



Msunduzi Municipality
MFMA s71 Monthly Report

November 2016 Report
Budget & Treasury Office

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1. PART 1 – IN YEAR REPORT

1.1 Executive Summary

Legislative Requirements

In terms of Section 71 of the MFMA, the Accounting Officer of the Municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.

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

FINANCIAL PERFORMANCE

Revenue: The Year to Date (YTD) total revenue earned as reflected on the ProMIS system was R 1.752 billion for the period ending 30 November 2016. The YTD Budget was R 1.863 billion, therefore the actual underperformed against the budget by R 110.8 million against the revenue projected. The two main contributors, both accounting for 64% of the actual total YTD Revenue earned are Electricity (46%) & Property Rates revenue (18%). These two revenue sources make up more than 63% of the total YTD budget.

Operating Expenditure: The total actual YTD operating expenditure as reflected on the ProMIS system for the period ending 30 November 2016 amounted to R 636.8 million while the YTD budget was R 1.855 billion. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 67% of the annual budget expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 302.6 million, the actual YTD Capital expenditure incurred amounted to R 121.9 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 30 November 2016 was R 811.1 million.

Consumer Debt: Consumer debt at 30 November 2016 was just over R 1.76 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 - M05 November

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	717 026	842 558	-	75 612	356 068	351 066	5 002	1%	842 558
Service charges	2 228 636	2 878 830	-	209 592	1 099 191	1 199 513	(100 322)	-8%	2 878 830
Investment revenue	50 973	49 270	-	5 550	43 468	20 529	22 939	112%	49 270
Transfers recognised - operational	519 191	489 491	-	-	180 127	203 955	(23 828)	-12%	489 491
Other own revenue	325 520	212 797	-	9 823	73 998	88 665	(14 668)	-17%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 472 946	-	300 578	1 752 851	1 863 728	(110 877)	-6%	4 472 946
Employee costs	832 495	1 035 660	-	83 367	455 627	431 525	24 102	6%	1 035 660
Remuneration of Councillors	34 657	43 033	-	3 773	17 830	17 930	(100)	-1%	43 033
Depreciation & asset impairment	463 063	506 103	-	-	115 055	210 876	(95 821)	-45%	506 103
Finance charges	71 169	65 460	-	-	-	27 275	(27 275)	-100%	65 460
Materials and bulk purchases	1 785 315	2 117 550	-	-	266	882 313	(882 046)	-100%	2 117 550
Transfers and grants	11 995	148 325	-	20	1 810	61 802	(59 993)	-97%	148 325
Other expenditure	951 496	536 243	-	5 773	46 212	223 435	(177 222)	-79%	536 243
Total Expenditure	4 150 192	4 452 374	-	92 933	636 800	1 855 156	#####	-66%	4 452 374
Surplus/(Deficit)	(308 844)	20 572	-	207 645	1 116 051	8 572	#####	12920%	20 572
Transfers recognised - capital	356 835	447 414	-	(20)	(80)	186 423	(186 502)	-100%	447 414
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 986	-	207 625	1 115 971	194 994	920 977	472%	467 986
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 986	-	207 625	1 115 971	194 994	920 977	472%	467 986
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Capital transfers recognised	275 665	447 973	-	27 903	94 202	186 655	(92 453)	-50%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	1 500	4 808	65 945	(61 137)	-93%	158 268
Internally generated funds	123 864	120 000	-	10 057	22 945	50 000	(27 055)	-54%	120 000
Total sources of capital funds	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Financial position									
Total current assets	1 984 966	3 134 961	-	-	-	-	-	-	3 134 961
Total non current assets	7 548 842	7 628 886	-	-	-	-	-	-	7 628 886
Total current liabilities	915 372	1 318 873	-	-	-	-	-	-	1 318 873
Total non current liabilities	1 197 150	1 255 546	-	-	-	-	-	-	1 255 546
Community wealth/Equity	7 421 286	8 189 428	-	-	-	-	-	-	8 189 428
Cash flows									
Net cash from (used) operating	1 180 761	773 696	-	(192 953)	(27 344)	144 782	172 126	119%	773 696
Net cash from (used) investing	(1 224 532)	(617 305)	-	(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	281	(16 318)	(28 283)	(11 965)	42%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 338	-	-	811 116	802 837	(8 279)	-1%	1 115 346
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	289 419	153 776	67 044	38 358	43 306	39 705	38 370	#####	1 768 387
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) - M05 November

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	88 867	536 932	642 687	(105 755)	-16%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	88 858	536 907	636 779	(99 872)	-16%	1 528 270
Corporate services		5 993	14 180	-	9	25	5 908	(5 883)	-100%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 441	7 294	38 986	(31 691)	-81%	93 565
Community and social services		71 074	52 155	-	308	1 696	21 731	(20 035)	-92%	52 155
Sport and recreation		24 880	885	-	49	315	369	(54)	-15%	885
Public safety		111 819	23 347	-	505	2 410	9 728	(7 318)	-75%	23 347
Housing		17 809	17 144	-	573	2 866	7 143	(4 278)	-60%	17 144
Health		71	34	-	6	7	14	(7)	-50%	34
<i>Economic and environmental services</i>		235 988	435 042	-	1 436	8 292	181 268	(172 975)	-95%	435 042
Planning and development		63 074	53 331	-	1 391	8 125	22 221	(14 096)	-63%	53 331
Road transport		172 914	381 711	-	45	167	159 046	(158 879)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	216 640	1 217 920	1 427 548	(209 628)	-15%	3 426 115
Electricity		1 700 426	2 074 912	-	155 137	827 090	864 547	(37 457)	-4%	2 074 912
Water		660 510	1 052 569	-	40 785	274 548	438 570	(164 023)	-37%	1 052 569
Waste water management		191 593	176 288	-	12 363	68 267	73 454	(5 187)	-7%	176 288
Waste management		115 022	122 345	-	8 355	48 015	50 977	(2 962)	-6%	122 345
<i>Other</i>	4	34 298	31 371	-	1 563	8 773	13 071	(4 298)	-33%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	309 947	1 779 211	2 303 560	(524 348)	-23%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	35 583	191 143	408 844	(217 701)	-53%	995 248
Executive and council		7 712	113 165	-	5 227	26 341	47 152	(20 811)	-44%	113 165
Budget and treasury office		859 050	645 336	-	18 939	102 673	269 104	(166 431)	-62%	645 336
Corporate services		8 009	236 747	-	11 417	62 129	92 588	(30 460)	-33%	236 747
<i>Community and public safety</i>		670 660	551 767	-	33 160	188 883	231 817	(42 934)	-19%	551 767
Community and social services		116 571	140 429	-	6 776	41 688	58 633	(16 945)	-29%	140 429
Sport and recreation		145 186	118 290	-	9 232	50 759	49 696	1 063	2%	118 290
Public safety		316 932	236 010	-	13 868	77 621	99 723	(22 102)	-22%	236 010
Housing		49 923	32 584	-	1 814	10 351	13 577	(3 226)	-24%	32 584
Health		42 048	24 453	-	1 470	8 464	10 189	(1 724)	-17%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	11 852	116 329	236 558	(120 228)	-51%	567 103
Planning and development		97 679	110 222	-	5 224	32 598	45 926	(13 328)	-29%	110 222
Road transport		424 597	456 881	-	6 628	83 732	190 632	(106 900)	-56%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	20 356	153 303	1 213 872	#####	-87%	2 904 545
Electricity		1 512 417	1 695 915	-	6 282	59 500	708 219	(648 719)	-92%	1 695 915
Water		590 023	912 149	-	4 153	33 998	380 707	(346 709)	-91%	912 149
Waste water management		175 548	192 253	-	3 405	22 610	80 457	(57 847)	-72%	192 253
Waste management		150 620	104 227	-	6 517	37 195	44 489	(7 295)	-16%	104 227
<i>Other</i>		54 353	41 895	-	1 370	13 582	17 475	(3 893)	-22%	41 895
Total Expenditure - Standard	3	4 550 669	5 060 558	-	102 322	663 240	2 108 566	#####	-69%	5 060 558
Surplus/ (Deficit) for the year		47 991	467 985	-	207 625	1 115 972	194 994	920 978	472%	467 985

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) - M05 November

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	1									
Vote 1 - City Manager		6 851	-	-	9	25	-	25	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	88 858	536 907	636 779	(99 872)	-15.7%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 126	51 927	73 676	(21 749)	-29.5%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	-	1	5 909	(5 908)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	209 016	1 173 787	1 546 997	(373 210)	-24.1%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 938	16 565	40 198	(23 633)	-58.8%	96 476
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	4 621 352	5 528 543	-	309 947	1 779 211	2 303 560	(524 348)	-22.8%	5 528 543
Expenditure by Vote	1									
Vote 1 - City Manager		12 576	142 460	-	7 125	36 221	59 470	(23 249)	-39.1%	142 460
Vote 2 - City Finance		942 905	723 311	-	21 191	117 482	301 848	(184 365)	-61.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	37 152	209 814	255 177	(45 363)	-17.8%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	9 864	54 245	84 140	(29 895)	-35.5%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	19 180	195 715	1 344 526	#####	-85.4%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 126	-	7 809	49 762	63 405	(13 642)	-21.5%	152 126
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	4 573 361	5 060 558	-	102 322	663 240	2 108 566	#####	-68.5%	5 060 558
Surplus/ (Deficit) for the year	2	47 991	467 985	-	207 625	1 115 972	194 994	920 978	472.3%	467 985

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 November 2016.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

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		686 819	798 728		73 243	338 885	332 803	6 081	2%	798 728
Property rates - penalties & collection charges		30 207	43 830		2 370	17 183	18 263	(1 079)	-6%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		154 655	814 684	836 769	(22 085)	-3%	2 008 246
Service charges - water revenue		448 064	623 188		36 184	190 981	259 662	(68 681)	-26%	623 188
Service charges - sanitation revenue		139 629	147 839		11 920	59 607	61 600	(1 992)	-3%	147 839
Service charges - refuse revenue		74 810	99 557		6 834	33 918	41 482	(7 564)	-18%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		1 597	8 723	18 254	(9 530)	-52%	43 809
Interest earned - external investments		50 973	49 270		5 550	43 468	20 529	22 939	112%	49 270
Interest earned - outstanding debtors		69 529	66 349		4 330	24 262	27 645	(3 383)	-12%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		32	405	7 724	(7 319)	-95%	18 538
Licences and permits		89	92		6	31	38	(7)	-18%	92
Agency services		24 372	670		32	199	279	(80)	-29%	670
Transfers recognised - operational		519 191	489 491		-	180 127	203 955	(23 828)	-12%	489 491
Other revenue		101 001	83 339		3 827	21 183	34 725	(13 542)	-39%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 472 946	-	300 578	1 752 851	1 863 728	(110 877)	-6%	4 472 946
Expenditure By Type										
Employee related costs		832 495	1 035 660		83 367	455 627	431 525	24 102	6%	1 035 660
Remuneration of councillors		34 657	43 033		3 773	17 830	17 930	(100)	-1%	43 033
Debt impairment		222 110	120 815		-	-	50 340	(50 340)	-100%	120 815
Depreciation & asset impairment		463 063	506 103		-	115 055	210 876	(95 821)	-45%	506 103
Finance charges		71 169	65 460		-	-	27 275	(27 275)	-100%	65 460
Bulk purchases		1 586 802	1 936 708		-	200	806 962	(806 761)	-100%	1 936 708
Other materials		198 513	180 842		-	66	75 351	(75 285)	-100%	180 842
Contracted services		110 072	35 108		-	65	14 628	(14 564)	-100%	35 108
Transfers and grants		11 995	148 325		20	1 810	61 802	(59 993)	-97%	148 325
Other expenditure		618 857	380 320		5 773	26 954	158 467	(131 512)	-83%	380 320
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 452 374	-	92 933	636 800	1 855 156	#####	-6%	4 452 374
Surplus/(Deficit)		(308 844)	20 572	-	207 645	1 116 051	8 572	#####	0	20 572
Transfers recognised - capital		356 835	447 414		(20)	(80)	186 423	(186 502)	(0)	447 414
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 986	-	207 625	1 115 971	194 994			467 986
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 986	-	207 625	1 115 971	194 994			467 986
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 986	-	207 625	1 115 971	194 994			467 986
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		47 991	467 986	-	207 625	1 115 971	194 994			467 986

