

ITEM:



File Reference: 3.7.P

Report Number: 3

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Designation: SNR MANAGER: BUDGET

PLANNING, IMPL & MONIT PLAN

CONFIDENTIAL / NOT CONFIDENTIAL

FOR NOTING



1st Level: SMC: 16/10/2023

2nd Level: PORTFOLIO COMMITTEE: 18/10/2023

3rd Level: EXCO: 19/10/2023

4th Level: COUNCIL: 25/10/2023

5th Level: MPAC: 08/11/2023

SUBJECT: SECTION 71 / SECTION 52 (D) OF MFMA NO.56 OF 2003 – MONTHLY BUDGET STATEMENTS AS AT THE END OF SEPTEMBER 2023

DATE: 10 OCTOBER 2023

1. PURPOSE

The purpose of the report is to appraise Council concerning Section 71 / Section 52 (D) of the MFMA No. 56 of 2003 regarding monthly budget statements for the period ending 30 September 2023, report is submitted for noting.

2. BACKGROUND

2.1 In terms of Section 71 of 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.

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

- 2.2 In addition to the MFMA Section 71 stated above, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.
- 2.3 In addition to the MFMA Section 71 stated above, Section 52(d) further requires the Mayor to, within 30 days of the end of each quarter; submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

3. LEGISLATIVE PROVISIONS / POLICIES

- 3.1 Section 71 of the Municipal Finance Management Act No. 56 of 2003
- 3.2 Municipal Finance Management Act No. 56 of 2003, Section 52 (d) Monthly Budget Statements

4. MOTIVATION/DISCUSSION

- 4.1 The MFMA section 71 / section 52 (d) report as per annexure
- 4.2 The Municipal Budget and Reporting Regulation (MBRR) requires that municipality prepare a report to Council on monthly budget statements.

5. COMMENTS FROM THE RELEVANT BUSINESS UNIT OR COMPONENT OF THE BUSINESS UNIT

N/A

5. IMPLICATIONS:

6.1 FINANCIAL
N/A

6.2 LEGAL
N/A

6.3 COMMUNICATION
N/A

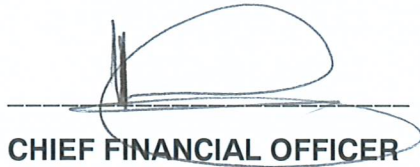
6.4 SERVICE DELIVERY IMPLICATIONS

7. RECOMMENDATIONS

IT IS RECOMMENDED THAT:

- 7.1** Council note Section 71 / section 52 (d) report as per MFMA No. 56 of 2003 as at the end of September 2023

8. SUBMITTED BY:


CHIEF FINANCIAL OFFICER

N NGCOBO

DATE: 10/10/2023

ANNEXURES:

MFMA No.56 of 2003 Section 71 / section 52 (d) report.



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

September 2023 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 has approved budget.

In terms of Section 52 (d) of the MFMA, The Mayor of the Municipality must within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

FINANCIAL PERFORMANCE

Revenue: The Year to Date (YTD) actual revenue generated for the first quarter amounted to R 2.020 billion excluding capital transfers while the projected (YTD) budget amounted to R 2.030 billion. This means that the municipality generated a little less revenue at the end of the first quarter than projected. The municipality should monitor closely the revenue collection.

The two main contributors to the municipal revenue basket are Electricity and Property Rates, both accounting for 64% of the actual total YTD Revenue earned. Electricity contributing (45%) & Property Rates revenue (19%).

The variances on property rates revenue, water revenue, electricity revenue and waste management revenue are below 10%, which is an acceptable variance level. The municipality must continue to monitor the revenue collection closely to mitigate the risk of expenditure exceeding revenue.

Revenue from, Interest earned from receivables, rental from fixed assets, fines, penalties and forfeits, licences and permits, transfers and subsidies, agency services, and operational revenue variances are more than 10% when comparing ytd actual revenue and YTD budget revenue. A detailed explanation of variances is contained in table SC1

Overall, in the first quarter of the 2023/2024 financial year, the municipality generated total YTD actual revenue of R2.108 billion including capital transfers and contributions against the YTD budget of R2.142 billion. However, the municipality must closely monitor the levels of revenue generated and expenditure incurred to mitigate the risk of expenditure exceeding revenue, which may create cash flow problems in a long run.

Operating Expenditure: The total actual YTD operating expenditure for the first quarter amounted to R 1.878 billion while the YTD budget Operating Expenditure amounted to R 1.926 billion.

