



Msunduzi Municipality
MFMA s71 & s52 (d) Monthly & Quarterly Reports

March 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) Third Quarter total revenue earned was R 3.196 billion for the period ending 31 March 2017. The YTD Budget was R 3.610 billion, therefore the actual underperformed against the budget by R 413.0 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 Third Quarter operating expenditure for the period ending 31 March 2017 amounted to R 3.009 billion while the YTD budget was R 3.570 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 Third Quarter capital expenditure budget was R 653.7 million, the actual YTD Capital expenditure incurred amounted to R 324.0 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 the end of the Third Quarter 31 March 2017 was R 1.062 billion.

Consumer Debt: Consumer debt at the end of the Third Quarter 31 March 2017 is at R 1.862 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 - M09 March

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	71 160	636 394	669 833	(33 440)	-5%	893 111
Service charges	2 468 237	2 878 830	3 116 589	200 200	1 924 399	2 337 442	(413 043)	-18%	3 116 589
Investment revenue	68 242	49 270	52 242	273	55 259	39 182	16 078	41%	52 242
Transfers recognised - operational	466 156	489 491	530 153	62	450 918	397 615	53 303	13%	530 153
Other own revenue	229 530	212 797	221 307	#REF!	129 305	165 980	(36 675)	-22%	221 307
Total Revenue (excluding capital transfers and contributions)	3 994 454	4 472 946	4 813 403	#REF!	3 196 275	3 610 052	(413 777)	-11%	4 813 403
Employee costs	938 283	1 035 660	1 101 367	80 886	782 545	826 025	(43 480)	-5%	1 101 367
Remuneration of Councillors	41 763	43 033	45 615	3 560	32 082	34 211	(2 130)	-6%	45 615
Depreciation & asset impairment	554 292	506 103	569 317	39 142	343 594	426 988	(83 394)	-20%	569 317
Finance charges	75 095	65 460	58 263	15 575	49 509	43 697	5 812	13%	58 263
Materials and bulk purchases	1 950 574	2 117 550	2 311 745	143 054	1 289 470	1 733 809	(444 339)	-26%	2 311 745
Transfers and grants	5 911	148 325	153 542	(99)	5 715	115 157	(109 442)	-95%	153 542
Other expenditure	679 556	536 243	520 498	66 773	506 912	390 374	116 539	30%	520 498
Total Expenditure	4 245 473	4 452 374	4 760 347	348 893	3 009 827	3 570 260	(560 433)	-16%	4 760 347
Surplus/(Deficit)	(251 020)	20 572	53 055	#REF!	186 448	39 791	146 656	369%	53 055
Transfers recognised - capital	303 484	447 414	460 223	17 136	132 874	345 167	(212 293)	-62%	460 223
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	52 465	467 986	513 278	#REF!	319 322	384 959	(65 637)	-17%	513 278
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	52 465	467 986	513 278	#REF!	319 322	384 959	(65 637)	-17%	513 278
Capital expenditure & funds sources									
Capital expenditure	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	871 726
Capital transfers recognised	303 484	447 973	459 374	35 858	218 224	344 531	(126 307)	-37%	459 374
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	158 268	595	12 741	118 701	(105 960)	-89%	158 268
Internally generated funds	110 621	120 000	254 084	28 492	93 086	190 563	(97 477)	-51%	254 084
Total sources of capital funds	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	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	194 723	394 403	649 697	255 294	39%	866 263
Net cash from (used) investing	(476 769)	(617 305)	(867 636)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
Net cash from (used) financing	46 218	(17 762)	(23 307)	(19 299)	339	(17 481)	(17 819)	102%	(23 307)
Cash/cash equivalents at the month/year end	969 624	1 051 338	1 026 910	-	1 062 362	1 033 079	(29 283)	-3%	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	292 345	143 380	71 211	46 170	38 948	47 293	39 129	#####	1 861 829
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) - M09 March

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
Governance and administration		1 546 404	1 542 450	1 439 698	132 535	960 907	1 079 774	(118 866)	-11%	1 439 698
Executive and council		3 116	-	1 700	-	-	1 275	(1 275)	-100%	1 700
Budget and treasury office		1 539 007	1 528 270	1 424 981	132 535	960 902	1 068 736	(107 834)	-10%	1 424 981
Corporate services		4 280	14 180	13 017	0	6	9 763	(9 758)	-100%	13 017
Community and public safety		153 173	93 565	72 220	4 696	34 516	54 165	(19 649)	-36%	72 220
Community and social services		51 647	52 155	30 150	3 950	24 456	22 613	1 843	8%	30 150
Sport and recreation		24 067	885	933	50	660	700	(40)	-6%	933
Public safety		57 463	23 347	24 656	267	4 419	18 492	(14 073)	-76%	24 656
Housing		19 982	17 144	16 445	428	4 981	12 334	(7 352)	-60%	16 445
Health		13	34	36	-	-	27	(27)	-100%	36
Economic and environmental services		186 360	435 042	445 083	27 568	93 742	333 812	(240 070)	-72%	445 083
Planning and development		44 444	53 331	43 268	623	6 474	32 451	(25 977)	-80%	43 268
Road transport		141 916	381 711	401 814	17 239	87 254	301 361	(214 107)	-71%	401 814
Environmental protection		-	-	-	9 706	14	-	14	#DIV/0!	-
Trading services		2 884 393	3 426 115	3 284 083	247 074	2 218 163	2 463 062	(244 899)	-10%	3 284 083
Electricity		1 853 876	2 074 912	2 119 662	152 711	1 445 728	1 589 747	(144 018)	-9%	2 119 662
Water		722 297	1 052 569	880 934	77 043	633 632	660 700	(27 068)	-4%	880 934
Waste water management		200 710	176 288	175 433	15 398	120 712	131 575	(10 863)	-8%	175 433
Waste management		107 510	122 345	108 054	1 922	18 090	81 040	(62 950)	-78%	108 054
Other	4	30 794	31 371	32 542	3 392	21 820	24 406	(2 586)	-11%	32 542
Total Revenue - Standard	2	4 801 124	5 528 543	5 273 626	415 264	3 329 149	3 955 219	(626 070)	-16%	5 273 626
Expenditure - Standard										
Governance and administration		839 933	995 248	498 364	67 960	482 903	373 773	109 130	29%	498 364
Executive and council		6 661	113 165	139 330	12 391	120 619	104 497	16 122	15%	139 330
Budget and treasury office		827 451	645 336	102 357	41 724	247 760	170 992	76 768	223%	102 357
Corporate services		5 821	236 747	256 677	13 844	114 524	192 508	(77 984)	-41%	256 677
Community and public safety		679 603	551 767	643 365	51 304	456 615	482 524	(25 909)	-5%	643 365
Community and social services		124 603	140 429	159 342	11 467	105 987	119 506	(13 520)	-11%	159 342
Sport and recreation		168 142	118 290	140 074	13 372	99 003	105 055	(6 053)	-6%	140 074
Public safety		274 361	236 010	272 714	22 331	225 249	204 536	20 713	10%	272 714
Housing		68 928	32 584	44 953	3 808	23 178	33 715	(10 536)	-31%	44 953
Health		43 569	24 453	26 282	327	3 198	19 711	(16 513)	-84%	26 282
Economic and environmental services		486 939	567 103	575 131	32 841	273 709	431 348	(157 639)	-37%	575 131
Planning and development		109 220	110 222	129 588	5 795	51 906	97 191	(45 285)	-47%	129 588
Road transport		377 719	456 881	445 543	22 991	214 762	334 158	(119 395)	-36%	445 543
Environmental protection		-	-	-	4 056	7 041	-	7 041	#DIV/0!	-
Trading services		2 686 812	2 904 545	2 995 001	190 542	1 756 832	2 246 251	(489 419)	-22%	2 995 001
Electricity		1 700 454	1 695 915	1 738 568	125 213	1 153 409	1 303 926	(150 517)	-12%	1 738 568
Water		623 176	912 149	903 438	43 763	508 839	677 578	(168 739)	-25%	903 438
Waste water management		204 428	192 253	226 066	17 445	55 881	169 550	(113 668)	-67%	226 066
Waste management		158 754	104 227	126 929	4 121	38 703	95 197	(56 494)	-59%	126 929
Other		55 373	41 895	48 485	6 247	39 768	36 364	3 404	9%	48 485
Total Expenditure - Standard	3	4 748 659	5 060 558	4 760 347	348 894	3 009 827	3 570 260	(560 433)	-16%	4 760 347
Surplus/ (Deficit) for the year		52 465	467 985	513 278	66 371	319 322	384 959	(65 637)	-17%	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) - M09 March

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	-	-	1 275	(1 275)	-100.0%	1 700
Vote 2 - City Finance		1 539 007	1 528 270	1 585 581	132 535	960 902	1 189 186	(228 284)	-19.2%	1 585 581
Vote 3 - Community Services & Social Equity		212 748	176 823	163 405	4 277	29 588	122 554	(92 966)	-75.9%	163 405
Vote 4 - Corporate Services		4 219	14 182	13 019	0	6	9 764	(9 759)	-99.9%	13 019
Vote 5 - Infrastructure Services		2 932 391	3 712 792	3 404 849	264 303	2 236 892	2 553 637	(316 745)	-12.4%	3 404 849
Vote 6 - Sustainable Development and City Enterprises		109 581	96 476	105 072	14 149	101 762	78 804	22 958	29.1%	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	415 264	3 329 149	3 955 219	(626 070)	-15.8%	5 273 626
Expenditure by Vote										
Vote 1 - City Manager	1	10 260	142 460	172 379	4 668	41 957	129 284	(87 328)	-67.5%	172 379
Vote 2 - City Finance		902 315	723 311	701 904	41 724	247 760	526 428	(278 668)	-52.9%	701 904
Vote 3 - Community Services & Social Equity		728 770	605 502	575 686	55 220	512 099	431 765	80 335	18.6%	575 686
Vote 4 - Corporate Services		8 747	216 740	264 003	13 844	114 524	198 002	(83 478)	-42.2%	264 003
Vote 5 - Infrastructure Services		2 860 578	3 220 418	2 860 289	213 533	1 941 768	2 145 217	(203 448)	-9.5%	2 860 289
Vote 6 - Sustainable Development and City Enterprises		237 989	152 126	186 086	19 904	151 719	139 565	12 154	8.7%	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	348 893	3 009 827	3 570 260	(560 433)	-15.7%	4 760 347
Surplus/ (Deficit) for the year	2	52 465	467 985	513 278	66 371	319 322	384 959	(65 637)	-17.1%	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 March 2017.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