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) - M05 November

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	-	-	-	2 188	(2 188)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	-	431	10 386	(9 955)	-96%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	4 662	8 063	21 542	(13 479)	-63%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	2 494	(2 494)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	28 515	90 098	227 531	(137 433)	-60%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	2 400	11 746	26 477	(14 730)	-56%	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	384 493	697 480	-	35 576	110 338	290 617	(180 279)	-62%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	-	-	19	208	(189)	-91%	500
Vote 2 - City Finance		31 896	782	-	178	182	326	(144)	-44%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	2 497	7 313	8 152	(839)	-10%	19 565
Vote 4 - Corporate Services		6 460	527	-	58	906	219	687	313%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	1 150	3 196	1 496	1 700	114%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	1 582	(1 582)	-100%	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	-	3 884	11 618	11 984	(366)	-3%	28 761
Total Capital Expenditure		461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	-	236	3 545	15 821	(12 276)	-78%	37 971
Executive and council		7 174	5 750	-	-	19	2 396	(2 377)	-99%	5 750
Budget and treasury office		36 832	25 710	-	178	613	10 712	(10 099)	-94%	25 710
Corporate services		6 460	6 512	-	58	2 912	2 713	199	7%	6 512
Community and public safety		52 921	103 238	-	9 526	17 676	43 016	(25 340)	-59%	103 238
Community and social services		4 763	32 740	-	3 633	8 057	13 642	(5 584)	-41%	32 740
Sport and recreation		39 271	31 425	-	3 525	5 340	13 094	(7 754)	-59%	31 425
Public safety		3 022	3 640	-	-	-	1 517	(1 517)	-100%	3 640
Housing		5 864	35 434	-	2 367	4 278	14 764	(10 486)	-71%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	-	13 468	55 707	122 367	(66 659)	-54%	293 680
Planning and development		23 039	31 908	-	33	7 468	13 295	(5 827)	-44%	31 908
Road transport		126 943	260 312	-	13 435	48 240	108 463	(60 224)	-56%	260 312
Environmental protection		1 594	1 460	-	-	-	608	(608)	-100%	1 460
Trading services		204 390	291 352	-	16 230	44 895	121 397	(76 501)	-63%	291 352
Electricity		97 937	190 721	-	4 711	12 576	79 467	(66 891)	-84%	190 721
Water		65 591	58 728	-	36	473	24 470	(23 997)	-98%	58 728
Waste water management		37 404	31 403	-	11 483	25 342	13 085	12 257	94%	31 403
Waste management		3 457	10 500	-	-	6 504	4 375	2 129	49%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Funded by:										
National Government		260 460	428 074	-	26 461	90 191	178 364	(88 173)	-49%	428 074
Provincial Government		15 205	19 899	-	1 442	4 011	8 291	(4 280)	-52%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		275 665	447 973	-	27 903	94 202	186 655	(92 453)	-50%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	-	1 500	4 808	65 945	(61 137)	-93%	158 268
Internally generated funds		123 864	120 000	-	10 057	22 945	50 000	(27 055)	-54%	120 000
Total Capital Funding		461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241

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 30 November 2016.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	100 000			100 000
Call investment deposits		745 471	951 338			951 338
Consumer debtors		716 949	965 246			965 246
Other debtors		379 166	376 441			376 441
Current portion of long-term receivables		46	43			43
Inventory		46 737	741 893			741 893
Total current assets		1 984 966	3 134 961	-	-	3 134 961
Non current assets						
Long-term receivables		10 482	9 455			9 455
Investments		-	-			-
Investment property		382 805	356 914			356 914
Investments in Associate		-	-			-
Property, plant and equipment		6 862 567	7 009 706			7 009 706
Agricultural		230 945	-			-
Biological assets		44 831	46 520			46 520
Intangible assets		17 212	27 283			27 283
Other non-current assets		-	179 008			179 008
Total non current assets		7 548 842	7 628 886	-	-	7 628 886
TOTAL ASSETS		9 533 808	10 763 847	-	-	10 763 847
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	67 762			67 762
Consumer deposits		89 479	92 798			92 798
Trade and other payables		765 335	1 152 229			1 152 229
Provisions		7 034	6 084			6 084
Total current liabilities		915 372	1 318 873	-	-	1 318 873
Non current liabilities						
Borrowing		543 401	511 999			511 999
Provisions		653 749	743 547			743 547
Total non current liabilities		1 197 150	1 255 546	-	-	1 255 546
TOTAL LIABILITIES		2 112 522	2 574 419	-	-	2 574 419
NET ASSETS	2	7 421 286	8 189 428	-	-	8 189 428
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 016 514			8 016 514
Reserves		257 948	172 914			172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 189 428	-	-	8 189 428

Table C7 below display the Cash Flow Statement for the month ending 30 November 2016.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	741 451		63 896	296 064	300 648	(4 584)	-2%	741 451
Service charges		2 227 525	2 533 370		217 014	1 117 628	1 088 546	29 082	3%	2 533 370
Other revenue		-	138 875		44 602	141 224	93 507	47 718	51%	138 875
Government - operating		519 604	489 491		-	189 513	201 909	(12 396)	-6%	489 491
Government - capital		356 459	447 973		1 512	199 202	188 497	10 705	6%	447 973
Interest		120 502	107 657		7 116	54 495	48 643	5 853	12%	107 657
Dividends							-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 611 671)		(527 094)	(2 007 509)	(1 747 005)	260 504	-15%	(3 611 671)
Finance charges		(71 169)	(65 460)		(0)	(16 252)	(27 275)	(11 024)	40%	(65 460)
Transfers and Grants		(11 573)	(7 990)		-	(1 710)	(2 688)	(978)	36%	(7 990)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 696	-	(192 953)	(27 344)	144 782	172 126	119%	773 696
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
Payments										
Capital assets		#####	(617 305)		(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		-
Borrowing long term/refinancing		100 000	50 000					-		50 000
Increase (decrease) in consumer deposits		4 370			304	2 475	-	2 475	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(18 793)	(28 283)	(9 490)	34%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	281	(16 318)	(28 283)	(11 965)	42%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD		6 860	138 629	-	(232 132)	(165 600)	(109 872)			138 629
Cash/cash equivalents at beginning:		827 273	912 709			976 717	912 709			976 717
Cash/cash equivalents at month/year end:		834 133	1 051 338			811 116	802 837			1 115 346

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M05 November

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	717 026	842 558	-	75 612	356 068	351 066	5 002	1%	842 558
Service charges	2 228 636	2 878 830	-	209 592	1 099 191	1 199 513	(100 322)	-8%	2 878 830
Investment revenue	50 973	49 330	-	5 553	43 501	20 556	22 945	112%	49 330
Transfers recognised - operational	519 191	489 491	-	-	180 127	203 955	(23 828)	-12%	489 491
Other own revenue	325 520	212 797	-	9 823	73 998	88 665	(14 668)	-17%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 473 006	-	300 581	1 752 884	1 863 755	(110 871)	-6%	4 473 006
Employee costs	832 495	1 040 938	-	83 770	457 602	433 724	23 878	6%	1 040 938
Remuneration of Councillors	34 657	43 033	-	3 773	17 830	17 930	(100)	-1%	43 033
Depreciation & asset impairment	463 063	507 298	-	69	115 401	211 222	(95 821)	-45%	507 298
Finance charges	71 169	65 474	-	1	5	27 280	(27 275)	-100%	65 474
Materials and bulk purchases	1 785 315	2 118 107	-	6	389	882 517	(882 127)	-100%	2 118 107
Transfers and grants	11 995	140 526	-	20	1 810	61 802	(59 993)	-97%	140 526
Other expenditure	951 496	538 193	-	5 928	46 885	224 148	(177 262)	-79%	538 193
Total Expenditure	4 150 192	4 453 569	-	93 567	639 922	1 858 623	#####	-66%	4 453 569
Surplus/(Deficit)	(308 844)	19 436	-	207 014	1 112 962	5 132	#####	21588%	19 436
Transfers recognised - capital	356 835	447 973	-	(20)	(80)	186 423	(186 502)	-100%	447 973
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 410	-	206 994	1 112 882	191 554	921 328	481%	467 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 410	-	206 994	1 112 882	191 554	921 328	481%	467 410
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Capital transfers recognised	275 665	447 973	-	27 903	94 202	186 655	(92 453)	-50%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	1 500	4 808	65 945	(61 137)	-93%	158 268
Internally generated funds	123 864	120 000	-	10 057	22 945	50 000	(27 055)	-54%	120 000
Total sources of capital funds	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Financial position									
Total current assets	1 984 966	3 135 284	-	-	2 124	-	-	-	3 135 284
Total non current assets	7 548 842	7 640 388	-	-	6 031	-	-	-	7 640 388
Total current liabilities	915 372	1 319 101	-	-	563	-	-	-	1 319 101
Total non current liabilities	1 197 150	1 255 547	-	-	-	-	-	-	1 255 547
Community wealth/Equity	7 421 286	8 201 024	-	-	7 592	-	-	-	8 201 024
Cash flows									
Net cash from (used) operating	1 180 761	773 947	-	(193 516)	(30 092)	141 683	171 775	121%	773 947
Net cash from (used) investing	(1 224 532)	(617 305)	-	(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	281	(16 318)	(11 617)	4 701	-40%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 589	-	-	808 368	816 405	8 037	1%	1 115 597
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	289 419	153 776	67 044	38 358	43 306	39 705	38 370	#####	1 768 387
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M05 November