The operational expenditure is largely defined by bulk purchases (electricity) and employee related costs both accounting for 74% of the total operating expenditure incurred for the period ending 30 September 2023. In light of the operating expenditure analysis above, the municipality has introduced cost-cutting measures and invented cost effective ways of doing business. The municipality must continue with these measures to monitor expenditure.

Overall, the municipality recorded an operating surplus of R 141.838 million during the first quarter of the financial year.

Capital Expenditure: The YTD capital expenditure budget for the first quarter amounted to R192.190 million, the actual YTD Capital expenditure incurred amounted to R105.010 million resulting in an underperformance of -45% of the capital budget. This is largely due to underspending in provincial grant funded projects. This is a serious cause of concern because under-expenditure on capital projects directly results in a negative impact on service delivery. The municipality has put measures in place to ensure the acceleration of expenditure on capital projects thereby improving on delivery of services.

Grants Receipts: The total grant receipts for first quarter amounted to R498.006 million which is inclusive of equitable share of R319.676, total operating transfers and grants of R15.639 million and R162.691 million for capital transfers and grants.

1.2 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 - Q1 First Quarter

Description	2022/23	Budget Year 2023/24							
	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	1 309 840	1 526 985	–	123 752	374 514	381 746	(7 232)	-2%	1 526 985
Service charges	3 631 232	5 135 631	–	288 117	1 222 335	1 283 908	(61 573)	-5%	5 135 631
Investment revenue	–	50 691	–	2 956	8 006	12 673	(4 667)	-37%	50 691
Transfers and subsidies - Operational	–	838 135	–	2 344	324 926	209 534	115 392	55%	838 135
Other own revenue	1 183 735	569 283	–	178 984	89 862	142 321	(52 459)	-37%	569 283
Total Revenue (excluding capital transfers and contributions)	6 124 808	8 120 726	–	596 153	2 019 643	2 030 182	(10 539)	-1%	8 120 726
Employee costs	1 468 308	1 781 211	–	125 511	372 463	445 303	(72 839)	-16%	1 781 211
Remuneration of Councillors	51 818	62 700	–	4 198	11 947	15 675	(3 728)	-24%	62 700
Depreciation and amortisation	343 164	460 782	–	29 430	90 219	115 195	(24 977)	-22%	460 782
Interest	18 698	40 401	–	1 093	3 351	10 100	(6 750)	-67%	40 401
Inventory consumed and bulk purchases	3 089 484	3 484 629	–	440 161	1 206 574	871 157	335 417	39%	3 484 629
Transfers and subsidies	29 481	65 884	–	13 141	22 881	16 471	6 410	39%	65 884
Other expenditure	1 085 916	1 809 593	–	67 243	170 371	452 398	(282 028)	-62%	1 809 593
Total Expenditure	6 086 868	7 705 200	–	680 777	1 877 805	1 926 300	(48 495)	-3%	7 705 200
Surplus/(Deficit)	37 939	415 526	–	(84 623)	141 838	103 882	37 956	37%	415 526
Transfers and subsidies - capital (monetary)	399 399	448 700	–	28 630	88 343	112 175	(23 832)	-21%	448 700
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	437 338	864 226	–	(55 993)	230 181	216 057	14 124	7%	864 226
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	437 338	864 226	–	(55 993)	230 181	216 057	14 124	7%	864 226
Capital expenditure & funds sources									
Capital expenditure	547 790	768 760	–	51 171	105 010	192 190	(87 180)	-45%	768 760
Capital transfers recognised	363 330	448 700	–	26 214	79 876	112 175	(32 299)	-29%	448 700
Borrowing	–	200 000	–	–	–	50 000	(50 000)	-100%	200 000
Internally generated funds	184 460	120 060	–	24 956	25 134	30 015	(4 881)	-16%	120 060
Total sources of capital funds	547 790	768 760	–	51 171	105 010	192 190	(87 180)	-45%	768 760
Financial position									
Total current assets	3 596 377	2 922 957	–		3 816 695				2 922 957
Total non current assets	8 426 689	9 291 678	–		8 334 917				9 291 678
Total current liabilities	2 903 354	1 645 970	–		2 904 687				1 645 970
Total non current liabilities	658 474	855 013	–		658 474				855 013
Community wealth/Equity	8 461 237	9 713 651	–		8 588 451				9 713 651
Cash flows									
Net cash from (used) operating	831 988	946 378	–	–	–	236 595	236 595	100%	946 378
Net cash from (used) investing	(530 575)	(768 501)	–	–	–	(192 125)	(192 125)	100%	(768 501)
Net cash from (used) financing	(79 163)	177 000	–	–	–	44 250	44 250	100%	177 000
Cash/cash equivalents at the month/year end	511 402	766 880	–	–	–	500 722	500 722	100%	354 877
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	249 422	162 840	111 627	114 846	130 503	103 669	636 662	4 524 737	6 034 307
Creditors Age Analysis									
Total Creditors	587 403	269 745	100 614	27 994	865 840	–	–	–	1 851 596