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	68 466	611 909	634 988	(23 079)	-4%	846 651
Property rates - penalties & collection charges		20 236	43 830	46 460	2 694	24 484	34 845	(10 361)	-30%	46 460
Service charges - electricity revenue		1 784 586	2 008 246	2 161 676	145 149	1 406 343	1 621 257	(214 913)	-13%	2 161 676
Service charges - water revenue		473 021	623 188	692 674	37 150	352 789	519 505	(166 716)	-32%	692 674
Service charges - sanitation revenue		126 391	147 839	156 710	10 520	98 220	117 532	(19 312)	-16%	156 710
Service charges - refuse revenue		84 240	99 557	105 531	7 381	67 047	79 148	(12 102)	-15%	105 531
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		20 222	43 809	43 232	1 931	15 931	32 424	(16 493)	-51%	43 232
Interest earned - external investments		68 242	49 270	52 242	273	55 259	39 182	16 078	41%	52 242
Interest earned - outstanding debtors		60 214	66 349	70 330	6 636	49 319	52 747	(3 429)	-6%	70 330
Dividends received		-	-	-	-	-	-	-	-	-
Fines		52 658	18 538	19 528	-	691	14 646	(13 955)	-95%	19 528
Licences and permits		90	92	97	9	52	73	(21)	-28%	97
Agency services		532	670	704	62	356	528	(172)	-33%	704
Transfers recognised - operational		466 156	489 491	530 153	112 441	450 918	397 615	53 303	13%	530 153
Other revenue		87 808	83 339	87 417	5 415	43 756	65 562	(21 807)	-33%	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	398 127	3 196 275	3 610 052	(413 777)	-11%	4 813 403
Expenditure By Type										
Employee related costs		938 283	1 035 660	1 101 367	80 886	782 545	826 025	(43 480)	-5%	1 101 367
Remuneration of councillors		41 763	43 033	45 615	3 560	32 082	34 211	(2 130)	-6%	45 615
Debt impairment		92 508	120 815	127 356	-	-	95 517	(95 517)	-100%	127 356
Depreciation & asset impairment		554 292	506 103	569 317	39 142	343 594	426 988	(83 394)	-20%	569 317
Finance charges		75 095	65 460	58 263	15 575	49 509	43 697	5 812	13%	58 263
Bulk purchases		1 799 214	1 936 708	2 106 296	126 810	1 263 166	1 579 722	(316 556)	-20%	2 106 296
Other materials		151 360	180 842	205 449	16 244	26 304	154 087	(127 782)	-83%	205 449
Contracted services		65 468	35 108	45 589	48 757	325 244	34 192	291 052	851%	45 589
Transfers and grants		5 911	148 325	153 542	(99)	5 715	115 157	(109 442)	-95%	153 542
Other expenditure		521 580	380 320	347 553	18 016	162 476	260 665	(98 189)	-38%	347 553
Loss on disposal of PPE		-	-	-	-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 245 473	4 452 374	4 760 347	348 893	3 009 827	3 570 260	(560 433)	-16%	4 760 347
Surplus/(Deficit)		(251 020)	20 572	53 055	49 235	186 448	39 791	146 656	0	53 055
Transfers recognised - capital		303 484	447 414	460 223	17 136	132 874	345 167	(212 293)	(0)	460 223
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		52 465	467 986	513 278	66 371	319 322	384 959			513 278
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		52 465	467 986	513 278	66 371	319 322	384 959			513 278
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		52 465	467 986	513 278	66 371	319 322	384 959			513 278
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		52 465	467 986	513 278	66 371	319 322	384 959			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) - M09 March

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	112	112	3 938	(3 826)	-97%	5 250
Vote 2 - City Finance		4 936	24 928	26 288	2 480	20 382	19 716	667	3%	26 288
Vote 3 - Community Services & Social Equity		34 870	51 700	51 700	5 811	18 385	38 775	(20 390)	-53%	51 700
Vote 4 - Corporate Services		-	5 985	25 985	19 923	21 503	19 489	2 014	10%	25 985
Vote 5 - Infrastructure Services		326 001	546 074	634 820	32 419	210 336	476 115	(265 779)	-56%	634 820
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	63 544	2 764	20 570	47 658	(27 088)	-57%	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	63 508	291 287	605 690	(314 402)	-52%	807 586
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	2 000	-	19	1 500	(1 481)	-99%	2 000
Vote 2 - City Finance		31 896	782	782	57	416	587	(171)	-29%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	46 065	801	16 090	34 549	(18 459)	-53%	46 065
Vote 4 - Corporate Services		6 460	527	511	-	2 313	383	1 931	504%	511
Vote 5 - Infrastructure Services		17 510	3 590	10 985	-	12 478	8 239	4 239	51%	10 985
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	3 798	578	1 448	2 848	(1 400)	-49%	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	1 436	32 764	48 105	(15 341)	-32%	64 140
Total Capital Expenditure		476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	871 726
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	61 213	22 571	46 753	45 910	843	2%	61 213
Executive and council		7 174	5 750	7 237	112	131	5 428	(5 297)	-98%	7 237
Budget and treasury office		36 832	25 710	27 200	2 537	20 798	20 400	398	2%	27 200
Corporate services		6 460	6 512	26 777	19 923	25 824	20 082	5 742	29%	26 777
Community and public safety		52 921	103 238	136 872	6 612	38 535	102 654	(64 119)	-62%	136 872
Community and social services		4 763	32 740	63 364	2 939	17 004	47 523	(30 519)	-64%	63 364
Sport and recreation		39 271	31 425	34 434	3 666	17 246	25 826	(8 580)	-33%	34 434
Public safety		3 022	3 640	3 640	7	7	2 730	(2 723)	-100%	3 640
Housing		5 864	35 434	35 434	-	4 278	26 575	(22 297)	-84%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	316 419	26 161	139 725	237 314	(97 589)	-41%	316 419
Planning and development		23 039	31 908	46 540	2 855	16 231	34 905	(18 674)	-54%	46 540
Road transport		126 943	260 312	268 418	22 819	123 007	201 314	(78 307)	-39%	268 418
Environmental protection		1 594	1 460	1 460	487	487	1 095	(608)	-56%	1 460
Trading services		218 966	291 352	357 223	9 600	98 907	267 917	(169 010)	-63%	357 223
Electricity		112 513	190 721	256 710	5 701	47 463	192 532	(145 069)	-75%	256 710
Water		65 591	58 728	70 304	3 312	4 568	52 728	(48 160)	-91%	70 304
Waste water management		37 404	31 403	19 159	587	34 523	14 369	20 153	140%	19 159
Waste management		3 457	10 500	11 050	-	12 353	8 288	4 066	49%	11 050
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	871 726
Funded by:										
National Government		270 402	428 074	424 639	34 343	210 583	318 479	(107 896)	-34%	424 639
Provincial Government		28 696	19 899	34 735	1 516	7 641	26 051	(18 411)	-71%	34 735
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		4 386	-	-	-	-	-	-	-	-
Transfers recognised - capital		303 484	447 973	459 374	35 858	218 224	344 531	(126 307)	-37%	459 374
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	158 268	595	12 741	118 701	(105 960)	-89%	158 268
Internally generated funds		110 621	120 000	254 084	28 492	93 086	190 563	(97 477)	-51%	254 084
Total Capital Funding		476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	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 March 2017.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M09 March

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 March 2017.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M09 March

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	60 949	538 482	589 453	(50 971)	-9%	785 938
Service charges		2 468 237	2 533 370	2 742 599	215 924	1 938 189	2 056 949	(118 761)	-6%	2 742 599
Other revenue		68 802	138 875	143 350	14 026	291 967	107 512	184 455	172%	143 350
Government - operating		466 156	489 491	530 153	123 739	485 108	397 615	87 494	22%	530 153
Government - capital		303 484	447 973	460 223	95 710	464 334	345 167	119 167	35%	460 223
Interest		128 456	107 657	114 133	2 078	68 317	85 599	(17 282)	-20%	114 133
Dividends				-			-	-		-
Payments										
Suppliers and employees		(3 554 849)	(3 611 671)	(3 843 266)	(302 128)	(3 338 489)	(2 882 450)	456 040	-16%	(3 843 266)
Finance charges		(75 095)	(65 460)	(58 263)	(15 575)	(49 501)	(43 697)	5 803	-13%	(58 263)
Transfers and Grants		(238)	(7 990)	(8 603)	-	(4 004)	(6 452)	(2 448)	38%	(8 603)
NET CASH FROM/(USED) OPERATING ACTIVITIES		567 242	773 696	866 263	194 723	394 403	649 697	255 294	39%	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)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(476 769)	(617 305)	(867 636)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		5 348	50 000	50 000		50 000	37 500	12 500	33%	50 000
Increase (decrease) in consumer deposits					1 840	4 748	-	4 748	#DIV/0!	-
Payments										
Repayment of borrowing		40 870	(67 762)	(73 307)	(21 139)	(54 410)	(54 981)	(571)	1%	(73 307)
NET CASH FROM/(USED) FINANCING ACTIVITIES		46 218	(17 762)	(23 307)	(19 299)	339	(17 481)	(17 819)	102%	(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		1 062 362	1 033 079			952 037