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	88 867	536 932	642 687	(105 755)	-16%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office	1 422 429	1 528 270	-	88 858	536 907	636 779	(99 872)	-16%	1 528 270	
Corporate services	5 993	14 180	-	9	25	5 908	(5 883)	-100%	14 180	
<i>Community and public safety</i>		225 653	93 565	-	1 441	7 294	38 986	(31 691)	-81%	93 565
Community and social services	71 074	52 155	-	308	1 696	21 731	(20 035)	-92%	52 155	
Sport and recreation	24 880	885	-	49	315	369	(54)	-15%	885	
Public safety	111 819	23 347	-	505	2 410	9 728	(7 318)	-75%	23 347	
Housing	17 809	17 144	-	573	2 866	7 143	(4 278)	-60%	17 144	
Health	71	34	-	6	7	14	(7)	-50%	34	
<i>Economic and environmental services</i>		235 988	435 042	-	1 436	8 292	181 268	(172 975)	-95%	435 042
Planning and development	63 074	53 331	-	1 391	8 125	22 221	(14 096)	-63%	53 331	
Road transport	172 914	381 711	-	45	167	159 046	(158 879)	-100%	381 711	
Environmental protection	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		2 667 551	3 426 115	-	216 640	1 217 920	1 427 548	(209 628)	-15%	3 426 115
Electricity	1 700 426	2 074 912	-	155 137	827 090	864 547	(37 457)	-4%	2 074 912	
Water	660 510	1 052 569	-	40 785	274 548	438 570	(164 023)	-37%	1 052 569	
Waste water management	191 593	176 288	-	12 363	68 267	73 454	(5 187)	-7%	176 288	
Waste management	115 022	122 345	-	8 355	48 015	50 977	(2 962)	-6%	122 345	
<i>Other</i>	4	34 298	31 371	-	1 563	8 773	13 071	(4 298)	-33%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	309 947	1 779 211	2 303 560	(524 348)	-23%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	35 583	191 143	408 844	(217 701)	-53%	995 248
Executive and council	7 712	113 165	-	5 227	26 341	47 152	(20 811)	-44%	113 165	
Budget and treasury office	859 050	645 336	-	18 939	102 673	269 104	(166 431)	-62%	645 336	
Corporate services	8 009	236 747	-	11 417	62 129	92 588	(30 460)	-33%	236 747	
<i>Community and public safety</i>		670 660	552 342	-	33 791	191 973	235 257	(43 284)	-18%	552 342
Community and social services	116 571	141 004	-	6 776	41 688	58 633	(16 945)	-29%	141 004	
Sport and recreation	145 186	118 290	-	9 232	50 759	49 696	1 063	2%	118 290	
Public safety	316 932	236 010	-	14 499	80 711	103 163	(22 452)	-22%	236 010	
Housing	49 923	32 584	-	1 814	10 351	13 577	(3 226)	-24%	32 584	
Health	42 048	24 453	-	1 470	8 464	10 189	(1 724)	-17%	24 453	
<i>Economic and environmental services</i>		522 277	567 103	-	11 852	116 329	236 558	(120 228)	-51%	567 103
Planning and development	97 679	110 222	-	5 224	32 598	45 926	(13 328)	-29%	110 222	
Road transport	424 597	456 881	-	6 628	83 732	190 632	(106 900)	-56%	456 881	
Environmental protection	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		2 428 609	2 904 545	-	20 356	153 303	1 213 872	#####	-87%	2 904 545
Electricity	1 512 417	1 695 915	-	6 282	59 500	708 219	(648 719)	-92%	1 695 915	
Water	590 023	912 149	-	4 153	33 998	380 707	(346 709)	-91%	912 149	
Waste water management	175 548	192 253	-	3 405	22 610	80 457	(57 847)	-72%	192 253	
Waste management	150 620	104 227	-	6 517	37 195	44 489	(7 295)	-16%	104 227	
<i>Other</i>		54 353	41 895	-	1 370	13 582	17 475	(3 893)	-22%	41 895
Total Expenditure - Standard	3	4 550 669	5 061 133	-	102 953	666 330	2 112 006	#####	-68%	5 061 133
Surplus/ (Deficit) for the year		47 991	467 410	-	206 994	1 112 882	191 554	921 328	481%	467 410

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05

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	6 851	-	-	9	25	-	25	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	88 858	536 907	636 779	(99 872)	-15.7%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 126	51 927	73 676	(21 749)	-29.5%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	-	1	5 909	(5 908)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	209 016	1 173 787	1 546 997	(373 210)	-24.1%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 938	16 565	40 198	(23 633)	-58.8%	96 476
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	4 621 352	5 528 543	-	309 947	1 779 211	2 303 560	(524 348)	-22.8%	5 528 543
Expenditure by Vote										
Vote 1 - City Manager	1	12 576	142 460	-	7 125	36 221	59 470	(23 249)	-39.1%	142 460
Vote 2 - City Finance		942 905	723 311	-	21 191	117 482	301 848	(184 365)	-61.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	37 783	212 904	258 617	(45 713)	-17.7%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	9 864	54 245	84 140	(29 895)	-35.5%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	19 180	195 715	1 344 526	#####	-85.4%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 701	-	7 809	49 762	63 405	(13 642)	-21.5%	152 701
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	4 573 361	5 061 133	-	102 953	666 330	2 112 006	#####	-68.5%	5 061 133
Surplus/ (Deficit) for the year	2	47 991	467 410	-	206 994	1 112 882	191 554	921 328	481.0%	467 410

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		686 819	798 728		73 243	338 885	332 803	6 081	2%	798 728
Property rates - penalties & collection charges		30 207	43 830		2 370	17 183	18 263	(1 079)	-6%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		154 655	814 684	836 769	(22 085)	-3%	2 008 246
Service charges - water revenue		448 064	623 188		36 184	190 981	259 662	(68 681)	-26%	623 188
Service charges - sanitation revenue		139 629	147 839		11 920	59 607	61 600	(1 992)	-3%	147 839
Service charges - refuse revenue		74 810	99 557		6 834	33 918	41 482	(7 564)	-18%	99 557
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		21 476	43 809		1 597	8 723	18 254	(9 530)	-52%	43 809
Interest earned - external investments		50 973	49 330		5 553	43 501	20 556	22 945	112%	49 330
Interest earned - outstanding debtors		69 529	66 349		4 330	24 262	27 645	(3 383)	-12%	66 349
Dividends received		-	-		-	-	-	-		-
Fines		108 634	18 538		32	405	7 724	(7 319)	-95%	18 538
Licences and permits		89	92		6	31	38	(7)	-18%	92
Agency services		24 372	670		32	199	279	(80)	-29%	670
Transfers recognised - operational		519 191	489 491		-	180 127	203 955	(23 828)	-12%	489 491
Other revenue		101 001	83 339		3 827	21 183	34 725	(13 542)	-39%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 473 006	-	300 581	1 752 884	1 863 755	(110 871)	-6%	4 473 006
Expenditure By Type										
Employee related costs		832 495	1 040 938		83 770	457 602	433 724	23 878	6%	1 040 938
Remuneration of councillors		34 657	43 033		3 773	17 830	17 930	(100)	-1%	43 033
Debt impairment		222 110	120 815		-	-	50 340	(50 340)	-100%	120 815
Depreciation & asset impairment		463 063	507 298		69	115 401	211 222	(95 821)	-45%	507 298
Finance charges		71 169	65 474		1	5	27 280	(27 275)	-100%	65 474
Bulk purchases		1 586 802	1 936 708		-	200	806 962	(806 761)	-100%	1 936 708
Other materials		198 513	181 399		6	189	75 555	(75 366)	-100%	181 399
Contracted services		110 072	35 408		19	173	14 738	(14 566)	-99%	35 408
Transfers and grants		11 995	140 526		20	1 810	61 802	(59 993)	-97%	140 526
Other expenditure		618 857	381 970		5 909	27 519	159 070	(131 550)	-83%	381 970
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 453 569	-	93 567	639 922	1 858 623	#####	-66%	4 453 569
Surplus/(Deficit)		(308 844)	19 436	-	207 014	1 112 962	5 132	#####	0	19 436
Transfers recognised - capital		356 835	447 973		(20)	(80)	186 423	(186 502)	(0)	447 973
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 410	-	206 994	1 112 882	191 554			467 410
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 410	-	206 994	1 112 882	191 554			467 410
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 410	-	206 994	1 112 882	191 554			467 410
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		47 991	467 410	-	206 994	1 112 882	191 554			467 410

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M05 November

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	-	-	-	2 188	(2 188)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	-	431	10 386	(9 955)	-96%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	4 662	8 063	21 542	(13 479)	-63%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	2 494	(2 494)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	28 515	90 098	227 531	(137 433)	-60%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	2 400	11 746	26 477	(14 730)	-56%	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	384 493	697 480	-	35 576	110 338	290 617	(180 279)	-62%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	-	-	19	208	(189)	-91%	500
Vote 2 - City Finance		31 896	782	-	178	182	326	(144)	-44%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	2 497	7 313	8 152	(839)	-10%	19 565
Vote 4 - Corporate Services		6 460	527	-	58	906	219	687	313%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	1 150	3 196	1 496	1 700	114%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	1 582	(1 582)	-100%	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	-	3 884	11 618	11 984	(366)	-3%	28 761
Total Capital Expenditure		461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	-	236	3 545	15 821	(12 276)	-78%	37 971
Executive and council		7 174	5 750	-	-	19	2 396	(2 377)	-99%	5 750
Budget and treasury office		36 832	25 710	-	178	613	10 712	(10 099)	-94%	25 710
Corporate services		6 460	6 512	-	58	2 912	2 713	199	7%	6 512
Community and public safety		52 921	103 238	-	9 526	17 676	43 016	(25 340)	-59%	103 238
Community and social services		4 763	32 740	-	3 633	8 057	13 642	(5 584)	-41%	32 740
Sport and recreation		39 271	31 425	-	3 525	5 340	13 094	(7 754)	-59%	31 425
Public safety		3 022	3 640	-	-	-	1 517	(1 517)	-100%	3 640
Housing		5 864	35 434	-	2 367	4 278	14 764	(10 486)	-71%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	-	13 468	55 707	122 367	(66 659)	-54%	293 680
Planning and development		23 039	31 908	-	33	7 468	13 295	(5 827)	-44%	31 908
Road transport		126 943	260 312	-	13 435	48 240	108 463	(60 224)	-56%	260 312
Environmental protection		1 594	1 460	-	-	-	608	(608)	-100%	1 460
Trading services		204 390	291 352	-	16 230	44 895	121 397	(76 501)	-63%	291 352
Electricity		97 937	190 721	-	4 711	12 576	79 467	(66 891)	-84%	190 721
Water		65 591	58 728	-	36	473	24 470	(23 997)	-98%	58 728
Waste water management		37 404	31 403	-	11 483	25 342	13 085	12 257	94%	31 403
Waste management		3 457	10 500	-	-	6 504	4 375	2 129	49%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241
Funded by:										
National Government		260 460	428 074	-	26 461	90 191	178 364	(88 173)	-49%	428 074
Provincial Government		15 205	19 899	-	1 442	4 011	8 291	(4 280)	-52%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		275 665	447 973	-	27 903	94 202	186 655	(92 453)	-50%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	-	1 500	4 808	65 945	(61 137)	-93%	158 268
Internally generated funds		123 864	120 000	-	10 057	22 945	50 000	(27 055)	-54%	120 000
Total Capital Funding		461 711	726 241	-	39 460	121 955	302 600	(180 645)	-60%	726 241

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	100 068		104	100 068
Call investment deposits		745 471	951 589		2 013	951 589
Consumer debtors		716 949	965 246			965 246
Other debtors		379 166	376 444		7	376 444
Current portion of long-term receivables		46	43			43
Inventory		46 737	741 893			741 893
Total current assets		1 984 966	3 135 284	-	2 124	3 135 284
Non current assets						
Long-term receivables		10 482	9 455			9 455
Investments		-				-
Investment property		382 805	356 914			356 914
Investments in Associate		-				-
Property, plant and equipment		6 862 567	7 021 207		6 031	7 021 207
Agricultural		230 945	46 520			46 520
Biological assets		44 831				-
Intangible assets		17 212	27 283			27 283
Other non-current assets		-	179 008			179 008
Total non current assets		7 548 842	7 640 388	-	6 031	7 640 388
TOTAL ASSETS		9 533 808	10 775 671	-	8 155	10 775 671
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	67 762			67 762
Consumer deposits		89 479	92 798			92 798
Trade and other payables		765 335	1 152 457		563	1 152 457
Provisions		7 034	6 084			6 084
Total current liabilities		915 372	1 319 101	-	563	1 319 101
Non current liabilities						
Borrowing		543 401	511 999			511 999
Provisions		653 749	743 548			743 548
Total non current liabilities		1 197 150	1 255 547	-	-	1 255 547
TOTAL LIABILITIES		2 112 522	2 574 648	-	563	2 574 648
NET ASSETS	2	7 421 286	8 201 024	-	7 592	8 201 024
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 028 109		7 592	8 028 109
Reserves		257 948	172 914			172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 201 024	-	7 592	8 201 024