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

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		1 868 407	2 375 780	–	136 622	582 862	593 945	(11 083)	-2%	2 375 780
Executive and council		5 213	4 979	–	69	128	1 245	(1 117)	-90%	4 979
Finance and administration		1 863 194	2 370 801	–	136 553	582 734	592 700	(9 966)	-2%	2 370 801
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		142 629	338 867	–	11 296	38 936	84 717	(45 781)	-54%	338 867
Community and social services		61 499	276 754	–	2 969	11 645	69 188	(57 544)	-83%	276 754
Sport and recreation		589	21 223	–	83	164	5 306	(5 142)	-97%	21 223
Public safety		24 640	8 569	–	396	1 313	2 142	(829)	-39%	8 569
Housing		55 901	32 321	–	7 849	25 814	8 080	17 734	219%	32 321
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		200 051	55 601	–	8 136	27 417	13 900	13 517	97%	55 601
Planning and development		152 415	47 685	–	1 770	5 022	11 921	(6 899)	-58%	47 685
Road transport		47 242	–	–	6 343	22 342	–	22 342	–	–
Environmental protection		395	7 916	–	22	53	1 979	(1 926)	-97%	7 916
<i>Trading services</i>		4 275 574	5 698 134	–	466 469	1 450 627	1 424 534	26 093	2%	5 698 134
Energy sources		2 589 902	4 028 756	–	323 867	936 594	1 007 189	(70 595)	-7%	4 028 756
Water management		1 249 069	1 300 958	–	105 842	383 304	325 240	58 065	18%	1 300 958
Waste water management		286 349	209 646	–	23 001	83 836	52 412	31 424	60%	209 646
Waste management		150 253	158 774	–	13 759	46 893	39 694	7 199	18%	158 774
<i>Other</i>	4	39 274	101 045	–	2 260	8 144	25 261	(17 117)	-68%	101 045
Total Revenue - Functional	2	6 525 935	8 569 426	–	624 784	2 107 986	2 142 357	(34 371)	-2%	8 569 426
Expenditure - Functional										
<i>Governance and administration</i>		951 677	1 480 553	–	80 437	231 049	370 138	(139 090)	-38%	1 480 553
Executive and council		115 687	258 320	–	13 082	34 123	64 580	(30 457)	-47%	258 320
Finance and administration		816 589	1 193 778	–	66 042	193 835	298 444	(104 609)	-35%	1 193 778
Internal audit		19 401	28 455	–	1 313	3 090	7 114	(4 023)	-57%	28 455
<i>Community and public safety</i>		624 012	537 196	–	54 016	138 303	134 299	4 004	3%	537 196
Community and social services		147 223	135 893	–	11 696	34 678	33 973	705	2%	135 893
Sport and recreation		140 507	130 425	–	11 437	31 213	32 606	(1 393)	-4%	130 425
Public safety		232 288	222 097	–	22 626	52 532	55 524	(2 993)	-5%	222 097
Housing		94 435	35 263	–	7 461	17 489	8 816	8 673	98%	35 263
Health		9 559	13 517	–	796	2 391	3 379	(988)	-29%	13 517
<i>Economic and environmental services</i>		378 225	513 621	–	32 008	73 059	128 405	(55 346)	-43%	513 621
Planning and development		93 766	84 863	–	6 233	20 886	21 216	(330)	-2%	84 863
Road transport		259 799	402 476	–	23 779	46 097	100 619	(54 522)	-54%	402 476
Environmental protection		24 661	26 283	–	1 996	6 076	6 571	(495)	-8%	26 283
<i>Trading services</i>		4 061 495	5 109 852	–	508 764	1 419 447	1 277 463	141 984	11%	5 109 852
Energy sources		2 621 122	3 289 792	–	384 705	1 096 316	822 448	273 868	33%	3 289 792
Water management		952 916	1 293 157	–	86 707	210 918	323 289	(112 371)	-35%	1 293 157
Waste water management		348 154	399 300	–	27 492	80 228	99 825	(19 597)	-20%	399 300
Waste management		139 303	127 604	–	9 860	31 985	31 901	84	0%	127 604
<i>Other</i>		73 188	63 978	–	5 552	15 948	15 995	(46)	0%	63 978
Total Expenditure - Functional	3	6 088 597	7 705 200	–	680 777	1 877 805	1 926 300	(48 495)	-3%	7 705 200
Surplus/ (Deficit) for the year		437 338	864 226	–	(55 993)	230 181	216 057	14 124	7%	864 226