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M09 March

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	71 160	636 394	669 833	(33 440)	-5%	893 111
Service charges	2 468 237	2 878 830	3 116 589	200 200	1 924 399	2 337 442	(413 043)	-18%	3 116 589
Investment revenue	68 435	49 330	52 307	279	55 319	39 230	16 089	41%	52 307
Transfers recognised - operational	466 156	489 491	530 153	112 441	450 918	397 615	53 303	13%	530 153
Other own revenue	229 532	212 797	221 307	14 054	129 305	165 980	(36 675)	-22%	221 307
Total Revenue (excluding capital transfers and contributions)	3 994 648	4 473 006	4 813 468	398 133	3 196 335	3 610 101	(413 766)	-11%	4 813 468
Employee costs	942 483	1 040 938	1 106 645	81 314	786 434	829 984	(43 549)	-5%	1 106 645
Remuneration of Councillors	41 763	43 033	45 615	3 560	32 082	34 211	(2 130)	-6%	45 615
Depreciation & asset impairment	556 772	507 298	570 147	39 211	344 217	427 610	(83 393)	-20%	570 147
Finance charges	75 095	65 474	58 275	15 576	49 518	43 706	5 812	13%	58 275
Materials and bulk purchases	1 950 786	2 118 107	2 312 234	143 058	1 289 803	1 734 176	(444 372)	-26%	2 312 234
Transfers and grants	238	140 526	153 542	(99)	5 715	115 157	(109 442)	-95%	153 542
Other expenditure	678 690	538 193	522 208	66 823	508 067	391 656	116 411	30%	522 208
Total Expenditure	4 245 827	4 453 569	4 768 666	349 445	3 015 836	3 576 500	(560 663)	-16%	4 768 666
Surplus/(Deficit)	(251 179)	19 436	44 801	48 689	180 499	33 601	146 898	437%	44 801
Transfers recognised - capital	303 484	447 973	460 223	17 136	132 874	345 167	(212 293)	-62%	460 223
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	52 305	467 410	505 024	65 825	313 373	378 768	(65 396)	-17%	505 024
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	52 305	467 410	505 024	65 825	313 373	378 768	(65 396)	-17%	505 024
Capital expenditure & funds sources									
Capital expenditure	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	726 241
Capital transfers recognised	303 484	447 973	459 374	35 858	218 224	344 531	(126 307)	-37%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	158 268	595	12 741	118 701	(105 960)	-89%	158 268
Internally generated funds	110 621	120 000	254 084	28 492	93 086	190 563	(97 477)	-51%	120 000
Total sources of capital funds	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-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	194 246	394 403	643 763	249 359	39%	858 350
Net cash from (used) investing	(483 379)	(617 305)	(867 636)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
Net cash from (used) financing	46 218	(17 762)	(23 307)	(19 299)	339	(17 481)	(17 819)	102%	(23 307)
Cash/cash equivalents at the month/year end	971 061	1 051 589	(32 593)	-	1 062 362	888 264	(174 098)	-20%	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	292 345	143 380	71 211	46 170	38 948	47 293	39 129	#####	1 861 829
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 546 404	1 542 450	1 439 698	132 535	960 907	1 079 774	(118 866)	-11%	1 542 450
Executive and council		3 116	-	1 700	-	-	1 275	(1 275)	-100%	-
Budget and treasury office	1 539 007	1 528 270	1 424 981	132 535	960 902	1 068 736	(107 834)	-10%		1 528 270
Corporate services	4 280	14 180	13 017	0	6	9 763	(9 758)	-100%		14 180
<i>Community and public safety</i>		153 173	93 565	72 220	4 696	34 516	54 165	(19 649)	-36%	93 565
Community and social services	51 647	52 155	30 150	3 950	24 456	22 613	1 843	8%		52 155
Sport and recreation	24 067	885	933	50	660	700	(40)	-6%		885
Public safety	57 463	23 347	24 656	267	4 419	18 492	(14 073)	-76%		23 347
Housing	19 982	17 144	16 445	428	4 981	12 334	(7 352)	-60%		17 144
Health	13	34	36	-	-	27	(27)	-100%		34
<i>Economic and environmental services</i>		186 360	435 042	445 083	27 568	93 742	333 812	(240 070)	-72%	435 042
Planning and development	44 444	53 331	43 268	623	6 474	32 451	(25 977)	-80%		53 331
Road transport	141 916	381 711	401 814	17 239	87 254	301 361	(214 107)	-71%		381 711
Environmental protection	-	-	-	9 706	14	-	14	#DIV/0!		-
<i>Trading services</i>		2 884 393	3 426 115	3 284 083	247 074	2 218 163	2 463 062	(244 899)	-10%	3 426 115
Electricity	1 853 876	2 074 912	2 119 662	152 711	1 445 728	1 589 747	(144 018)	-9%		2 074 912
Water	722 297	1 052 569	880 934	77 043	633 632	660 700	(27 068)	-4%		1 052 569
Waste water management	200 710	176 288	175 433	15 398	120 712	131 575	(10 863)	-8%		176 288
Waste management	107 510	122 345	108 054	1 922	18 090	81 040	(62 950)	-78%		122 345
<i>Other</i>	4	30 794	31 371	32 542	3 392	21 820	24 406	(2 586)	-11%	31 371
Total Revenue - Standard	2	4 801 124	5 528 543	5 273 626	415 264	3 329 149	3 955 219	(626 070)	-16%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		839 933	995 248	498 364	67 960	482 903	373 773	109 130	29%	995 248
Executive and council	6 661	113 165	139 330	12 391	120 619	104 497	16 122	15%		113 165
Budget and treasury office	827 451	645 336	102 357	41 724	247 760	76 768	170 992	223%		645 336
Corporate services	5 821	236 747	256 677	13 844	114 524	192 508	(77 984)	-41%		236 747
<i>Community and public safety</i>		692 791	552 342	643 365	51 850	462 564	482 524	(19 960)	-4%	552 342
Community and social services	124 603	141 004	159 342	11 467	105 987	119 506	(13 520)	-11%		141 004
Sport and recreation	168 142	118 290	140 074	13 372	99 003	105 055	(6 053)	-6%		118 290
Public safety	287 549	236 010	272 714	22 877	231 198	204 536	26 662	13%		236 010
Housing	68 928	32 584	44 953	3 808	23 178	33 715	(10 536)	-31%		32 584
Health	43 569	24 453	26 282	327	3 198	19 711	(16 513)	-84%		24 453
<i>Economic and environmental services</i>		486 939	567 103	583 385	32 841	273 709	437 539	(163 830)	-37%	567 103
Planning and development	109 220	110 222	137 842	5 795	51 906	103 381	(51 475)	-50%		110 222
Road transport	377 719	456 881	445 543	22 991	214 762	334 158	(119 395)	-36%		456 881
Environmental protection	-	-	-	4 056	7 041	-	7 041	#DIV/0!		-
<i>Trading services</i>		2 673 784	2 904 545	2 995 001	190 542	1 756 832	2 246 251	(489 419)	-22%	2 904 545
Electricity	1 687 426	1 695 915	1 738 568	125 213	1 153 409	1 303 926	(150 517)	-12%		1 695 915
Water	623 176	912 149	903 438	43 763	508 839	677 578	(168 739)	-25%		912 149
Waste water management	204 428	192 253	226 066	17 445	55 881	169 550	(113 668)	-67%		192 253
Waste management	158 754	104 227	126 929	4 121	38 703	95 197	(56 494)	-59%		104 227
<i>Other</i>		55 373	41 895	48 485	6 247	39 768	3 404	9%		41 895
Total Expenditure - Standard	3	4 748 819	5 061 133	4 768 601	349 440	3 015 776	3 576 451	(560 675)	-16%	5 061 133
Surplus/ (Deficit) for the year		52 305	467 410	505 024	65 825	313 373	378 768	(65 396)	-17%	467 410

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09

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	-	-	1 275	(1 275)	-100.0%	1 700
Vote 2 - City Finance		1 539 007	1 528 270	1 585 581	132 535	960 902	1 189 186	(228 284)	-19.2%	1 585 581
Vote 3 - Community Services & Social Equity		212 748	176 823	163 405	4 277	29 588	122 554	(92 966)	-75.9%	163 405
Vote 4 - Corporate Services		4 219	14 182	13 019	0	6	9 764	(9 759)	-99.9%	13 019
Vote 5 - Infrastructure Services		2 932 391	3 712 792	3 404 849	264 303	2 236 892	2 553 637	(316 745)	-12.4%	3 404 849
Vote 6 - Sustainable Development and City Enterprises		109 581	96 476	105 072	14 149	101 762	78 804	22 958	29.1%	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	415 264	3 329 149	3 955 219	(626 070)	-15.8%	5 273 626
Expenditure by Vote										
Vote 1 - City Manager	1	10 260	142 460	172 379	4 668	41 957	129 284	(87 328)	-67.5%	172 379
Vote 2 - City Finance		902 315	723 311	701 904	41 724	247 760	526 428	(278 668)	-52.9%	701 904
Vote 3 - Community Services & Social Equity		741 958	605 502	575 686	55 220	512 099	431 765	80 335	18.6%	575 686
Vote 4 - Corporate Services		8 747	216 740	264 003	13 844	114 524	198 002	(83 478)	-42.2%	264 003
Vote 5 - Infrastructure Services		2 847 550	3 220 418	2 860 289	213 533	1 941 768	2 145 217	(203 448)	-9.5%	2 860 289
Vote 6 - Sustainable Development and City Enterprises		237 989	152 701	194 340	20 450	157 668	145 755	11 913	8.2%	194 340
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	349 439	3 015 776	3 576 451	(560 675)	-15.7%	4 768 601
Surplus/ (Deficit) for the year	2	52 305	467 410	505 024	65 825	313 373	378 768	(65 396)	-17.3%	505 024

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

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	68 466	611 909	634 988	(23 079)	-4%	846 651
Property rates - penalties & collection charges		20 236	43 830	46 460	2 694	24 484	34 845	(10 361)	-30%	46 460
Service charges - electricity revenue		1 784 586	2 008 246	2 161 676	145 149	1 406 343	1 621 257	(214 913)	-13%	2 161 676
Service charges - water revenue		473 021	623 188	692 674	37 150	352 789	519 505	(166 716)	-32%	692 674
Service charges - sanitation revenue		126 391	147 839	156 710	10 520	98 220	117 532	(19 312)	-16%	156 710
Service charges - refuse revenue		84 240	99 557	105 531	7 381	67 047	79 148	(12 102)	-15%	105 531
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		20 222	43 809	43 232	1 931	15 931	32 424	(16 493)	-51%	43 232
Interest earned - external investments		68 435	49 330	52 307	279	55 319	39 230	16 089	41%	52 307
Interest earned - outstanding debtors		60 214	66 349	70 330	6 636	49 319	52 747	(3 429)	-6%	70 330
Dividends received		-	-	-	-	-	-	-	-	-
Fines		52 658	18 538	19 528	-	691	14 646	(13 955)	-95%	19 528
Licences and permits		90	92	97	9	52	73	(21)	-28%	97
Agency services		532	670	704	62	356	528	(172)	-33%	704
Transfers recognised - operational		466 156	489 491	530 153	112 441	450 918	397 615	53 303	13%	530 153
Other revenue		87 810	83 339	87 417	5 415	43 756	65 562	(21 807)	-33%	87 417
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	398 133	3 196 335	3 610 101	(413 766)	-11%	4 813 468
Expenditure By Type										
Employee related costs		942 483	1 040 938	1 106 645	81 314	786 434	829 984	(43 549)	-5%	1 106 645
Remuneration of councillors		41 763	43 033	45 615	3 560	32 082	34 211	(2 130)	-6%	45 615
Debt impairment		92 508	120 815	127 356	-	-	95 517	(95 517)	-100%	127 356
Depreciation & asset impairment		556 772	507 298	570 147	39 211	344 217	427 610	(83 393)	-20%	570 147
Finance charges		75 095	65 474	58 275	15 576	49 518	43 706	5 812	13%	58 275
Bulk purchases		1 799 214	1 936 708	2 106 296	126 810	1 263 166	1 579 722	(316 556)	-20%	2 106 296
Other materials		151 572	181 399	205 938	16 248	26 637	154 453	(127 816)	-83%	205 938
Contracted services		65 468	35 408	45 852	48 766	325 419	34 389	291 030	846%	45 852
Transfers and grants		238	140 526	153 542	(99)	5 715	115 157	(109 442)	-95%	153 542
Other expenditure		520 715	381 970	349 000	18 057	163 456	261 750	(98 294)	-38%	349 000
Loss on disposal of PPE		-	-	-	-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 245 827	4 453 569	4 768 666	349 445	3 015 836	3 576 500	(560 663)	-16%	4 768 666
Surplus/(Deficit)										
Transfers recognised - capital		303 484	447 973	460 223	17 136	132 874	345 167	(212 293)	(0)	460 223
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		52 305	467 410	505 024	65 825	313 373	378 768			505 024
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		52 305	467 410	505 024	65 825	313 373	378 768			505 024
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		52 305	467 410	505 024	65 825	313 373	378 768			505 024
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		52 305	467 410	505 024	65 825	313 373	378 768			505 024

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M09 March

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	112	112	3 938	(3 826)	-97%	5 250
Vote 2 - City Finance		4 936	24 928	26 288	2 480	20 382	19 716	667	3%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	51 700	5 811	18 385	38 775	(20 390)	-53%	51 700
Vote 4 - Corporate Services		-	5 985	25 985	19 923	21 503	19 489	2 014	10%	5 985
Vote 5 - Infrastructure Services		326 001	546 074	634 820	32 419	210 336	476 115	(265 779)	-56%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	63 544	2 764	20 570	47 658	(27 088)	-57%	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	63 508	291 287	605 690	(314 402)	-52%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	2 000	-	19	1 500	(1 481)	-99%	500
Vote 2 - City Finance		31 896	782	782	57	416	587	(171)	-29%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	46 065	801	16 090	34 549	(18 459)	-53%	19 565
Vote 4 - Corporate Services		6 460	527	511	-	2 313	383	1 931	504%	527
Vote 5 - Infrastructure Services		17 510	3 590	10 985	-	12 478	8 239	4 239	51%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	3 798	578	1 448	2 848	(1 400)	-49%	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	1 436	32 764	48 105	(15 341)	-32%	28 761
Total Capital Expenditure		476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	61 213	22 571	46 753	45 910	843	2%	37 971
Executive and council		7 174	5 750	7 237	112	131	5 428	(5 297)	-98%	5 750
Budget and treasury office		36 832	25 710	27 200	2 537	20 798	20 400	398	2%	25 710
Corporate services		6 460	6 512	26 777	19 923	25 824	20 082	5 742	29%	6 512
Community and public safety		52 921	103 238	136 872	6 612	38 535	102 654	(64 119)	-62%	103 238
Community and social services		4 763	32 740	63 364	2 939	17 004	47 523	(30 519)	-64%	32 740
Sport and recreation		39 271	31 425	34 434	3 666	17 246	25 826	(8 580)	-33%	31 425
Public safety		3 022	3 640	3 640	7	7	2 730	(2 723)	-100%	3 640
Housing		5 864	35 434	35 434	-	4 278	26 575	(22 297)	-84%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	316 419	26 161	139 725	237 314	(97 589)	-41%	293 680
Planning and development		23 039	31 908	46 540	2 855	16 231	34 905	(18 674)	-54%	31 908
Road transport		126 943	260 312	268 418	22 819	123 007	201 314	(78 307)	-39%	260 312
Environmental protection		1 594	1 460	1 460	487	487	1 095	(608)	-56%	1 460
Trading services		218 966	291 352	357 223	9 600	98 907	267 917	(169 010)	-63%	291 352
Electricity		112 513	190 721	256 710	5 701	47 463	192 532	(145 069)	-75%	190 721
Water		65 591	58 728	70 304	3 312	4 568	52 728	(48 160)	-91%	58 728
Waste water management		37 404	31 403	19 159	587	34 523	14 369	20 153	140%	31 403
Waste management		3 457	10 500	11 050	-	12 353	8 288	4 066	49%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	726 241
Funded by:										
National Government		270 402	428 074	424 639	34 343	210 583	318 479	(107 896)	-34%	428 074
Provincial Government		28 696	19 899	34 735	1 516	7 641	26 051	(18 411)	-71%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		4 386	-	-	-	-	-	-	-	-
Transfers recognised - capital		303 484	447 973	459 374	35 858	218 224	344 531	(126 307)	-37%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	158 268	595	12 741	118 701	(105 960)	-89%	158 268
Internally generated funds		110 621	120 000	254 084	28 492	93 086	190 563	(97 477)	-51%	120 000
Total Capital Funding		476 286	726 241	871 726	64 945	324 051	653 795	(329 743)	-50%	726 241