KZN225 Msunduzi - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	741 451		63 896	296 064	300 648	(4 584)	-2%	741 451
Service charges		2 227 525	2 533 370		217 014	1 117 628	1 088 546	29 082	3%	2 533 370
Other revenue		-	138 875		44 602	141 224	93 507	47 718	51%	138 875
Government - operating		519 604	489 491		-	189 513	201 909	(12 396)	-6%	489 491
Government - capital		356 459	447 973		1 512	199 202	188 497	10 705	6%	447 973
Interest		120 502	107 717		7 119	54 528	48 670	5 859	12%	107 717
Dividends			-				-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 619 264)		(527 659)	(2 010 285)	(1 750 126)	260 159	-15%	(3 619 264)
Finance charges		(71 169)	(65 474)		(1)	(16 257)	(27 280)	(11 024)	40%	(65 474)
Transfers and Grants		(11 573)	(191)		-	(1 710)	(2 688)	(978)	36%	(191)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 947	-	(193 516)	(30 092)	141 683	171 775	121%	773 947
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
Payments										
Capital assets		#####	(617 305)		(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(39 460)	(121 938)	(226 370)	(104 432)	46%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				16 667	(16 667)	-100%	50 000
Increase (decrease) in consumer deposits		4 370			304	2 475	-	2 475	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(18 793)	(28 283)	(9 490)	34%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	281	(16 318)	(11 617)	4 701	-40%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:		827 273	912 709		(232 695)	(168 348)	(96 304)			976 717
Cash/cash equivalents at month/year end:		834 133	1 051 589			808 368	816 405			1 115 597

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

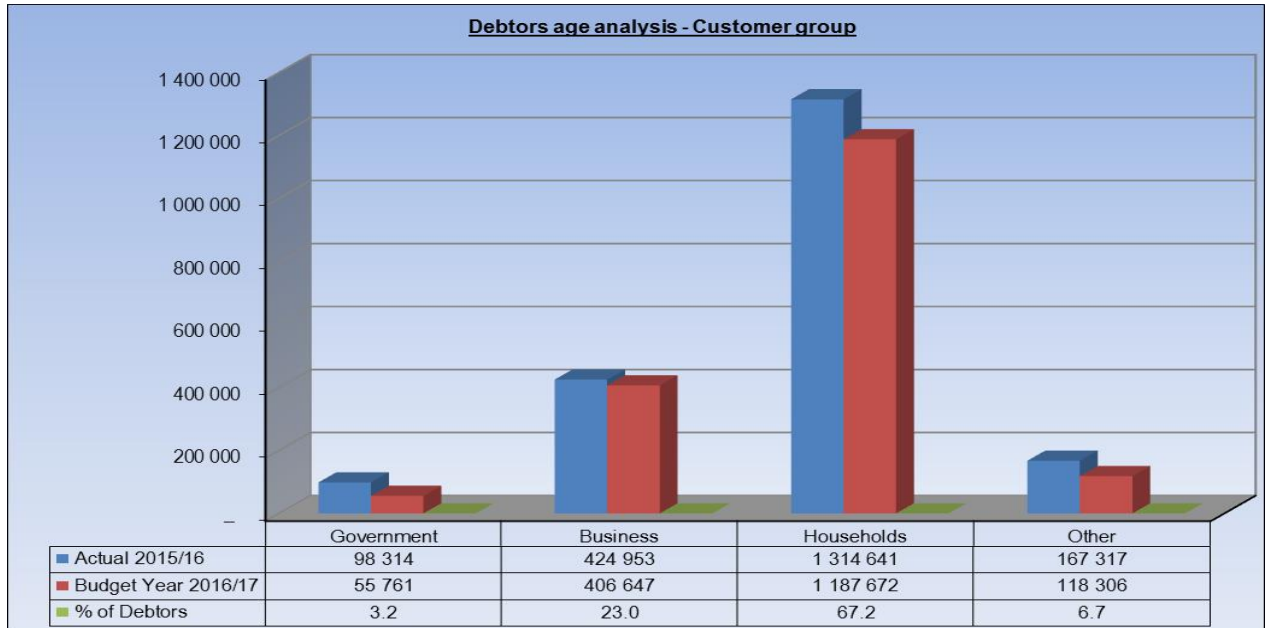
The table presented below summarises the Debtors Age Analysis as at 30 November 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

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	46 801	28 244	19 797	17 657	14 832	14 729	15 635	356 028	513 723	418 881		132 867	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	169 702	77 145	25 437	5 954	4 548	4 063	2 963	51 081	340 893	68 609		19 339	
Receivables from Non-exchange Transactions - Property Rates	1400	64 072	35 920	12 085	9 985	9 005	7 176	7 139	227 302	372 684	260 607		132 424	
Receivables from Exchange Transactions - Waste Water Management	1500	11 326	5 774	3 425	3 291	3 157	2 832	2 413	71 938	104 154	83 629		33 390	
Receivables from Exchange Transactions - Waste Management	1600	7 265	3 531	1 848	1 695	1 660	1 446	1 433	36 903	55 782	43 138		16 683	
Receivables from Exchange Transactions - Property Rental Debtors	1700	629	555	537	530	527	516	512	20 575	24 381	22 660		13 473	
Interest on Arrear Debtor Accounts	1810	8 644	8 870	8 761	8 561	9 446	8 371	8 433	221 885	282 970	256 695		115 167	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-	
Other	1900	(19 020)	(6 263)	(4 846)	(9 315)	133	572	(158)	112 697	73 799	103 929		73 771	
Total By Income Source	2000	289 419	153 776	67 044	38 358	43 306	39 705	38 370	1 098 408	1 768 387	1 258 148	-	537 115	
2015/16 - totals only		280 203	156 369	71 977	53 536	51 472	40 275	38 696	1 169 735	1 862 262	1 353 713		725 491	
Debtors Age Analysis By Customer Group														
Organs of State	2200	6 734	3 226	612	(5 521)	2 524	1 737	1 286	45 165	55 761	45 190		33 679	
Commercial	2300	159 663	73 971	26 939	7 113	5 929	5 133	4 568	123 330	406 647	146 074		58 478	
Households	2400	115 017	71 512	36 684	34 247	31 716	30 604	30 200	837 691	1 187 672	964 458		390 537	
Other	2500	8 005	5 066	2 810	2 518	3 137	2 232	2 316	92 222	118 306	102 425		54 421	
Total By Customer Group	2600	289 419	153 776	67 044	38 358	43 306	39 705	38 370	1 098 408	1 768 387	1 258 148	-	537 115	

Chart 1: Debtors Age Analysis By Customer Group

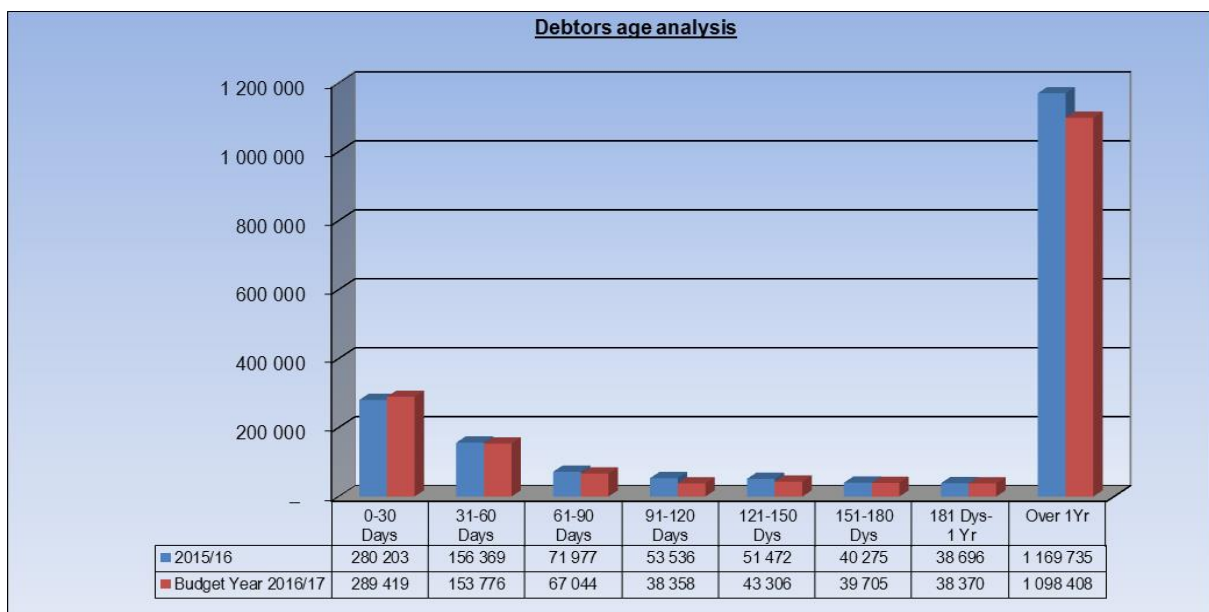


The information presented in the chart above reflects an decrease in the outstanding debtor's balances as at 30 November 2016 of R 36.6 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 76 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 64% of the total municipal debt as detailed below:

- ✓ Households 67%
- ✓ Commercial 23%
- ✓ Other 7%
- ✓ Organs of State 3%

Chart 2: Year on Year Debtors Age Analysis



2.2 Creditors Analysis

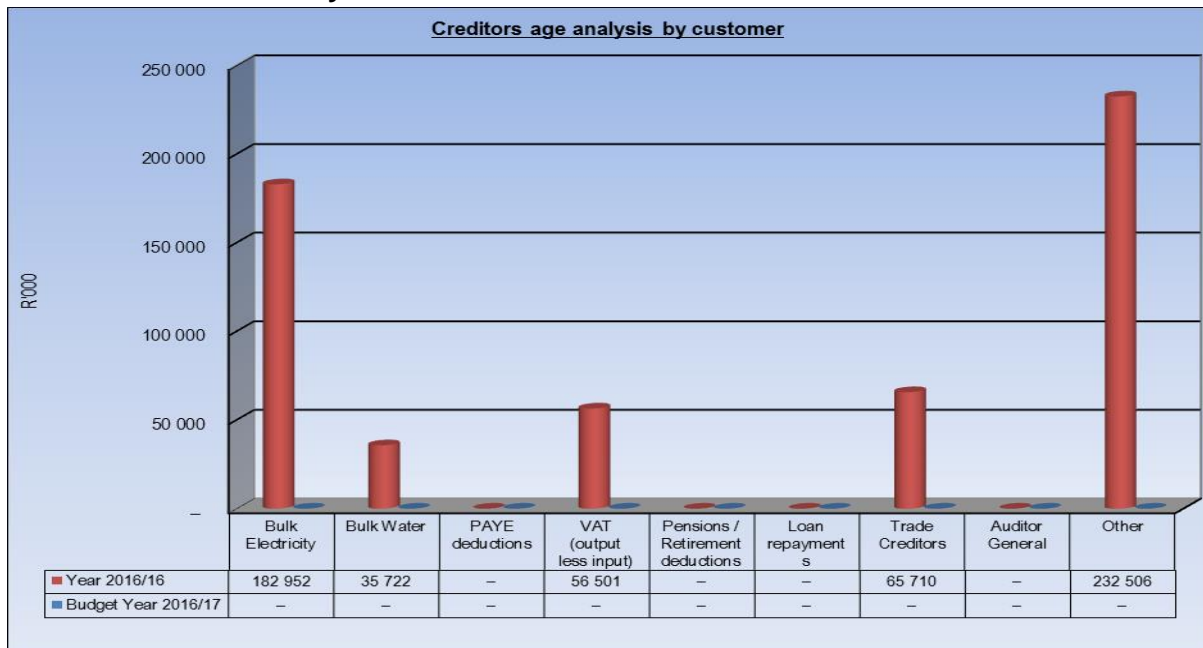
Table SC 4 below presents the aged creditors as at 30 November 2016

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

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

The chart below presents a comparison of the age creditors between the current and prior year and for November 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 30 November 2016.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

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					27 883
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Standard bank		3 months							329 306
									210 000
Municipality sub-total					-		-	-	725 507

The total consolidated investment balances as at 30 November 2016 was R 725.5 million.

