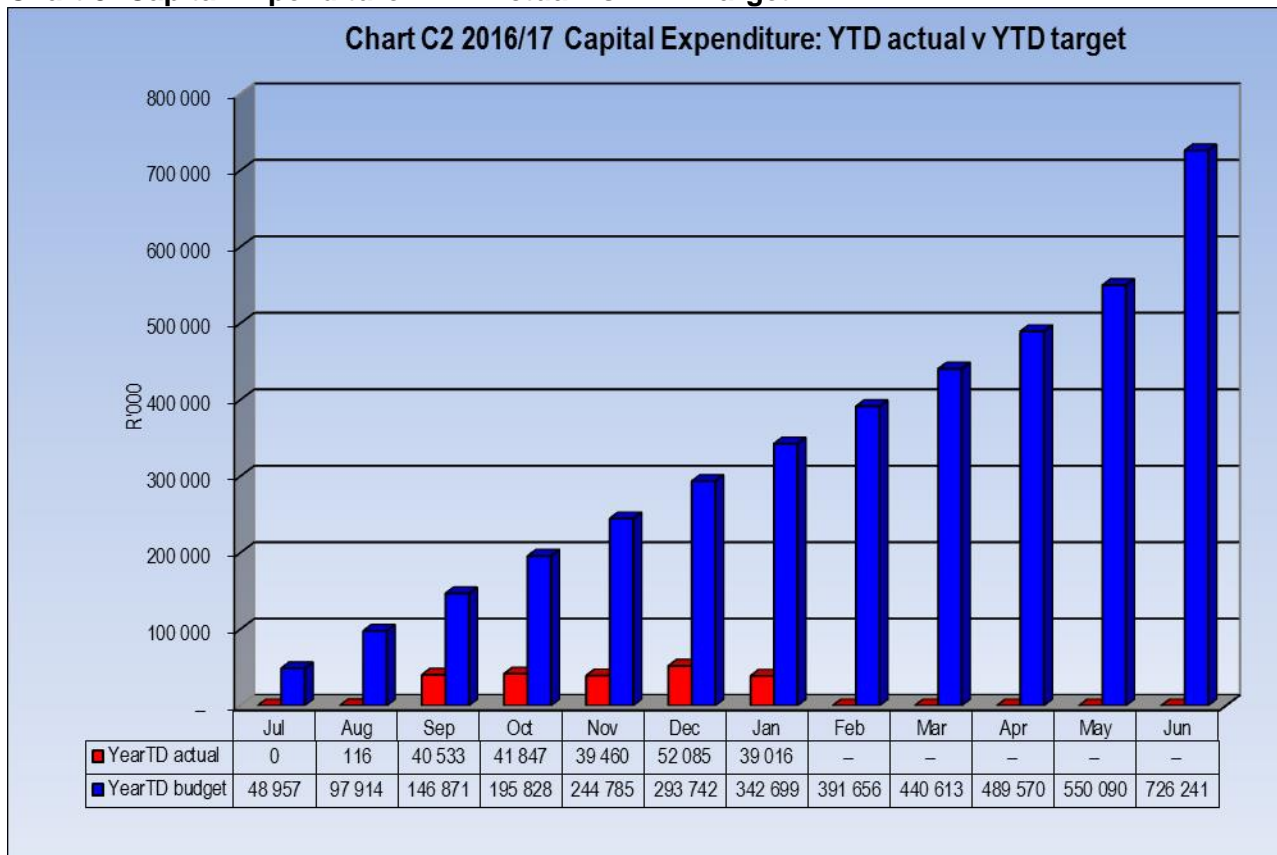
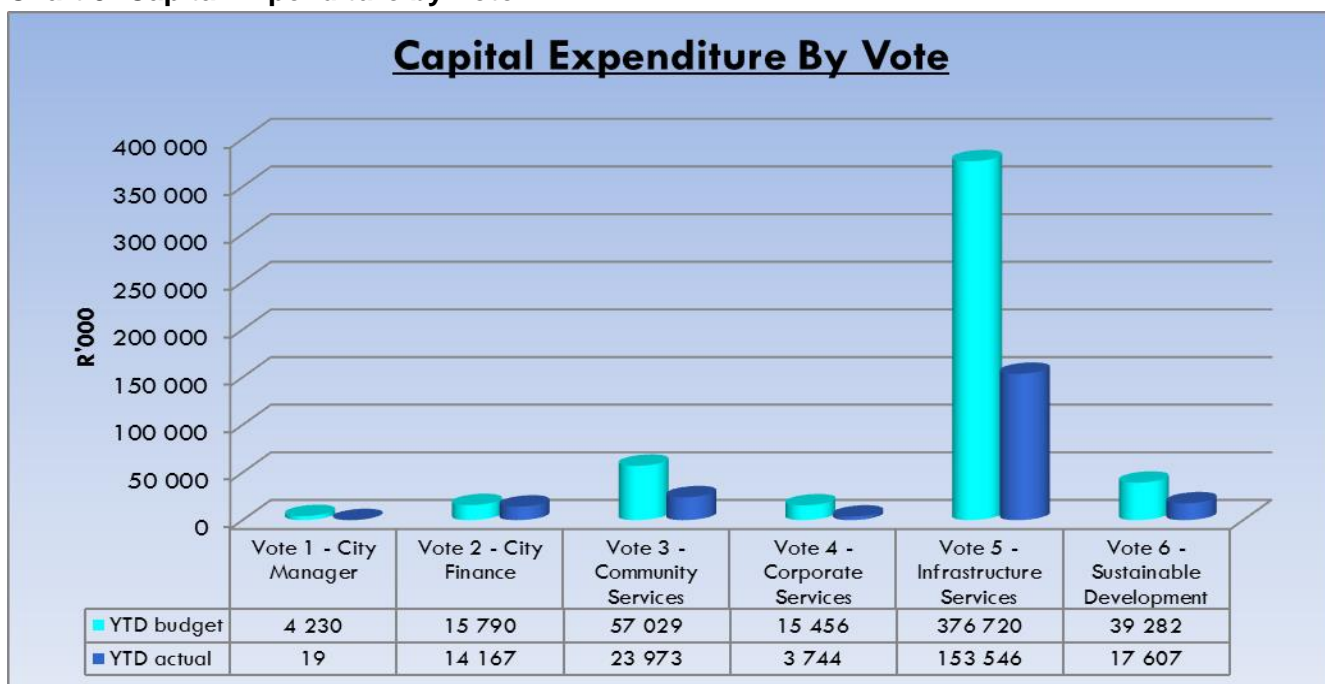


Chart 9: Capital Expenditure by Vote



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

The municipal entity's report for the month ending January 2017 is attached.

2.10 Municipal Manager's Quality's Certification

Quality Certificate

I, **Sizwe Hadebe**, the Acting municipal manager of **MSUNDUZI LOCAL MUNICIPALITY**, hereby certify that –

- the monthly budget statement

for the month of **January 2017** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **Sizwe Hadebe**

Municipal manager of: **MSUNDUZI MUNICIPALITY**

Signature: _____

Date: _____