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M09 March

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 - M09 March

Description	Ref	Budget Year 2016/17								
		2015/16	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	60 949	538 482	589 453	(50 971)	-9%	785 938
Service charges		2 468 237	2 533 370	2 742 599	215 924	1 938 189	2 056 949	(118 761)	-6%	2 742 599
Other revenue		68 703	138 875	143 350	14 026	291 967	107 512	184 455	172%	143 350
Government - operating		466 156	489 491	530 153	123 739	485 108	397 615	87 494	22%	530 153
Government - capital		303 484	447 973	460 223	95 710	464 334	345 167	119 167	35%	460 223
Interest		128 456	107 717	114 198	2 084	68 377	85 648	(17 271)	-20%	114 198
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(3 554 849)	(3 619 264)	(3 851 232)	(302 610)	(3 338 540)	(2 888 424)	450 116	-16%	(3 851 232)
Finance charges		(75 095)	(65 474)	(58 275)	(15 576)	(49 510)	(43 706)	5 803	-13%	(58 275)
Transfers and Grants		(238)	(191)	(8 603)	-	(4 004)	(6 452)	(2 448)	38%	(8 603)
NET CASH FROM/(USED) OPERATING ACTIVITIES		567 142	773 947	858 350	194 246	394 403	643 763	249 359	39%	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)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(483 379)	(617 305)	(867 636)	(57 643)	(309 096)	(650 727)	(341 630)	52%	(867 636)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		5 348	50 000	50 000	-	50 000	37 500	12 500	33%	50 000
Increase (decrease) in consumer deposits		-	-	-	1 840	4 748	-	4 748	#DIV/0!	-
Payments										
Repayment of borrowing		40 870	(67 762)	(73 307)	(21 139)	(54 410)	(54 981)	(571)	1%	(73 307)
NET CASH FROM/(USED) FINANCING ACTIVITIES		46 218	(17 762)	(23 307)	(19 299)	339	(17 481)	(17 819)	102%	(23 307)
NET INCREASE/ (DECREASE) IN CASH HELD		129 981	138 880	(32 593)	117 303	85 645	(24 445)			(32 593)
Cash/cash equivalents at beginning:		841 079	912 709	-	-	976 717	912 709	-	-	976 717
Cash/cash equivalents at month/year end:		971 061	1 051 589	(32 593)	1 062 362	888 264	888 264	-	-	944 124

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

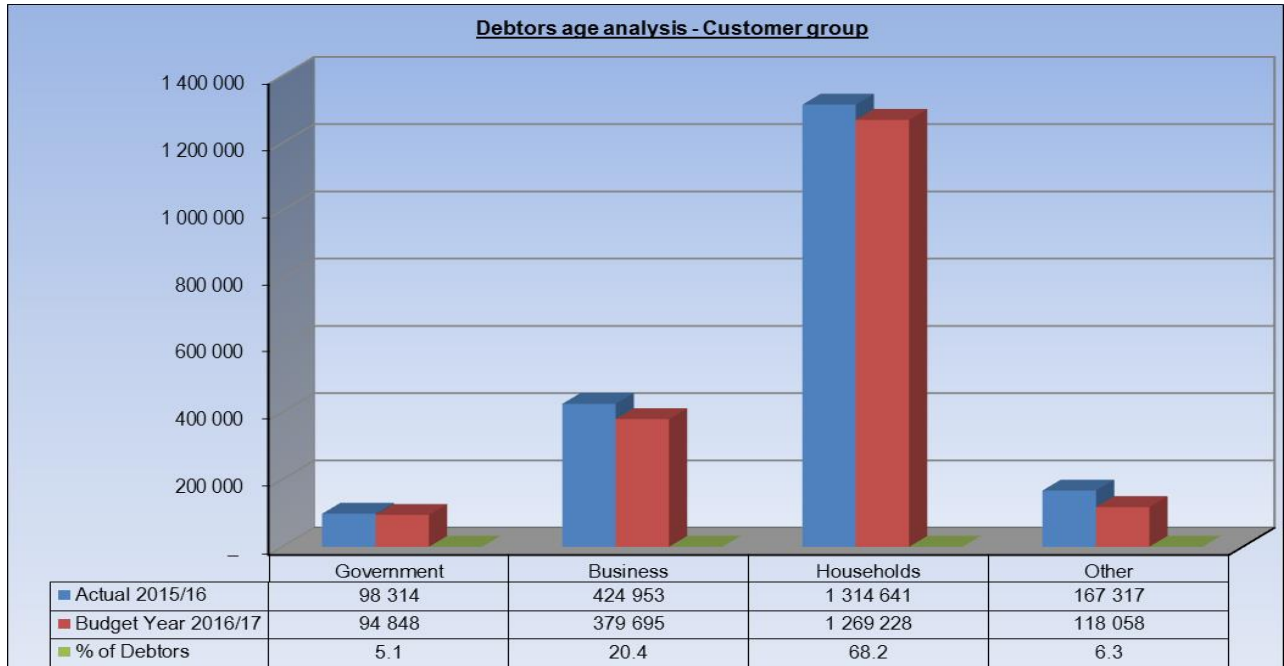
The table presented below summarises the Debtors Age Analysis as at 31 March 2017.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	NT Code	Budget Year 2016/17									Total over 90 days	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			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	46 807	28 434	20 932	17 424	16 334	16 539	17 008	401 985	565 463	469 290		163 824
Trade and Other Receivables from Exchange Transactions - Electricity	1300	157 125	84 926	23 933	6 267	5 522	4 273	3 395	53 072	338 513	72 529		21 406
Receivables from Non-exchange Transactions - Property Rates	1400	57 658	19 277	12 523	9 794	12 844	15 212	7 382	234 082	368 771	279 313		139 037
Receivables from Exchange Transactions - Waste Water Management	1500	11 524	5 471	3 398	3 325	3 019	3 077	2 907	79 351	112 072	91 678		39 039
Receivables from Exchange Transactions - Waste Management	1600	7 147	3 490	1 837	1 678	1 608	1 551	1 515	40 507	59 334	46 860		19 527
Receivables from Exchange Transactions - Property Rental Debtors	1700	613	556	528	538	526	516	512	21 175	24 963	23 266		13 792
Interest on Arrear Debtor Accounts	1810	9 884	9 566	9 123	8 808	8 251	8 310	8 345	244 751	307 038	278 465		126 736
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	1 588	(8 339)	(1 065)	(1 664)	(9 156)	(2 184)	(1 935)	108 430	85 675	93 491		75 614
Total By Income Source	2000	292 345	143 380	71 211	46 170	38 948	47 293	39 129	1 183 353	1 861 829	1 354 893	-	598 976
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	22 726	12 880	3 646	2 686	(2 277)	1 561	1 126	52 500	94 848	55 596		31 704
Commercial	2300	144 359	72 584	24 945	7 265	7 641	7 059	4 325	111 516	379 695	137 807		60 552
Households	2400	115 687	63 519	39 514	33 259	30 347	35 299	31 170	920 432	1 269 228	1 050 508		447 296
Other	2500	9 572	(5 603)	3 106	2 959	3 236	3 375	2 508	98 905	118 058	110 983		59 425
Total By Customer Group	2600	292 345	143 380	71 211	46 170	38 948	47 293	39 129	1 183 353	1 861 829	1 354 893	-	598 976

Chart 1: Debtors Age Analysis By Customer Group

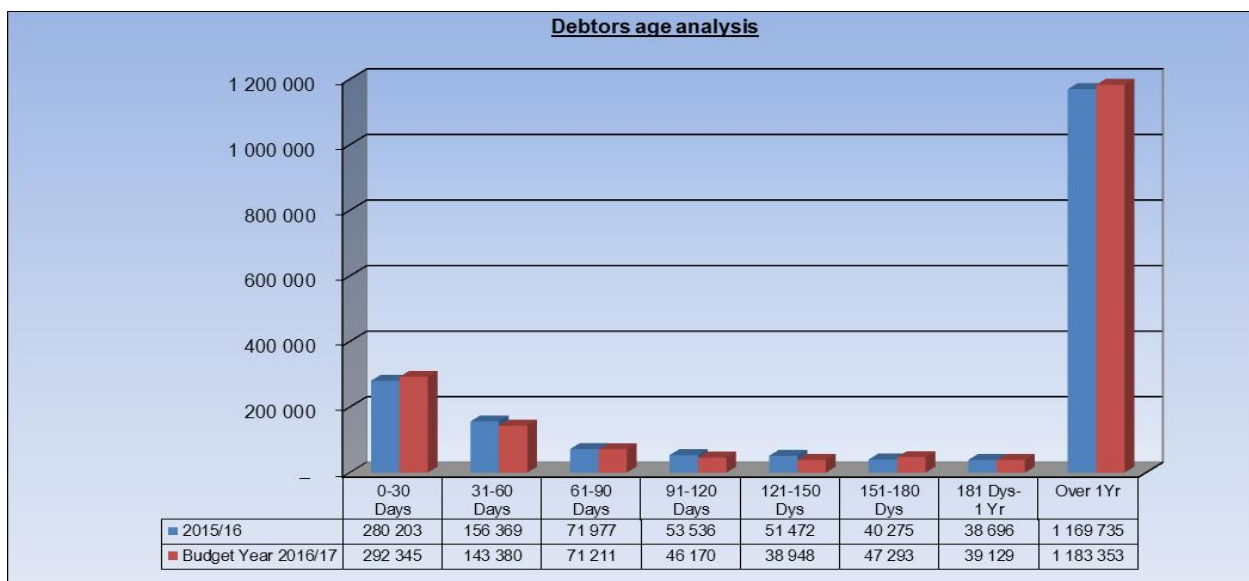


The information presented in the chart above reflects an increase in the outstanding debtor's balances as at 31 March 2017 of R 20.0 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 862 billion.