2.4 Allocation and Grant receipts and Expenditure

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

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

M05 November 2016

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		475 432	455 827	-	3 327	189 928	(186 601)	-98.2%	455 827
Local Government Equitable Share		373 541	432 307			180 128	(180 128)	-100.0%	432 307
Finance Management		1 600	1 625		1 625	677	948	140.0%	1 625
Municipal Systems Improvement		808	-			-	-	-	-
EPWP Incentive		2 784	6 809		1 702	2 837	(1 135)	-40.0%	6 809
Energy Efficiency and Demand Management		-	8 000			3 333	(3 333)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758	-			-	-	-	-
Public Transport Infrastructure		88 849	-			-	-	-	-
Operating costs-MIG		6 092	7 086			2 953	(2 953)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-	-	-
Provincial Government:		43 759	10 786	-	-	4 494	(4 494)	-100.0%	10 786
Health subsidy		-	-			-	-	-	-
Provincial Government	3	-	-			-	-	-	-
Expanded Public Works Grant		-	-			-	-	-	-
Sport and Recreation	60	-	-			-	-	-	-
Health		-	-			-	-	-	-
Human Settlements	16 413	-	-			-	-	-	-
Public Works	-	-	-			-	-	-	-
Arts and Culture- Community Library Services	10 347	581	-			242	(242)	-100.0%	581
Arts and Culture- Provincialisation	16 201	9 805	-	-	-	4 085	(4 085)	-100.0%	9 805
Arts and Culture-Museum Subsidies	478	400	-	-	-	167	(167)	-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	-	3 327	194 422	(191 095)	-98.3%	466 613
Capital Transfers and Grants									
National Government:		289 651	450 393	-	204 622	187 664	16 958	9.0%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		49 000	76 471	(27 471)	-35.9%	183 531
Public Transport and Systems		20 634	200 031		97 946	83 346	14 600	17.5%	200 031
Neighbourhood Development Partnership		20 195	22 110		18 300	9 213	9 088	98.6%	22 110
Dept of Mineral/Electricity		9 188	-		10 000	-	10 000	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			3 333	(3 333)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-	-	-
Municipal Water Infrastructure Grant		-	36 721		29 376	15 300	14 076	0.0%	36 721
		-	-			-	-	0.0%	-
Provincial Government:		66 807	19 899	-	639	8 291	(7 652)	0.0%	19 899
Airport Development Project		-	-		639	-	639	0.0%	-
Sport and Recreation	80	-	-			-	-	0.0%	-
Corridor Development		-	-			-	-	-	-
KZNPA	5 182	9 510	-			3 963	(3 963)	-100.0%	9 510
Arts and Culture-Museum Subsidies	8 865	-	-			-	-	0.0%	-
COGTA	18 016	10 389	-	-	-	4 329	(4 329)	-100.0%	10 389
Human Settlement	25 032	-	-			-	-	-	-
Municipal Water Infrastructure	9 631	-	-			-	-	0.0%	-
District Municipality:		-	-	-	-	-	-	-	-
Other grant providers:		413	-	-	-	-	-	-	-
Developer Contribution		413	-			-	-	-	-
Total Capital Transfers and Grants	5	356 872	470 292	-	205 261	195 955	9 306	4.7%	470 292
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	-	208 588	390 377	(181 789)	-46.6%	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 103.9 million resulting in underperformance of the YTD capital grants budget of R 91.9 million.

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

M05 November 2016

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	-	343	189 928	(189 585)	-99.8%	455 827
Local Government Equitable Share		373 541	432 307			180 128	(180 128)	-100.0%	432 307
Finance Management		1 600	1 625		26	677	(651)	-96.2%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		317	2 837	(2 520)	-88.8%	6 809
Energy Efficiency and Demand Management		-	8 000			3 333	(3 333)	-100.0%	8 000
Water Services Operating Subsidy		1 758				-	-		-
Public Transport Infrastructure		88 849				-	-		-
Operating costs-MIG		6 092	7 086			2 953	(2 953)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
Provincial Government:		43 759	10 786	-	-	4 494	(4 494)	-100.0%	10 786
Health subsidy						-	-		-
Provincial Government		3				-	-		-
Expanded Public Works Grant						-	-		-
Sport and Recreation		60				-	-		-
Health						-	-		-
Human Settlements		16 413				-	-		-
Public Works		-				-	-		-
Arts and Culture- Community Library Services		10 347	581			242	(242)	-100.0%	581
DWAF		16 201	9 805			4 085	(4 085)	-100.0%	9 805
Cogta		478	400			167	(167)	-100.0%	400
Sport And Recreation		257				-	-		-
District Municipality:		-	-	-	-	-	-	-	-
[insert description]									
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	343	194 422	(194 080)	-99.8%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	103 943	187 664	(83 721)	-44.6%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		38 027	76 471	(38 444)	-50.3%	183 531
Public Transport and Systems		20 634	200 031		36 033	83 346	(47 314)	-56.8%	200 031
Neighbourhood Development Partnership		20 195	22 110			9 213	(9 213)	-100.0%	22 110
Dept of Mineral/Electricity		9 188				-	-		-
Intergrated National Electrification Programme		82 151	8 000			3 333	(3 333)	-100.0%	8 000
Municipal Systems Improvement		417				-	-		-
Municipal Water Infrastructure Grant			36 721		22 394	15 300	7 094		36 721
Library					7 489	7 489	#DIV/0!		
Provincial Government:		66 807	19 899	-	49	8 291	(8 243)	-	19 899
Airport Development Project		-				-	-		-
Sport and Recreation		80				-	-		-
Corridor Development						-	-		-
Arts and Culture-Museum Subsidies		8 865			49		49		-
COGTA		18 016	10 389			4 329	(4 329)	-100.0%	10 389
Human Settlement		25 032				-	-		-
Municipal Water Infrastructure		9 631				-	-		-
Other grant providers:		413	-	-	-	-	-	-	-
Developer Contribution		413				-	-		-
Total capital expenditure of Transfers and Grants		356 872	470 292	-	103 991	195 955	(91 963)	-46.9%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	104 334	390 377	(286 043)	-73.3%	936 905

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November										
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		2 539	12 767	11 932	835	7%	28 637
Pension and UIF Contributions		253	3 614		333	1 570	1 506	64	4%	3 614
Medical Aid Contributions		2 287	1 416		80	410	590	(180)	-30%	1 416
Motor Vehicle Allowance		528	7 292		527	2 528	3 038	(510)	-17%	7 292
Cellphone Allowance		133	2 034		149	714	848	(134)	-16%	2 034
Housing Allowances		10	41		10	30	17	13	76%	41
Other benefits and allowances		58			136	208		208	#DIV/0!	
Sub Total - Councillors		34 657	43 034	-	3 775	18 227	17 931	296	2%	43 034
% increase	4		24.2%							24.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 651	6 102		753	3 522	2 543	980	39%	6 102
Pension and UIF Contributions		798	511		92	563	213	350	165%	511
Medical Aid Contributions		-	60		7	45	25	20	82%	60
Overtime		-								
Performance Bonus		210	382				159	(159)	-100%	382
Motor Vehicle Allowance		762	818		96	447	341	106	31%	818
Cellphone Allowance		-	100		10	45	42	3	8%	100
Housing Allowances		98	142		71	354	59	295	499%	142
Other benefits and allowances		38	509		12	13	212	(199)	-94%	509
Payments in lieu of leave		-								
Long service awards		-								
Post-retirement benefit obligations		-								
Sub Total - Senior Managers of Municipality		7 558	8 624	-	1 040	4 990	3 593	1 396	39%	8 624
% increase	4		14.1%							14.1%
Other Municipal Staff										
Basic Salaries and Wages		504 910	698 784		50 900	256 788	291 160	(34 372)	-12%	698 784
Pension and UIF Contributions		112 428	134 410		11 718	49 828	56 004	(6 177)	-11%	134 410
Medical Aid Contributions		40 020	46 584		3 845	18 800	19 410	(610)	-3%	46 584
Overtime		38 448	51 413		1 950	17 266	21 422	(4 157)	-19%	51 413
Performance Bonus		-			215	326		326	#DIV/0!	
Motor Vehicle Allowance		12 324	14 308		1 188	5 840	5 962	(122)	-2%	14 308
Cellphone Allowance		2 340	2 843		236	1 148	1 185	(37)	-3%	2 843
Housing Allowances		3 108	4 323		407	1 945	1 801	144	8%	4 323
Other benefits and allowances		96 672	49 944		10 014	70 702	48 310	22 392	46%	49 944
Payments in lieu of leave		2 280				2 168		2 168	#DIV/0!	
Long service awards		12 444	18 100		379	3 521	7 542	(4 020)	-53%	18 100
Post-retirement benefit obligations		-								
Sub Total - Other Municipal Staff		824 974	1 020 709	-	80 852	428 331	452 795	(24 465)	-5%	1 020 709
% increase	4		23.7%							23.7%
Total Parent Municipality		867 189	1 072 367	-	85 667	451 547	474 320	(22 772)	-5%	1 072 367
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-	-	-
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		329	442		33	165	184	(19)	-10%	442
Pension and UIF Contributions		-								
Medical Aid Contributions		12	15		2	8	6	2	28%	15
Overtime		18			2	8		8	#DIV/0!	
Performance Bonus		6	6		0	2	3	(1)	-40%	6
Motor Vehicle Allowance		-	19				8	(8)	-100%	19
Cellphone Allowance		4	4				2	(2)	-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	-	36	188	203	(15)	-7%	486
% increase	4		31.7%							31.7%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 969		243	1 149	1 237	(88)	-7%	2 969
Pension and UIF Contributions		154	209		18	107	87	20	22%	209
Medical Aid Contributions		389	586		28	138	244	(107)	-44%	586
Overtime		416	597		5	26	249	(223)	-90%	597
Performance Bonus		22	27		1	5	11	(7)	-60%	27
Motor Vehicle Allowance		56	69				29	(29)	-100%	69
Cellphone Allowance		11	12		44	214	5	209	4171%	12
Housing Allowances		-				28		28	#DIV/0!	
Other benefits and allowances		219	288		29	123	120	3	2%	288
Payments in lieu of leave		-								
Long service awards		-								
Post-retirement benefit obligations		-								
Sub Total - Other Staff of Entities		3 526	4 757	-	366	1 787	1 982	(195)	-10%	4 757
% increase	4		34.9%							34.9%
Total Municipal Entities		3 895	5 243	-	403	1 975	2 185	(209)	-10%	5 243
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610	-	86 070	453 523	476 504	(22 981)	-5%	1 077 610
% increase	4		23.7%							23.7%
TOTAL MANAGERS AND STAFF		836 427	1 034 576	-	82 295	435 296	458 573	(23 278)	-5%	1 034 576

Councillor Allowances

The expenditure on councillor allowances as at 30 November 2016 was under spent by 1%. The year to date budget for Remuneration of Councillor's is R 17.9 million while the actual expenditure incurred was R 17.8 million resulting in 99% YTD expenditure performance.