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 20%
- ✓ Other 7%
- ✓ Organs of State 5%

Chart 2: Year on Year Debtors Age Analysis



2.2 Creditors Analysis

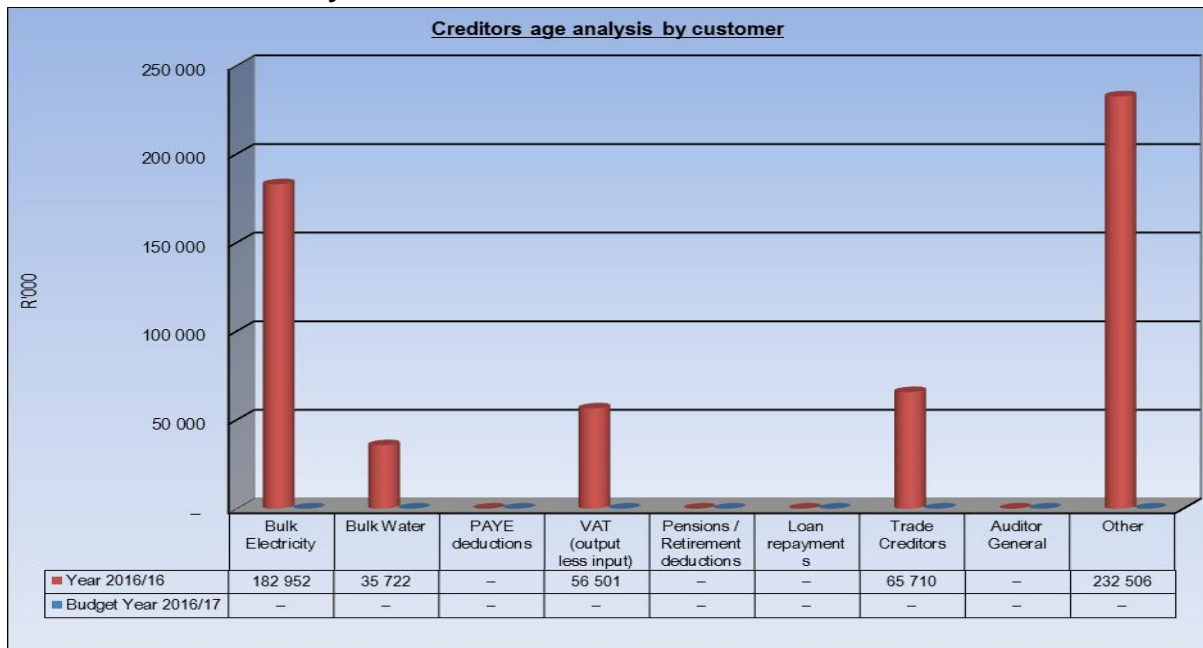
Table SC 4 below presents the aged creditors as at 31 March 2017

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

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 March 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 March 2017.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March									
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					28 521
Fixed - ABSA - 12 months (WCA)		12 months							8 550
Fixed - ABSA - Various		Various							150 000
Standard bank		3 months							210 000
FNB Various									665 291
Municipality sub-total					-		-	-	1 062 362

The total consolidated investment balances as at 31 March 2017 was R 1.062 billion.

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

M09 March 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	-	1 625	303 885	(302 260)	-99.5%	455 827
Local Government Equitable Share		373 541	432 307			288 205	(288 205)	-100.0%	432 307
Finance Management		1 600	1 625		1 625	1 083	542	50.0%	1 625
Municipal Systems Improvement		808	-			-	-	-	-
EPWP Incentive		2 784	6 809			4 539	(4 539)	-100.0%	6 809
Energy Efficiency and Demand Management		-	8 000			5 333	(5 333)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758	-			-	-	-	-
Public Transport Infrastructure		88 849	-			-	-	-	-
Operating costs-MIG		6 092	7 086			4 724	(4 724)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-	-	-
Provincial Government:		43 759	10 786	-	27 909	7 191	20 718	288.1%	10 786
Health subsidy		-	-			-	-	-	-
Provincial Government:	3	-	-			-	-	-	-
Expanded Public Works Grant		-	-			-	-	-	-
Sport and Recreation	60	-	-			-	-	-	-
Health		-	-			-	-	-	-
Human Settlements		16 413	-		8 013	-	8 013	#DIV/0!	-
Public Works		-	-			-	-	-	-
Arts and Culture- Community Library Services		10 347	581			387	(387)	-100.0%	581
Arts and Culture- Provincialisation		16 201	9 805		19 896	6 537	13 359	204.4%	9 805
Arts and Culture-Museum Subsidies		478	400			267	(267)	-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	-	29 534	311 075	(281 541)	-90.5%	466 613
Capital Transfers and Grants									
National Government:		289 651	450 393	-	465 479	300 262	165 217	55.0%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		190 617	122 354	68 263	55.8%	183 531
Public Transport and Systems		20 634	200 031		200 031	133 354	66 677	50.0%	200 031
Neighbourhood Development Partnership		20 195	22 110		22 110	14 740	7 370	50.0%	22 110
Dept of Mineral/Electricity		9 188	-		16 000	-	16 000	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			5 333	(5 333)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-	-	-
Municipal Water Infrastructure Grant		-	36 721		36 721	24 481	12 240	0.0%	36 721
		-	-			-	-	0.0%	-
		-	-			-	-	-	-
Provincial Government:		66 807	19 899	-	22 294	13 266	9 028	0.0%	19 899
Airport Development Project		-	-		1 070	-	1 070	0.0%	-
Sport and Recreation	80	-	-			-	-	0.0%	-
Corridor Development		-	-		14 415	-	14 415	#DIV/0!	-
KZNPA	5 182	9 510	-			6 340	(6 340)	-100.0%	9 510
Arts and Culture-Museum Subsidies	8 865	-	-			-	-	0.0%	-
COGTA	18 016	10 389	-			6 926	(6 926)	-100.0%	10 389
Human Settlement	25 032	-	-			-	-	-	-
Municipal Water Infrastructure	9 631	-	-		6 809	-	6 809	0.0%	-
District Municipality:		-	-	-	-	-	-	-	-
Other grant providers:		413	-	-	-	-	-	-	-
Developer Contribution		413	-			-	-	-	-
Total Capital Transfers and Grants	5	356 872	470 292	-	487 773	313 528	174 245	55.6%	470 292
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	-	517 307	624 603	(107 296)	-17.2%	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 244.5 million resulting in underperformance of the YTD capital grants budget of R 73.2 million.

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

M09 March 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	-	4 015	303 885	(299 869)	-98.7%	455 827
Local Government Equitable Share		373 541	432 307			288 205	(288 205)	-100.0%	432 307
Finance Management		1 600	1 625		1 120	1 083	37	3.4%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		2 896	4 539	(1 644)	-36.2%	6 809
Energy Efficiency and Demand Management		-	8 000			5 333	(5 333)	-100.0%	8 000
Water Services Operating Subsidy		1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			4 724	(4 724)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
Provincial Government:		43 759	10 786	-	270	7 191	(6 921)	-96.2%	10 786
Health subsidy		-	-			-	-		-
Provincial Government		3	-			-	-		-
Expanded Public Works Grant		-	-			-	-		-
Sport and Recreation		60	-			-	-		-
Health		-	-			-	-		-
Human Settlements		16 413	-		270	-	270	#DIV/0!	-
Public Works		-	-			-	-		-
Arts and Culture- Community Library Services		10 347	581			387	(387)	-100.0%	581
DWAF		16 201	9 805	-		6 537	(6 537)	-100.0%	9 805
Cogta		478	400	-		267	(267)	-100.0%	400
Sport And Recreation		257	-			-	-		-
District Municipality:		-	-	-	-	-	-	-	-
[insert description]		-	-			-	-		-
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	4 285	311 075	(306 790)	-98.6%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	237 768	300 262	(62 494)	-20.8%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		104 900	122 354	(17 454)	-14.3%	183 531
Public Transport and Systems		20 634	200 031		79 218	133 354	(54 136)	-40.6%	200 031
Neighbourhood Development Partnership		20 195	22 110		1 343	14 740	(13 397)	-90.9%	22 110
Dept of Mineral/Electricity		9 188	-		9 253	-	9 253	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			5 333	(5 333)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		29 943	24 481	5 462		36 721
Library		-	-		13 111	-	13 111	#DIV/0!	-
Provincial Government:		66 807	19 899	-	2 545	13 266	(10 721)	-	19 899
Airport Development Project		-	-		-	-	-		-
Sport and Recreation		80	-			-	-		-
Corridor Development		-	-		899	-	899		-
Arts and Culture-Museum Subsidies		8 865	-		145	-	145		-
COGTA		18 016	10 389	-		6 926	(6 926)	-100.0%	10 389
Human Settlement		25 032	-		1 501	-	1 501	#DIV/0!	-
Municipal Water Infrastructure		9 631	-		-	-	-		-
Other grant providers:		413	-	-	-	-	-	-	-
Developer Contribution		413	-		-	-	-		-
Total capital expenditure of Transfers and Grants		356 872	470 292	-	240 313	313 528	(73 214)	-23.4%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	244 599	624 603	(380 005)	-60.8%	936 905

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March										
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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		31 389	28 637	28 637	2 507	22 827	21 478	1 349	6%	28 637
Pension and UIF Contributions		253	3 614	3 614	317	2 830	2 711	120	4%	3 614
Medical Aid Contributions		2 287	1 416	1 416	92	766	1 062	(296)	-28%	1 416
Motor Vehicle Allowance		528	7 292	7 292	478	4 437	5 469	(1 032)	-19%	7 292
Cellphone Allowance		133	2 034	2 034	139	1 270	1 526	(256)	-17%	2 034
Housing Allowances		10	41	41	10	72	31	41	133%	41
Other benefits and allowances		58			23	313		313	#DIV/0!	
Sub Total - Councillors		34 657	43 034	43 034	3 566	32 515	32 276	240	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	630	6 191	4 577	1 615	35%	6 102
Pension and UIF Contributions		798	511	511	75	852	383	469	122%	511
Medical Aid Contributions		-	60	60	7	75	45	30	66%	60
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		210	382	382		180	287	(107)	-37%	382
Motor Vehicle Allowance		762	818	818	77	774	614	161	26%	818
Cellphone Allowance		-	100	100	8	80	75	5	6%	100
Housing Allowances		98	142	142	51	593	107	486	457%	142
Other benefits and allowances		38	509	509	4	22	382	(360)	-94%	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	853	8 767	6 468	2 299	36%	8 624
% increase	4		14.1%	14.1%						14.1%
Other Municipal Staff										
Basic Salaries and Wages		504 910	698 784	727 819	53 938	494 323	545 864	(51 541)	-9%	698 784
Pension and UIF Contributions		112 428	134 410	134 410	7 104	84 330	100 808	(16 477)	-16%	134 410
Medical Aid Contributions		40 020	46 584	46 584	4 172	35 089	34 938	151	0%	46 584
Overtime		38 448	51 413	51 413	2 272	26 248	38 560	(12 312)	-32%	51 413
Performance Bonus		-	-	-	-	586	-	586	#DIV/0!	-
Motor Vehicle Allowance		12 324	14 308	14 308	1 078	10 353	10 731	(378)	-4%	14 308
Cellphone Allowance		2 340	2 843	2 843	216	2 049	2 132	(83)	-4%	2 843
Housing Allowances		3 108	4 323	4 323	365	3 139	3 242	(103)	-3%	4 323
Other benefits and allowances		96 672	49 944	49 944	10 103	109 334	37 458	71 876	192%	49 944
Payments in lieu of leave		2 280				2 168		2 168	#DIV/0!	
Long service awards		12 444	18 100	18 100	777	5 724	13 575	(7 851)	-58%	18 100
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		824 974	1 020 709	1 049 744	80 025	773 346	787 308	(13 962)	-2%	1 020 709
% increase	4		23.7%	27.0%						23.7%
Total Parent Municipality		867 189	1 072 367	1 101 402	84 445	814 627	826 052	(11 424)	-1%	1 072 367
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		329	442	442	36	333	332	2	0%	442
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		12	15	15	2	15	11	3	30%	15
Overtime		18			2	14		14	#DIV/0!	
Performance Bonus		6	6	6	0	3	5	(2)	-40%	6
Motor Vehicle Allowance		-	19	19			14	(14)	-100%	19
Cellphone Allowance		4	4	4			3	(3)	-100%	4
Housing Allowances		-	-	-	-	6	-	6	#DIV/0!	-
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	40	370	365	5	1%	486
% increase	4		31.7%	31.7%						31.7%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 969	2 969	265	2 344	2 227	118	5%	2 969
Pension and UIF Contributions		154	209	209	18	179	157	22	14%	209
Medical Aid Contributions		389	586	586	34	255	440	(184)	-42%	586
Overtime		416	597	597	5	44	448	(404)	-90%	597
Performance Bonus		22	27	27	1	9	20	(12)	-57%	27
Motor Vehicle Allowance		56	69	69			52	(52)	-100%	69
Cellphone Allowance		11	12	12	35	434	9	425	4717%	12
Housing Allowances		-	-	-	-	28	-	28	#DIV/0!	-
Other benefits and allowances		219	288	288	31	227	216	11	5%	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	388	3 519	3 568	(49)	-1%	4 757
% increase	4		34.9%	34.9%						34.9%
Total Municipal Entities		3 895	5 243	5 243	428	3 889	3 932	(43)	-1%	5 243
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610	1 106 645	84 872	818 516	829 984	(11 467)	-1%	1 077 610
% increase	4		23.7%	27.0%						23.7%
TOTAL MANAGERS AND STAFF		836 427	1 034 576	1 063 611	81 306	786 001	797 708	(11 707)	-1%	1 034 576

Councillor Allowances

The expenditure on councillor allowances as at 31 March 2017 was under spent by 6%. The year to date budget for Remuneration of Councillor's is R 34.2 million while the actual expenditure incurred was R 32.0 million resulting in 94% YTD expenditure performance.

Employee Benefits

The total consolidated salaries expenditure as at the Third Quarter at 31 March 2017 was R 818.5 million, against the budget of R 829.9 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 March 2017 and the monthly forecast till year end. The first table mainly presents cash inflows, while the next the page presents mainly outflows.

KZN25 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M09 March

Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget			
Cash Receipts By Source																
Property rates		51 006	57 401	61 601	57 589	62 522	57 859	50 397	70 354	60 696	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	870	253	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	154 102	165 143	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	27 013	33 174	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	8 451	10 610	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	5 545	6 997	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	1 135	1 174	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	2 070	2 078	4 106	4 106	4 106	49 330	52 177	55 204
Interest earned - outstanding debtors		1 061	910	735	817	889	931	724	1 629	2 470	4 976	4 866	3 760	58 387	61 890	65 604
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		347	427	274	216	62	161	62	138	9	1 390	1 359	1 051	16 313	17 185	17 639
Licences and permits		6	5	7	9	6	4	5	3	9	7	7	5	81	85	90
Agency services		0	0	0	-	0	0	0	0	0	50	49	38	590	619	650
Transfer receipts - operating		180 127	1 625	-	7 761	-	159 820	6 930	5 107	123 739	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	26 184	10 363	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	302 602	416 717	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	3 260	95 710	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	-	-	-	-	50 000	120 000	120 000
Increase in consumer deposits		1 011	272	445	443	304	335	5	92	1 840	-	-	-	-	-	-
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	355 953	514 267	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	85 046	81 813	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	3 558	3 558	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	-	5	15 575	-	-	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	113 419	112 964	117 565	117 413	115 889	527 753	586 597	652 003
Other materials		35 837	43 600	-	87 066	44 112	43 618	-	91 309	120 159	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	1 936	16 244	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	35 989	48 757	2 926	2 926	2 926	-	-	-
Transfers and grants - other		-	-	-	-	-	-	-	-	-	-	-	-	191	8 603	9 265
Other expenditure		1 710	-	-	-	-	20	1 730	544	-	650	666	825	373 951	345 821	284 450
		79 450	26 976	2 534	4 935	205 516	61 162	15 859	4 213	7 082	22 883	31 693	119 794	-	-	-
Cash Payments by Type		389 146	381 977	354 752	372 502	527 094	363 973	260 045	336 018	406 152	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	36 779	57 643	39 191	51 442	173 953	617 305	867 636	983 155
Repayment of borrowing		24	24	18 698	24	24	14 430	24	24	21 139	-	-	15 083	67 762	73 307	77 156
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		389 285	382 001	413 984	414 355	566 577	430 496	300 711	372 821	484 934	325 115	353 081	664 398	4 310 123	4 851 279	5 165 874
NET INCREASE/(DECREASE) IN CASH HELD		209 198	(59 545)	(96 619)	13 497	(232 132)	146 139	92 977	(16 868)	29 332	43 767	18 488	(265 961)	198 754	45 051	129 732
Cash/cash equivalents at the monthly/year beginning:		976 717	1 185 914	1 126 370	1 029 751	1 043 249	811 117	957 255	1 050 233	1 033 365	1 062 697	1 106 463	1 124 951	976 717	1 175 471	1 220 522
Cash/cash equivalents at the monthly/year end:		1 185 914	1 126 370	1 029 751	1 043 249	811 117	957 255	1 050 233	1 033 365	1 062 697	1 106 463	1 124 951	858 990	1 175 471	1 220 522	1 350 254

2.6.2 Material Variances: Financial Indicators

1	Revenue By Source		
	Agency services	-33%	This is based on the customer usage for fire services to the District municipality
	Other revenue	-33%	This is a user driven resource
	Rental of facilities and equipment	-51%	This is a user driven resource
	Licences and permits	-28%	This is a user driven resource
	Interest earned - external investments	41%	This is would smooth out during the year
2	Expenditure By Type		
	Debt impairment	-100%	This is an annulised year end entry
	Other materials	-83%	This is a seasonal category and will smooth out during the year
	Contracted services	851%	This is a seasonal category and will smooth out during the year
	Transfers and grants	-95%	These are quarterly payments, and would smooth out during the year
	Bulk purchases	-20%	This is would smooth out during the year
	Depreciation & asset impairment	-20%	This is an annulised year end entry
	Other expenditure	-38%	This is would smooth out during the year

2.7 Parent Municipality Financial Performance

REVENUE ANALYSIS

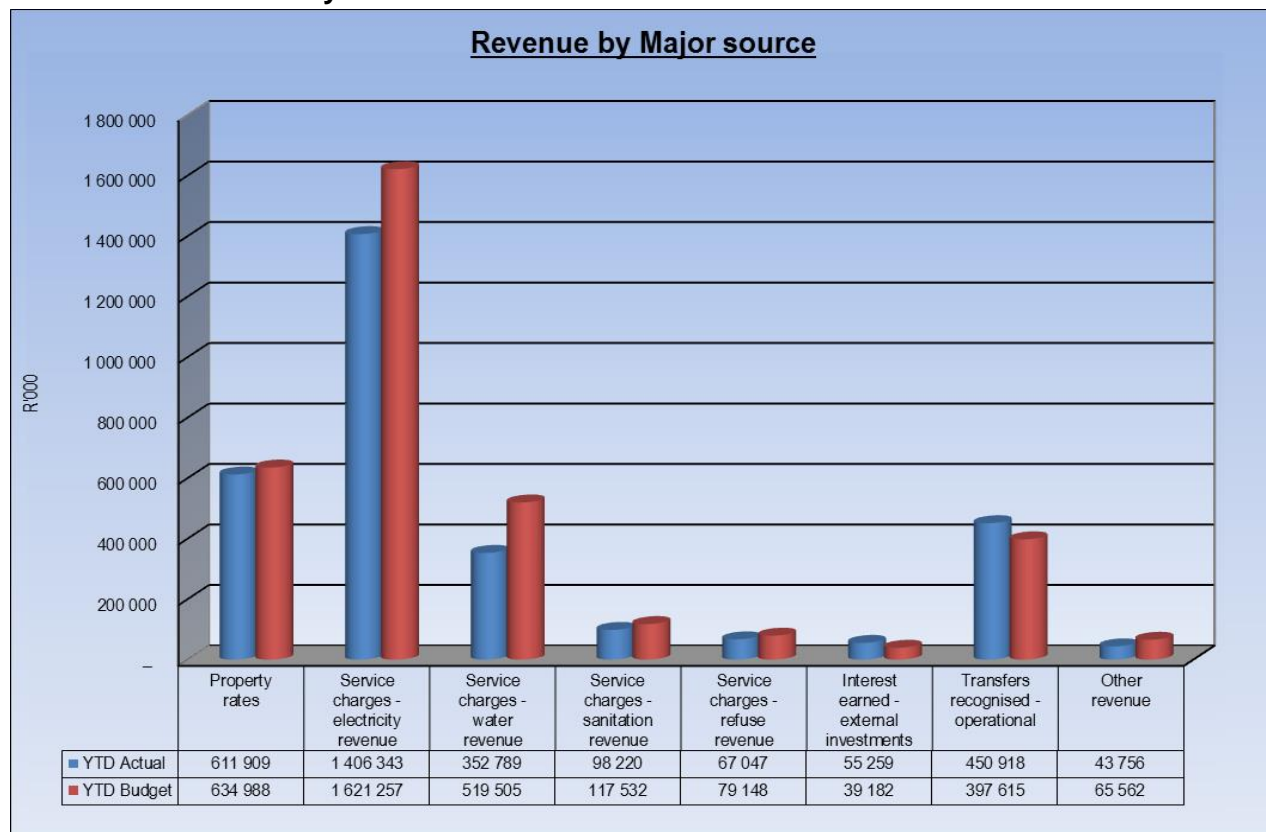
This section on material variances to the Service Delivery & Budget Implementation Plan analyses the financial as well as the non-financial YTD performance targets for the Third Quarter.

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 214.9 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 March 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 an under performance of 16% variance and is line when comparing the YTD actual revenue to the YTD budget.