Employee Benefits

The total consolidated salaries expenditure for 30 November 2016 was R 457.6 million, against the budget of R 433.7 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 30 November 2016 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													M05 November 2016			
Description	Ref	Budget Year 2016/17											Medium Term Revenue and Expenditure			
		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	Outcome			
Cash Receipts By Source																
Property rates		51 006	57 401	61 601	57 589	62 522	59 905	59 905	59 905	59 905	59 905	58 573	45 261	702 880	745 053	789 756
Property rates - penalties & collection charges		1 111	1 036	1 415	1 009	1 374	3 287	3 287	3 287	3 287	3 287	3 214	2 484	38 570	40 885	43 338
Service charges - electricity revenue		174 573	154 895	168 410	207 744	172 450	151 122	151 122	151 122	151 122	151 122	147 271	108 763	1 767 256	1 902 275	2 047 608
Service charges - water revenue		30 590	32 291	33 777	32 729	29 983	38 020	38 020	38 020	38 020	38 020	45 700	122 500	548 405	609 553	677 518
Service charges - sanitation revenue		9 674	10 604	10 159	9 617	8 748	11 088	11 088	11 088	11 088	11 088	10 842	8 378	130 099	137 904	146 179
Service charges - refuse		5 954	6 541	6 540	6 516	5 833	7 467	7 467	7 467	7 467	7 467	7 301	5 642	87 610	92 867	98 439
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 195	1 412	899	1 154	1 029	3 286	3 286	3 286	3 286	3 286	3 213	2 482	38 552	38 044	39 946
Interest earned - external investments		39 515	1 313	1 989	1 040	6 226	4 106	4 106	4 106	4 106	4 106	4 106	4 106	49 270	52 177	55 204
Interest earned - outstanding debtors		1 061	910	735	817	889	4 976	4 976	4 976	4 976	4 976	4 866	3 760	58 387	61 890	65 604
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		347	427	274	216	62	1 390	1 390	1 390	1 390	1 390	1 359	1 051	16 313	17 185	17 639
Licences and permits		6	5	7	9	6	7	7	7	7	7	7	5	81	85	90
Agency services		0	0	0	-	0	50	50	50	50	50	49	38	590	619	650
Transfer receipts - operating		180 127	1 625	-	7 761	-	38 884	38 884	38 884	38 884	38 884	40 791	59 856	489 491	530 153	579 871
Other revenue		2 929	33 405	29 193	25 143	43 505	6 336	6 336	6 336	6 336	6 336	6 945	13 036	83 339	87 417	91 776
Cash Receipts by Source		498 087	301 865	315 000	351 345	332 629	329 925	329 925	329 925	329 925	329 925	334 237	377 361	4 010 844	4 316 107	4 653 617
Other Cash Flows by Source																
Transfer receipts - capital		99 385	20 320	1 920	76 065	1 512	38 957	38 957	38 957	38 957	38 957	37 331	21 076	447 973	460 223	521 989
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	50 000	-	-	-	-	-	50 000	120 000	120 000
Increase in consumer deposits		1 011	272	445	443	304	-	-	-	-	-	-	-	-	-	-
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	368 881	368 881	368 881	368 881	368 881	371 568	398 437	4 508 817	4 896 330	5 295 606

KZN25 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash payments																
Description	Ref	Budget Year 2016/17											Medium Term Revenue and Expenditure			
		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	Outcome			
Cash Payments by Type																
Employee related costs		83 964	83 807	82 755	122 464	84 103	85 722	85 722	85 722	85 722	85 722	86 305	92 130	1 035 660	1 095 614	1 159 201
Remuneration of councillors		3 441	3 441	3 610	3 558	3 773	3 741	3 741	3 741	3 741	3 741	3 586	2 037	43 033	45 615	48 352
Interest paid		-	0	16 251	-	-	-	-	-	-	-	-	16 576	65 460	58 249	49 568
Bulk purchases - Electricity		182 952	205 250	205 271	-	0	17 678	-	-	14 956	-	-	115 889	1 408 955	1 519 699	1 639 148
Bulk purchases - Water & Sewer		35 837	43 600	-	121 897	124 240	117 565	117 565	117 565	117 565	117 565	117 413	127 269	527 753	586 597	652 003
Other materials		1 140	137	600	87 066	44 112	35 650	35 650	35 650	35 650	35 650	43 979	(2 085)	180 842	204 864	216 029
Contracted services		651	18 766	43 732	1 680	895	16 786	16 786	16 786	16 786	16 786	15 070	2 926	35 108	45 274	47 548
Grants and subsidies paid - other municipalities		-	-	-	30 903	64 454	2 926	2 926	2 926	2 926	2 926	2 926	-	-	-	-
Grants and subsidies paid - other		1 710	-	-	-	-	650	650	650	650	650	666	825	7 990	8 603	9 265
General expenses		79 450	26 976	2 534	4 935	205 516	22 883	22 883	22 883	22 883	22 883	31 693	119 794	380 320	345 821	284 450
Cash Payments by Type		389 146	381 977	354 752	372 502	527 094	303 601	285 924	285 924	300 880	285 924	301 638	475 362	3 685 121	3 910 336	4 105 563
Other Cash Flows/Payments by Type																
Capital assets		116	-	40 533	41 830	39 460	39 191	39 191	39 191	39 191	39 191	51 442	173 953	617 305	867 636	983 155
Repayment of borrowing		24	24	18 698	24	24	14 397	-	-	19 607	-	-	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	357 189	325 115	325 115	359 678	325 115	353 081	664 398	4 370 188	4 851 279	5 165 874
NET INCREASE/(DECREASE) IN CASH HELD		209 198	(59 545)	(96 619)	13 497	(232 132)	11 692	93 767	43 767	9 203	43 767	18 488	(265 961)	138 629	45 051	129 732
Cash/cash equivalents at the month/year beginning:		976 717	1 185 914	1 126 370	1 029 751	1 043 249	811 117	822 809	916 576	960 342	969 546	1 013 312	1 031 800	976 717	1 115 346	1 160 397
Cash/cash equivalents at the month/year end:		1 185 914	1 126 370	1 029 751	1 043 249	811 117	822 809	916 576	960 342	969 546	1 013 312	1 031 800	765 839	1 115 346	1 160 397	1 290 129

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations - M05 November

Ref	Description	Variance	Reasons for material deviations
	R thousands		
1	<u>Revenue By Source</u>		
	Agency services	-29%	This is based on the customer usage for fire services to the District municipality
	Other revenue	-39%	This is a user driven resource
	Rental of facilities and equipment	-52%	This is a user driven resource
	Licences and permits	-18%	This is a user driven resource
	Interest earned - external investments	112%	This is would smooth out during the year
	Transfers recognised - operational	-12%	This is would smooth out during the year
	Interest earned - outstanding debtors	-12%	This is would smooth out during the year
2	<u>Expenditure By Type</u>		
	Debt impairment	100%	This is an annulised year end entry
	Other materials	100%	This is a seasonal category and will smooth out during the year
	Contracted services	100%	This is a seasonal category and will smooth out during the year
	Transfers and grants	97%	These are quarterly payments, and would smooth out during the year
	Finance charges	100%	This over-performance would smooth out during the year
	Bulk purchases	100%	This is would smooth out during the year
	Depreciation & asset impairment	45%	This is an annulised year end entry
	Other expenditure	83%	This is would smooth out during the year

2.7 Parent Municipality Financial Performance

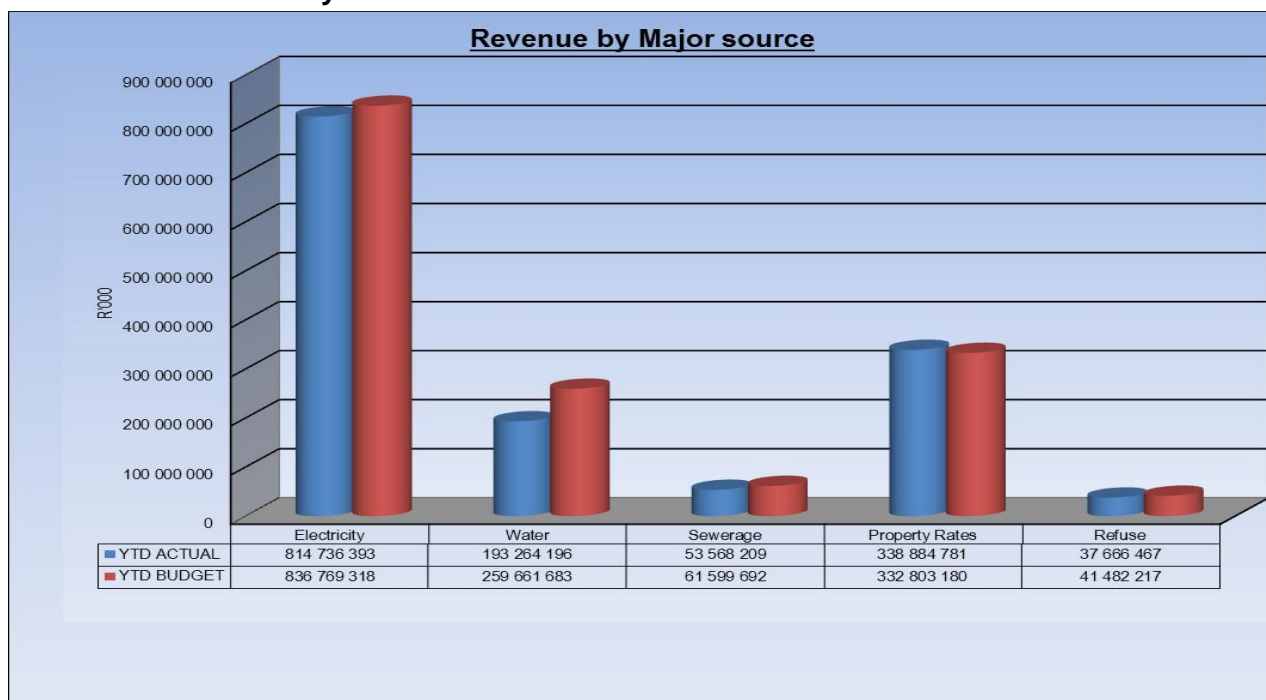
REVENUE ANALYSIS

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

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

2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 46% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges slightly under performed by (R 22.0 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 over performance existed as at 30 November 2016.

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 26% variance when comparing YTD actual to YTD Budget.

Service Charges - sanitation revenue: reflects a under performance of 3% variance and is line when comparing the YTD actual revenue to the YTD budget.