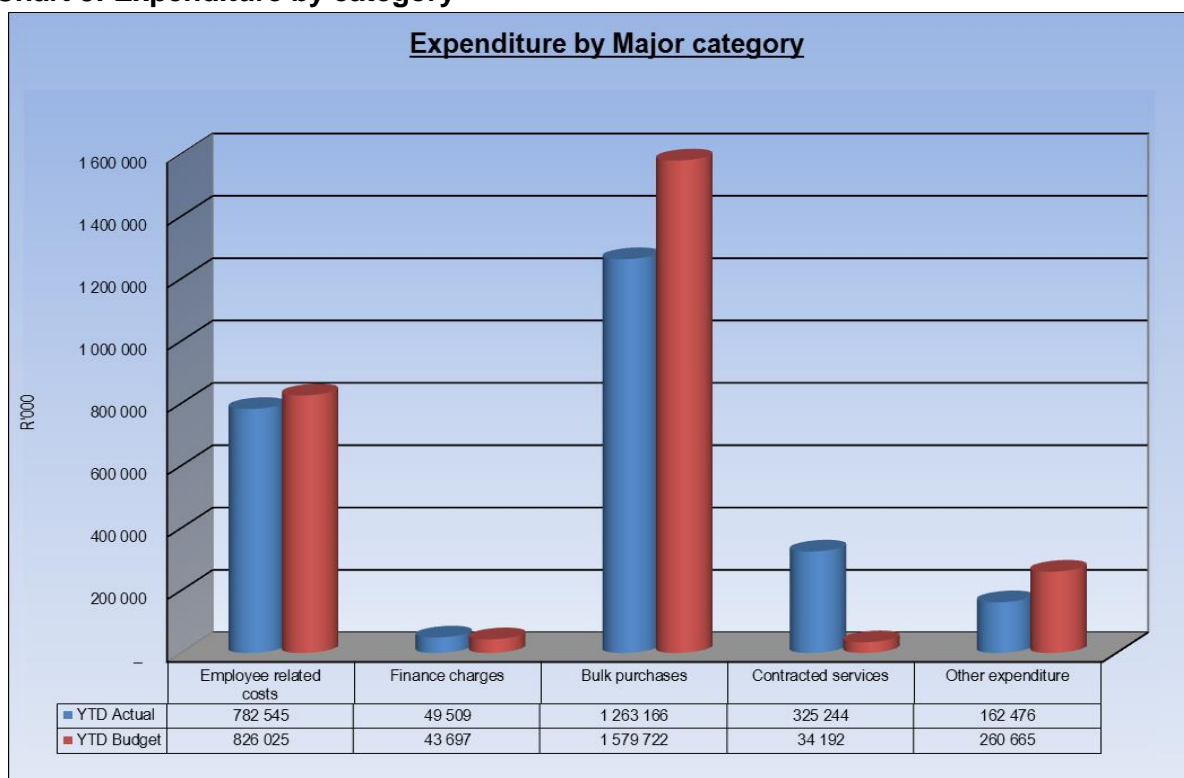
Service Charges - refuse revenue reflects an under performance of 15% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 2.9% to the total operating revenue received as at 31 March 2017.

OPERATIONAL EXPENDITURE

The chart below presents the Third Quarter 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 316.5 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 260.6 million while the actual costs incurred was R 162.4 million resulting in under performance against the budget of R 98.1 million

Depreciation & Asset Impairment: The full year depreciation & asset impairment figure is R 569.3 million. The actual being R 343.5 million whilst the YTD budget is R 426.9 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 58.2 million and the Actual YTD was R 49.5 million whilst the YTD budget is R 43.6 million which is slightly over budget.

Contracted Services: YTD Budget for contracted services was R 34.1 million, whilst the actual are R 325.2 million, the variance is offset by positive variance in other materials

Remuneration of councillors: the YTD budget was R 34.2 million and the actual expenditure incurred was R 32.0 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M09 March

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	60	49	0	22%	65
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 284	6 841	-	-	5 131	5 131	0	0%	6 841
Total Revenue (excluding capital transfers and contributions)	12 476	6 906	-	6	5 191	5 180	11	0	6 906
Employee costs	4 227	5 278	-	428	3 889	3 958	(70)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	623	623	-	-	830
Finance charges	12	12	-	1	9	9	(0)	(0)	12
Materials and bulk purchases	167	489	-	4	333	367	(33)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	50	1 155	1 283	(128)	(0)	1 711
Total Expenditure	5 965	8 319	-	551	6 009	6 240	(231)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	(545)	(818)	(1 060)	241	(0)	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	(545)	(818)	(1 060)	241	(0)	(1 413)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	(545)	(818)	(1 060)	241	(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	-	-	1 023	-	-	-	1 128
Total non current assets	6 138	5 962	-	-	5 754	-	-	-	5 785
Total current liabilities	222	250	-	-	318	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	7 322	6 663	-	-	6 459	-	-	-	6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	(477)	(205)	(446)	242	(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	(477)	(205)	(446)	242	(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

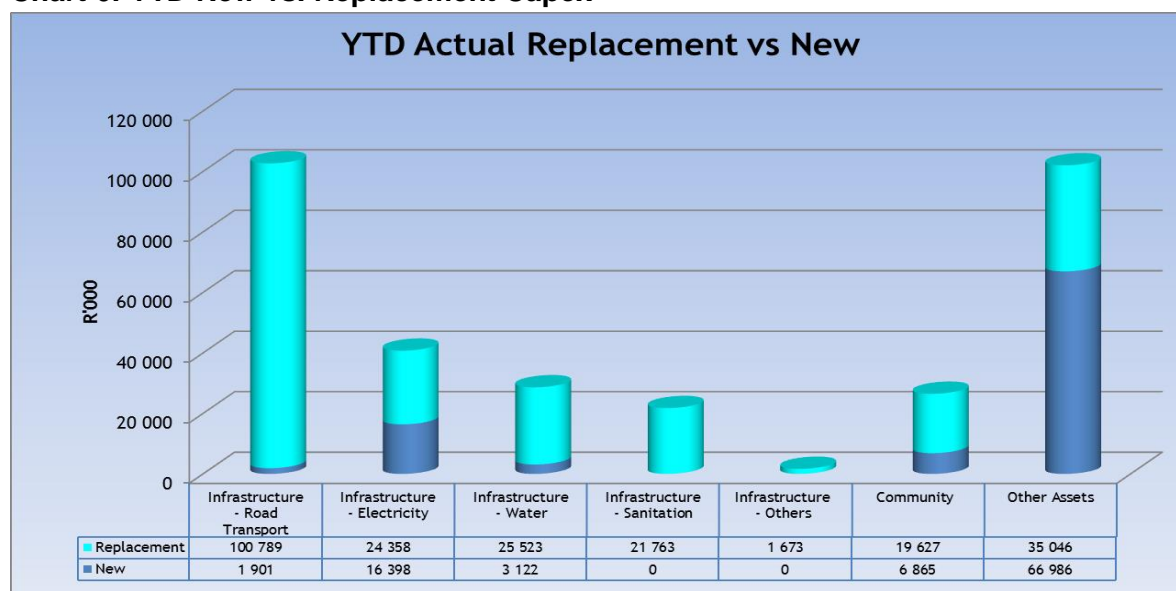
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

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	48 941	0	0	48 941	48 941	100.0%	0%
August	23 544	48 957	48 941	116	116	97 882	97 767	99.9%	0%
September	39 949	48 957	48 941	40 533	40 533	146 823	106 290	72.4%	6%
October	46 126	48 957	48 941	41 847	41 847	195 764	153 917	78.6%	6%
November	39 269	48 957	48 941	39 460	39 460	244 705	205 246	83.9%	5%
December	63 575	48 957	48 941	52 093	52 093	293 647	241 553	82.3%	7%
January	15 750	48 957	79 390	48 279	48 279	373 036	324 757	87.1%	7%
February	32 316	48 957	99 741	36 779	36 779	472 777	435 998	92.2%	5%
March	32 165	48 957	99 741	64 945	64 945	572 517	507 573	88.7%	9%
April	46 620	48 957	99 741			672 258	-		
May	44 113	60 520	99 741			771 999	-		
June	69 194	176 151	99 741			871 739	-		
Total Capital expenditure	461 711	726 241	871 739	324 051					

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 March 2017.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 324.0 million, R 95.2 million (29%) was new assets and R 228.7 million (71%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M09 March

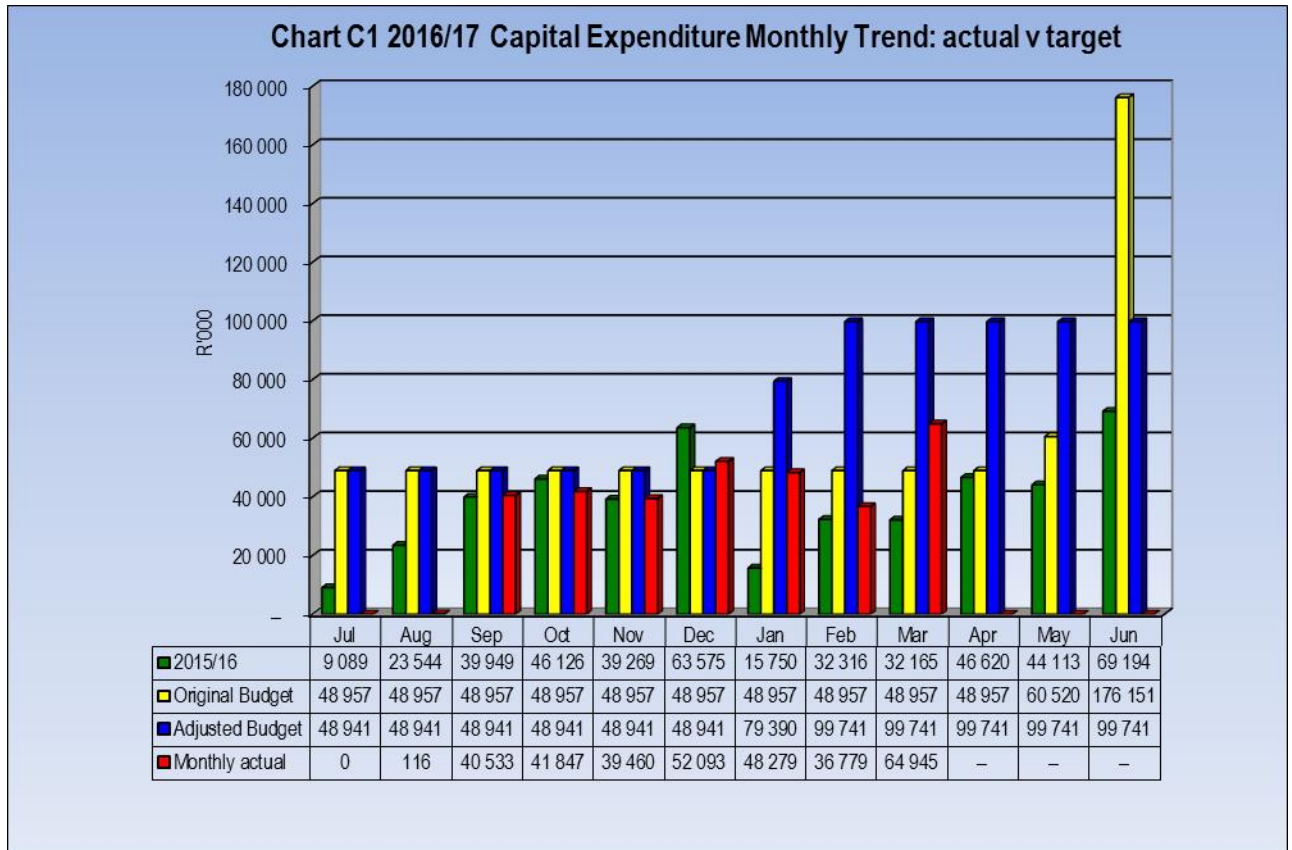
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		52 671	174 021	175 460	6 160	21 421	131 595	110 174	83.7%	175 460
Infrastructure - Road transport		24 562	2 714	3 135	538	1 901	2 351	450	19.1%	3 135
<i>Roads, Pavements & Bridges</i>		24 562	2 714	3 135	538	1 901	2 351	450	19.1%	3 135
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	161 248	2 500	16 398	120 936	104 538	86.4%	161 248
<i>Generation</i>		-	168 827	153 248	2 500	16 398	114 936	98 538	85.7%	153 248
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>		-	-	8 000	-	-	6 000	6 000	100.0%	8 000
Infrastructure - Water		17 110	-	10 578	3 122	3 122	7 933	4 811	60.6%	10 578
<i>Dams & Reservoirs</i>		297	-	10 578	3 122	3 122	7 933	4 811	60.6%	10 578
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		16 813	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		10 999	980	-	-	-	-	-	-	-
<i>Reticulation</i>		-	980	-	-	-	-	-	-	-
<i>Sewerage purification</i>		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	500	-	-	375	375	100.0%	500
<i>Waste Management</i>		-	1 500	500	-	-	375	375	100.0%	500
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Community		33 810	20 591	23 300	-	6 865	17 475	10 610	60.7%	23 300
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	2 500	-	-	1 875	1 875	100.0%	2 500
Swimming pools		-	-	5 000	-	377	3 750	3 373	89.9%	5 000
Community halls		-	-	15 800	-	6 488	11 850	5 362	45.2%	15 800
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	-	-	-	-
Cemeteries		-	2 000	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		40 021	23 329	90 903	26 818	47 180	68 177	20 997	30.8%	90 903
General vehicles		6 716	-	5 510	-	-	4 133	4 133	100.0%	5 510
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	42 508	23 705	30 189	31 881	1 692	5.3%	42 508
Computers - hardware/equipment		3 486	470	461	41	239	346	106	30.7%	461
Furniture and other office equipment		5 981	50	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	10 889	3 072	8 407	8 167	(240)	-2.9%	10 889
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	31 535	-	8 345	23 652	15 307	64.7%	31 535
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Intangibles		-	24 468	24 026	2 375	19 806	18 019	(1 787)	-9.9%	24 026
Computers - software & programming		-	24 468	24 026	2 375	19 806	18 019	(1 787)	-9.9%	24 026
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	126 501	242 409	313 689	35 353	95 272	235 266	139 995	59.5%	313 689

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M09

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	24 253	174 106	330 052	155 945	47.2%	440 069
Infrastructure - Road transport		125 812	239 143	261 279	22 343	100 789	195 959	95 170	48.6%	261 279
<i>Roads, Pavements & Bridges</i>		125 552	239 143	260 729	22 279	100 204	195 546	95 343	48.8%	260 729
<i>Storm water</i>		260		550	64	586	413	(173)	-42.0%	550
Infrastructure - Electricity		66 802	25 520	104 721	-	24 358	78 541	54 183	69.0%	104 721
<i>Generation</i>		66 802	25 520	95 288	-	24 358	71 466	47 108	65.9%	95 288
<i>Transmission & Reticulation</i>									0.0%	
<i>Street Lighting</i>				9 433			7 075	7 075	100.0%	9 433
Infrastructure - Water		65 030	55 602	46 420	48	25 523	34 815	9 292	26.7%	46 420
<i>Dams & Reservoirs</i>		65 030	55 602	46 420	48	25 523	34 815	9 292	26.7%	46 420
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		26 146	47 139	17 650	190	21 763	13 238	(8 525)	-64.4%	17 650
<i>Reticulation</i>			47 139	17 650	190	21 763	13 238	(8 525)	-64.4%	17 650
<i>Sewerage purification</i>		26 146							0.0%	
Infrastructure - Other		755		10 000	1 673	1 673	7 500	5 827	77.7%	10 000
<i>Waste Management</i>		755		10 000	1 673	1 673	7 500	5 827	77.7%	10 000
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>									0.0%	
Community		4 551	62 950	79 224	4 528	19 627	59 418	39 791	67.0%	79 224
Parks & gardens			500	1 000	794	839	750	(89)	-11.9%	1 000
Sportsfields & stadia	121		28 750	19 206	2 872	11 637	14 405	2 768	19.2%	19 206
Swimming pools			2 000	2 078		1 112	1 558	446	28.6%	2 078
Community halls			30 700							
Libraries				8 660	862	6 039	6 495	456	7.0%	8 660
Recreational facilities	2 823								0.0%	
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries			1 000	1 630			1 223	1 223	100.0%	1 630
Cemeteries				28 500			21 375	21 375	100.0%	28 500
Social rental housing				18 150			13 613	13 613	100.0%	18 150
Other	1 607									
Heritage assets										
Buildings										
Other										
Investment properties				6 895			5 171	5 171	100.0%	6 895
Housing development				6 895			5 171	5 171	100.0%	6 895
Other										
Other assets		31 275	53 478	31 850	810	35 046	23 887	(11 159)	-46.7%	31 850
General vehicles										
Specialised vehicles										
Plant & equipment									0.0%	
Computers - hardware/equipment				4 985	123	2 352	3 739	1 387	37.1%	4 985
Furniture and other office equipment	2 019			80			60	60	0.0%	80
Abattoirs										
Markets	251									
Civic Land and Buildings	14 359		33 569	23 475	687	26 488	17 606	(8 882)	-50.4%	23 475
Other Buildings				3 261		5 629	2 446	(3 183)	-130.2%	3 261
Other Land										
Surplus Assets - (Investment or Inventory)										
Other	14 646		19 910	49		577	37	(541)	-1480.3%	49
Agricultural assets										
List sub-class										
Biological assets										
List sub-class										
Intangibles		29 415								
Computers - software & programming		29 415								
Other									0.0%	
Total Capital Expenditure on renewal of existing ass	1	349 785	483 832	558 038	29 591	228 779	418 528	189 749	45.3%	558 038

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

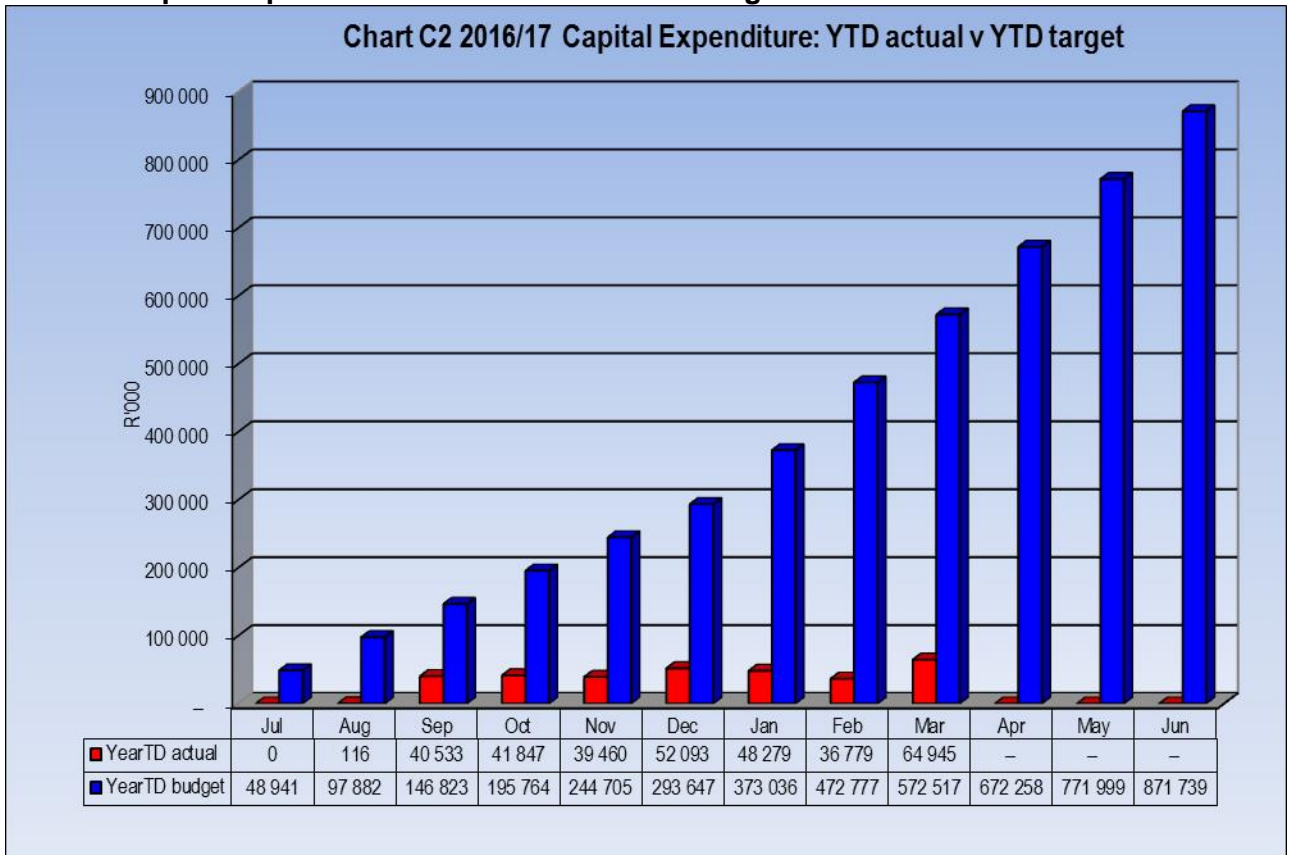
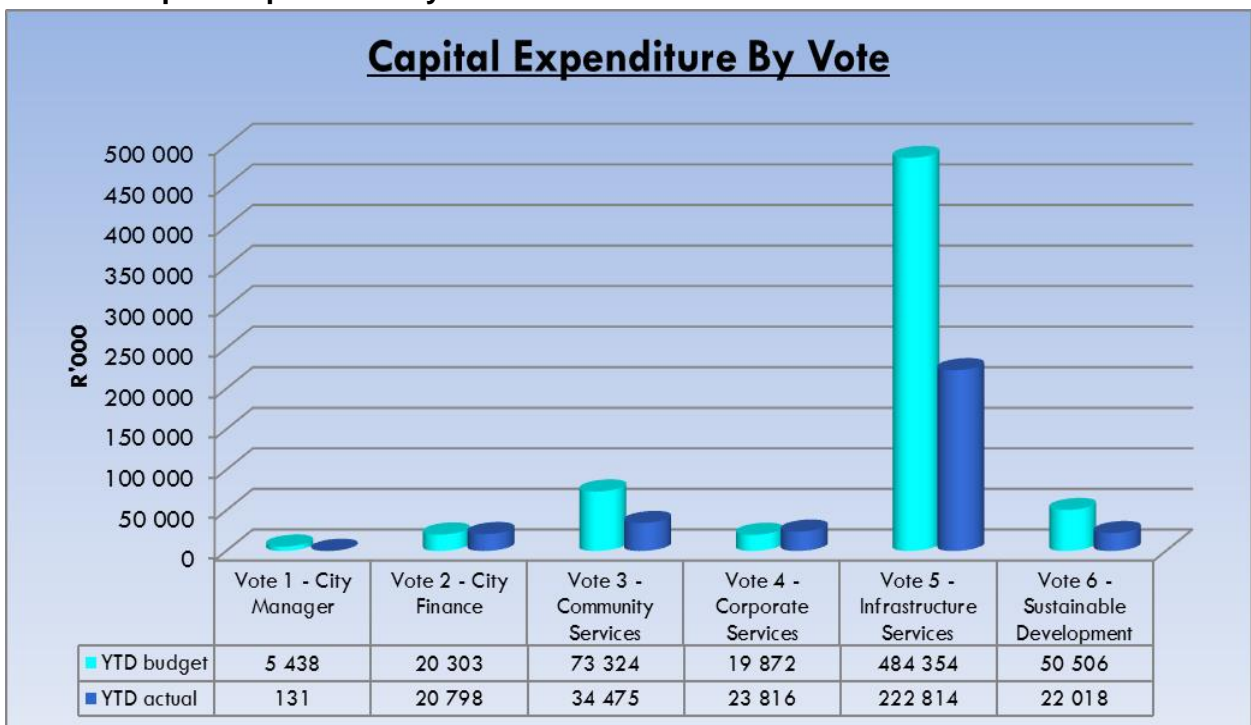


Chart 9: Capital Expenditure by Vote



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

The municipal entity's report for the month ending March 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 **March 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: _____