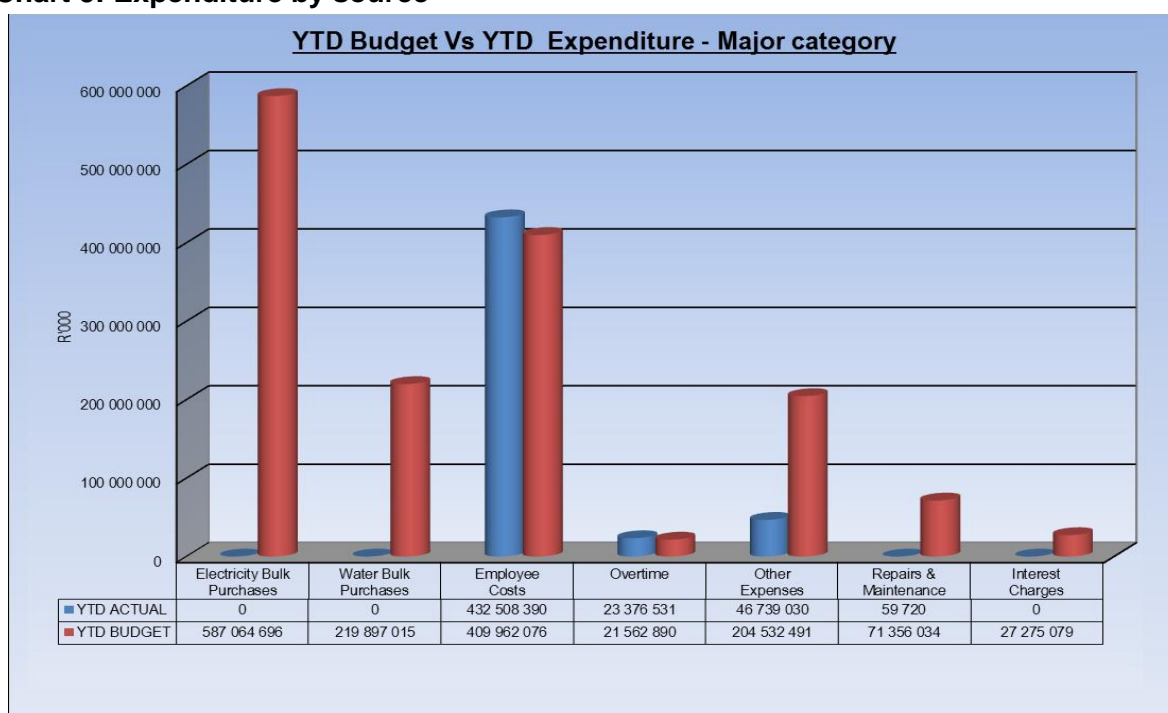
Service Charges - refuse revenue reflects an under performance of 18% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 2.5% to the total operating revenue received as at 30 November 2016.

OPERATIONAL EXPENDITURE

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

Chart 5: Expenditure by source



Bulk Purchases: These costs are being captured into the SAP system.

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 158.4 million while the actual costs incurred was R 26.9 million resulting in under performance against the budget of R 131.5 million. This is as a result of payments being done through the SAP system. The table below provides a detailed listing of the top 20 cash drainers during the month of November 2016.

Table 3: Top 20 Cash Drainers – November 2016

No:	Description	November - 2016		
		YTD Actual	Annual Budget	YTD % of Annual budget
1	Pension Payable	81 111	4 578 337	1.8%
2	Motor Vehicle Licences	0	1 800 000	0.0%
3	Bank Charges	94 136	6 411 878	1.5%
4	Kwanalogo Subscriptions	0	8 649 000	0.0%
5	IDP Expenses	0	2 733 669	0.0%
6	Interview Costs	0	13 667	0.0%
7	Plant Hire	0	2 209 816	0.0%
8	Extraordinary Items	0	951 303	0.0%
9	Stores & Materials	0	9 388 841	0.0%
10	Marketing & Promotion	0	6 807 472	0.0%
11	Security Services	0	35 107 801	0.0%
12	Uniforms	125 011	5 288 781	2.4%
13	Petrol & Lubricants	0	32 516 298	0.0%
14	Valuation Roll	0	341 674	0.0%
15	Postage And Stamps	0	4 749 364	0.0%
16	External Services	43 899	49 441 205	0.1%
17	Hire Charges	0	15 540 905	0.0%
18	Telephones	1 258 835	8 052 855	15.6%
19	Subscriptions For Cities Network	0	1 127 526	0.0%
20	Ward Committee Expenses	0	9 157 994	0.0%

Depreciation & Asset Impairment: The full year depreciation & asset impairment figure is R 506.1 million. The actuals are being captured in the SAP system, the ProMIS actual YTD is R 115.0 million whilst the YTD budget is R 210.8 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 27.2 million and the Actual are being captured into the SAP system, the ProMIS figure was R 0.0 million pointing to a positive variance in this line item.

Contracted Services: YTD Budget for contracted services was R 14.6 million, whilst the actual are being captured in the SAP system, ProMIS actual YTD is R 0.65 million, resulting in a positive variance in this line item.

Remuneration of councillors: the YTD budget was R 17.9 million and the actual expenditure incurred was R 17.8 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M05 November

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	-	3	33	27	0	22%	65
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 284	6 841	-	1 710	3 421	3 421	0	0%	6 841
Total Revenue (excluding capital transfers and contributions)	12 476	6 906	-	1 714	3 454	3 448	6	0	6 906
Employee costs	4 227	5 278	-	403	1 975	2 199	(224)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	346	346	-	-	830
Finance charges	12	12	-	1	5	5	0	0	12
Materials and bulk purchases	167	489	-	6	123	204	(81)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	156	673	713	(40)	(0)	1 711
Total Expenditure	5 965	8 319	-	635	3 122	3 466	(344)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	1 079	332	(19)	350	(0)	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	1 079	332	(19)	350	(0)	(1 413)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	1 079	332	(19)	350	(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	1 128	-	-	2 123	-	-	-	1 128
Total non current assets	6 138	5 785	-	-	6 031	-	-	-	5 785
Total current liabilities	222	250	-	-	562	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	7 322	6 663	-	-	7 592	-	-	-	6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	1 147	672	322	350	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	1 147	672	322	350	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

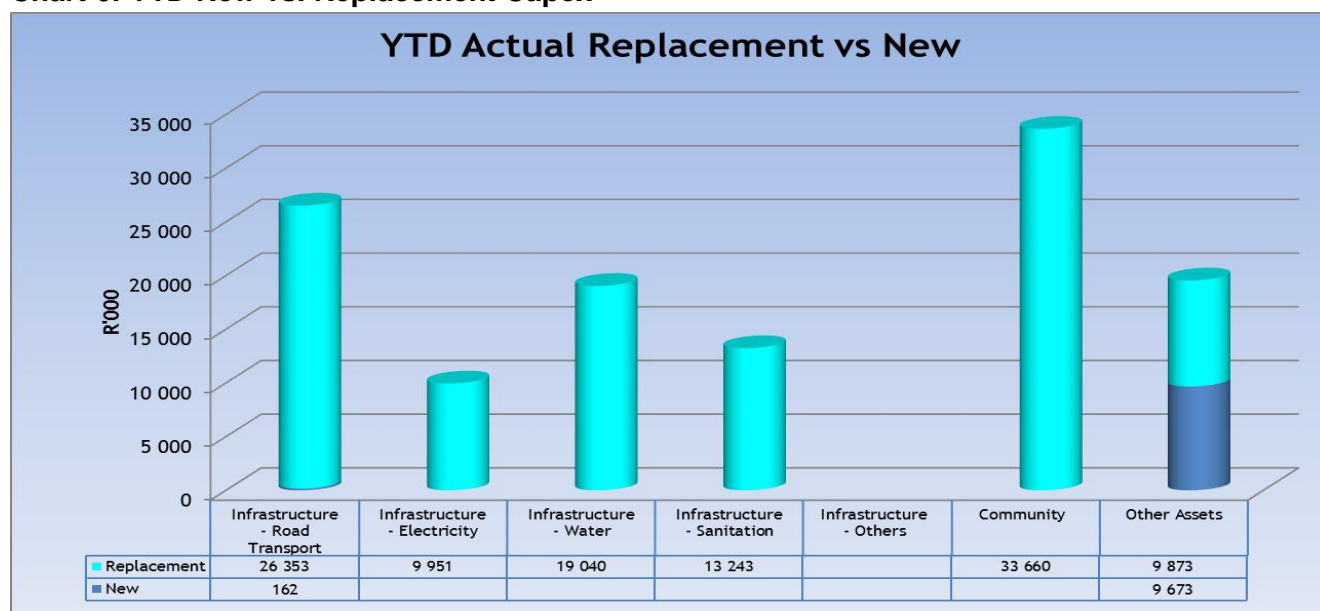
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M05 November

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		0	0	48 957	48 957	100.0%	0%
August	23 544	48 957		116	116	97 914	97 798	99.9%	0%
September	39 949	48 957		40 533	40 533	146 871	106 338	72.4%	6%
October	46 126	48 957		41 847	41 847	195 828	153 981	78.6%	6%
November	39 269	48 957		39 460	39 460	244 785	205 325	83.9%	5%
December	63 575	48 957				293 742	-		
January	15 750	48 957				342 699	-		
February	32 316	48 957				391 656	-		
March	32 165	48 957				440 613	-		
April	46 620	48 957				489 570	-		
May	44 113	60 520				550 090	-		
June	69 194	176 151				726 241	-		
Total Capital expenditure	461 711	726 241	-	121 955					

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 November 2016.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 121.9 million, R 9.83 million (8%) was new assets and R 112.1 million (98%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M05 November

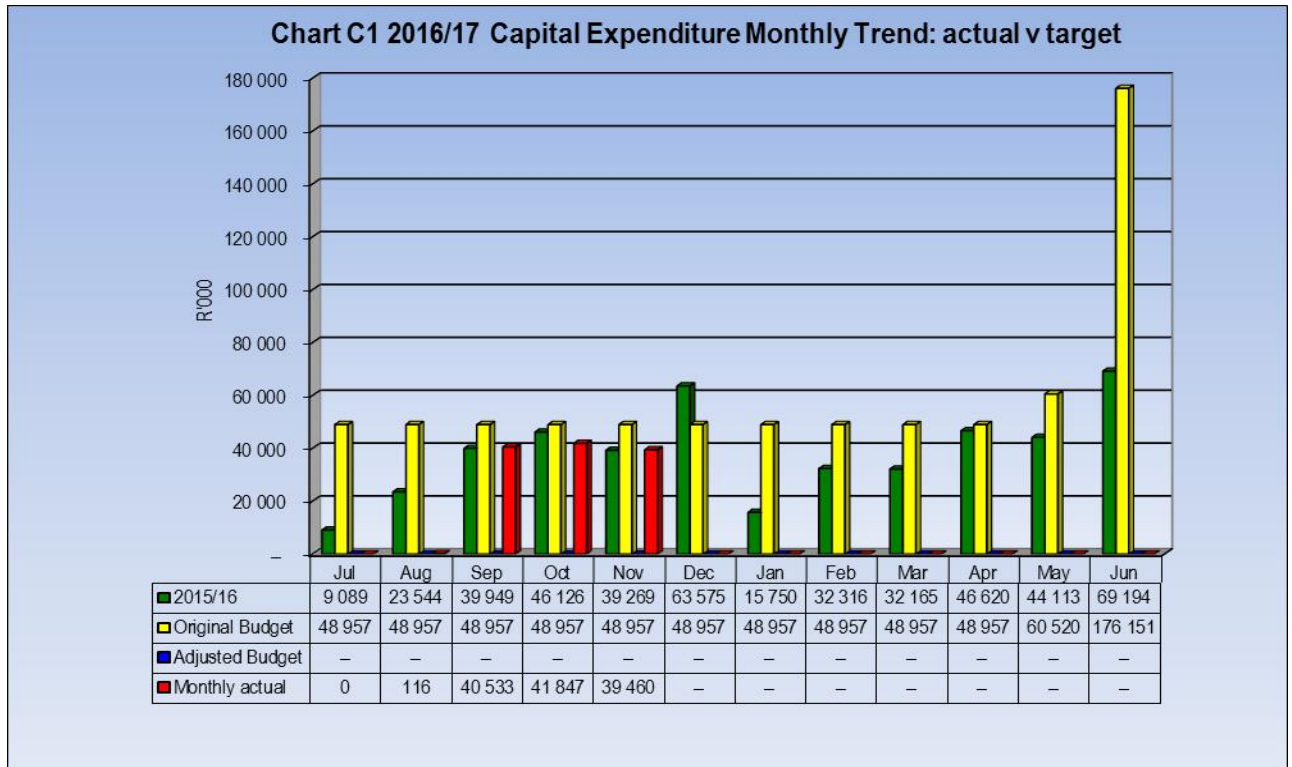
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		38 095	174 021	-	-	162	72 509	72 346	99.8%	174 021
Infrastructure - Road transport		9 987	2 714	-	-	162	1 131	969	85.6%	2 714
<i>Roads, Pavements & Bridges</i>		9 987	2 714	-	-	162	1 131	969	85.6%	2 714
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	-	-	-	70 344	70 344	100.0%	168 827
<i>Generation</i>		-	168 827	-	-	-	70 344	70 344	100.0%	168 827
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		17 110	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>		297	-	-	-	-	-	-	-	-
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		16 813	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		10 999	980	-	-	-	408	408	100.0%	980
<i>Reticulation</i>		-	980	-	-	-	408	408	100.0%	980
<i>Sewerage purification</i>		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	-	-	-	625	625	100.0%	1 500
<i>Waste Management</i>		-	1 500	-	-	-	625	625	100.0%	1 500
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Community		33 810	20 591	-	-	-	8 580	8 580	100.0%	20 591
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	-	-	-	2 771	2 771	100.0%	6 650
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	1 517	1 517	100.0%	3 640
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	929	929	100.0%	2 230
Cemeteries		-	2 000	-	-	-	833	833	100.0%	2 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	2 530	2 530	100.0%	6 071
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		40 021	23 329	-	1 177	9 557	9 720	163	1.7%	23 329
General vehicles		6 716	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	-	1 108	2 861	588	(2 273)	-386.9%	1 410
Computers - hardware/equipment		3 486	470	-	-	-	196	196	100.0%	470
Furniture and other office equipment		5 981	50	-	69	1 173	21	(1 152)	-5530.4%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	-	-	-	4 329	4 329	100.0%	10 389
Other Buildings		-	-	-	-	5 523	-	(5 523)	#DIV/0!	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	-	-	-	4 588	4 588	100.0%	11 010
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Intangibles		-	24 468	-	-	116	10 195	10 079	98.9%	24 468
Computers - software & programming		-	24 468	-	-	116	10 195	10 079	98.9%	24 468
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	111 925	242 409	-	1 177	9 835	101 004	91 168	90.3%	242 409

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M05

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	-	28 757	68 588	153 085	84 497	55.2%	367 404
Infrastructure - Road transport		125 812	239 143	-	13 435	26 353	99 643	73 290	73.6%	239 143
Roads, Pavements & Bridges		125 552	239 143	-	13 435	26 353	99 643	73 290	73.6%	239 143
Storm water		260	-	-	-	-	-	-	-	-
Infrastructure - Electricity		66 802	25 520	-	3 839	9 951	10 633	682	6.4%	25 520
Generation		66 802	25 520	-	3 839	9 951	10 633	682	6.4%	25 520
Transmission & Reticulation		-	-	-	-	-	-	-	0.0%	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		65 030	55 602	-	8 424	19 040	23 168	4 127	17.8%	55 602
Dams & Reservoirs		65 030	55 602	-	8 424	19 040	23 168	4 127	17.8%	55 602
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		26 146	47 139	-	3 059	13 243	19 641	6 398	32.6%	47 139
Reticulation		-	47 139	-	3 059	13 243	19 641	6 398	32.6%	47 139
Sewerage purification		26 146	-	-	-	-	-	-	0.0%	-
Infrastructure - Other		755	-	-	-	-	-	-	-	-
Waste Management		755	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	0.0%	-
Community		4 551	62 950	-	7 159	33 660	26 229	(7 430)	-28.3%	62 950
Parks & gardens		-	500	-	-	-	208	208	100.0%	500
Sportsfields & stadia		121	28 750	-	3 525	6 295	11 979	5 684	47.5%	28 750
Swimming pools		-	2 000	-	219	611	833	222	26.6%	2 000
Community halls		-	30 700	-	1 973	1 973	12 792	10 819	84.6%	30 700
Libraries		-	-	-	1 442	3 256	-	(3 256)	#DIV/0!	-
Recreational facilities		2 823	-	-	-	-	-	-	0.0%	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	21 525	-	(21 525)	#DIV/0!	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	1 000	-	-	-	417	417	100.0%	1 000
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		1 607	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		31 275	53 478	-	2 367	9 873	22 283	12 409	55.7%	53 478
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	0.0%	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		2 019	-	-	-	-	-	-	0.0%	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		251	-	-	-	-	-	-	-	-
Civic Land and Buildings		14 359	33 569	-	2 367	3 613	13 987	10 374	74.2%	33 569
Other Buildings		-	-	-	-	5 629	-	(5 629)	#DIV/0!	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		14 646	19 910	-	-	632	8 296	7 664	92.4%	19 910
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	-	38 283	112 120	201 597	89 476	44.4%	483 832

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

Chart 7: Capital Expenditure Monthly Trend



The monthly 2015/16 trend presents monthly actual expenditure figures for prior year. Original Budget stipulates the budget for the year. The monthly actual figures stipulates a monthly trend, there has been a slow start to spending in the financial year.

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

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

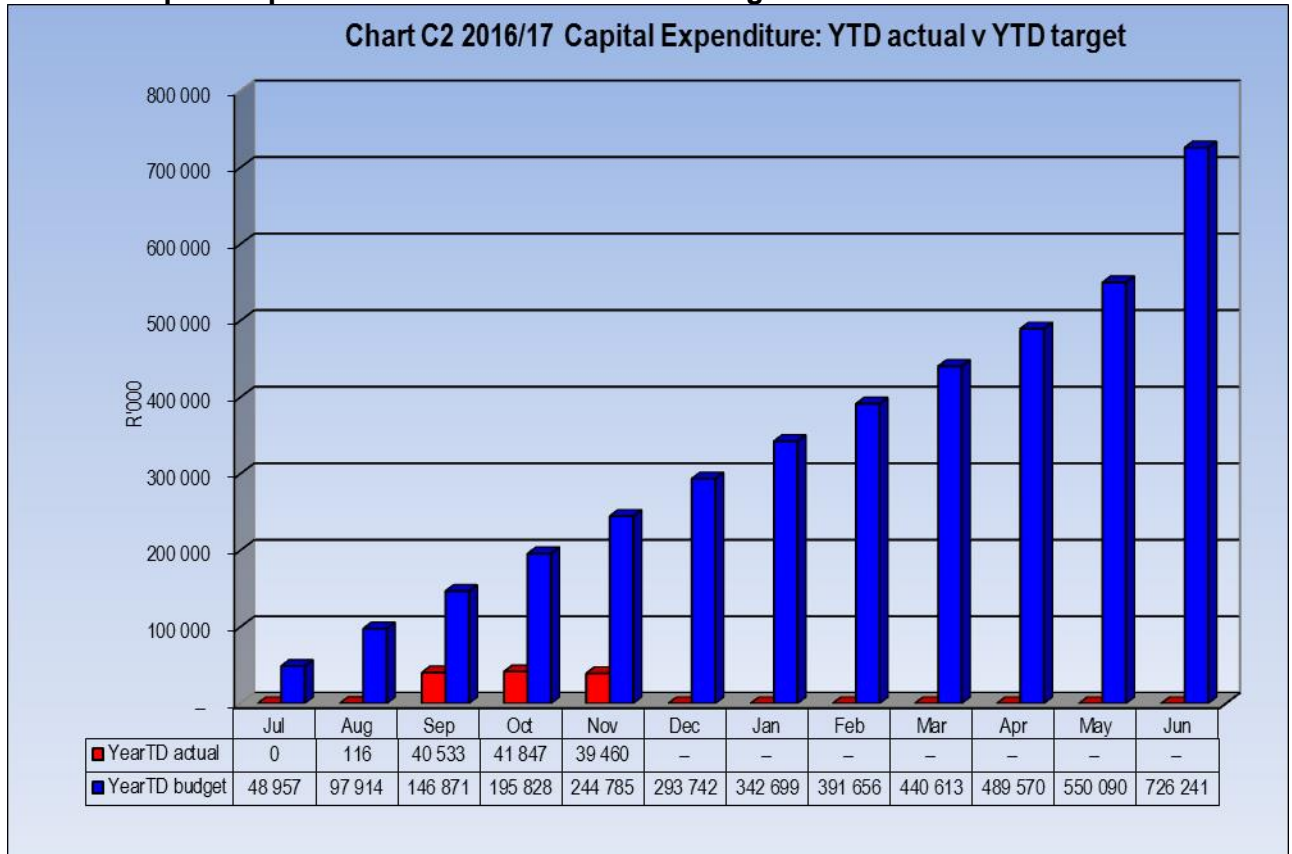
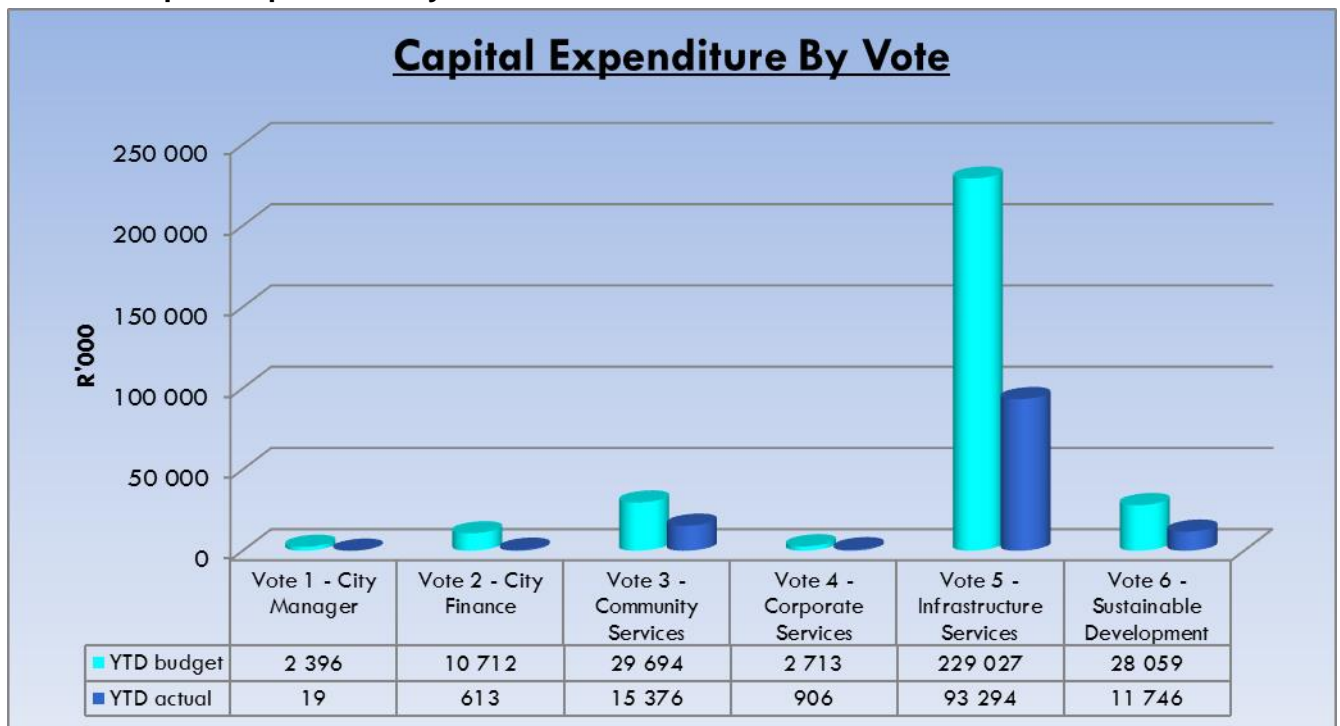


Chart 9: Capital Expenditure by Vote



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

The municipal entity's report for the month ending November 2016 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 **November 2016** 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: _____