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

KZN225 Msunduzi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - City Manager		(15)	-	-	-	-	-	-		-
Vote 2 - City Finance		1 855 452	2 342 935	-	136 152	581 525	585 734	(4 209)	-0,7%	2 342 935
Vote 3 - Corporate Services		8 603	7 980	-	69	128	1 995	(1 867)	-93,6%	7 980
Vote 4 - Community Services and Social Equity		235 448	497 013	-	17 260	60 175	124 253	(64 078)	-51,6%	497 013
Vote 5 - Infrastructure Services		1 588 121	1 520 657	-	135 533	490 530	380 164	110 366	29,0%	1 520 657
Vote 6 - Sustainable Development and City Enterprises		248 423	200 280	-	11 902	39 033	50 070	(11 037)	-22,0%	200 280
Vote 7 - Electricity		2 589 902	4 000 561	-	323 867	936 594	1 000 140	(63 546)	-6,4%	4 000 561
Total Revenue by Vote	2	6 525 935	8 569 426	-	624 784	2 107 986	2 142 357	(34 371)	-1,6%	8 569 426
Expenditure by Vote	1									
Vote 1 - City Manager		151 982	300 106	-	15 679	43 483	75 026	(31 543)	-42,0%	300 106
Vote 2 - City Finance		362 345	799 188	-	29 402	80 967	199 797	(118 830)	-59,5%	799 188
Vote 3 - Corporate Services		163 339	195 633	-	11 980	46 861	48 908	(2 047)	-4,2%	195 633
Vote 4 - Community Services and Social Equity		904 577	827 458	-	70 843	200 656	206 865	(6 209)	-3,0%	827 458
Vote 5 - Infrastructure Services		1 565 729	2 117 250	-	138 038	338 213	529 313	(191 100)	-36,1%	2 117 250
Vote 6 - Sustainable Development and City Enterprises		295 042	225 419	-	28 159	64 819	56 355	8 464	15,0%	225 419
Vote 7 - Electricity		2 645 583	3 240 145	-	386 676	1 102 807	810 036	292 770	36,1%	3 240 145
Total Expenditure by Vote	2	6 088 597	7 705 200	-	680 777	1 877 805	1 926 300	(48 495)	-2,5%	7 705 200
Surplus/ (Deficit) for the year	2	437 338	864 226	-	(55 993)	230 181	216 057	14 124	6,5%	864 226

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 September 2023

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		2 569 458	3 892 818		175 224	905 348	973 205	(67 856)	-7%	3 892 818
Service charges - Water		756 447	901 572		81 616	228 231	225 393	2 838	1%	901 572
Service charges - Waste Water Management		185 328	202 500		18 336	55 546	50 625	4 921	10%	202 500
Service charges - Waste management		119 999	138 742		12 940	33 209	34 685	(1 476)	-4%	138 742
Sale of Goods and Rendering of Services							-	-		
Agency services		2 599	715		248	763	179	584	327%	715
Interest							-	-		
Interest earned from Receivables		221 878	198 174		172 171	65 183	49 544	15 640	32%	198 174
Interest from Current and Non Current Assets			18 052				4 513	(4 513)	-100%	18 052
Dividends							-	-		
Rent on Land							-	-		
Rental from Fixed Assets		20 071	104 824		2 506	9 050	26 206	(17 156)	-65%	104 824
Licence and permits			2 452		114	522	613	(91)	-15%	2 452
Operational Revenue		68 698	230 407		3 925	14 295	57 602	(43 307)	-75%	230 407
Non-Exchange Revenue										
Property rates		1 309 840	1 526 985		123 752	374 514	381 746	(7 232)	-2%	1 526 985
Surcharges and Taxes							-	-		
Fines, penalties and forfeits		20 129	14 660		19	49	3 665	(3 616)	-99%	14 660
Licence and permits		2 415					-	-		
Transfers and subsidies - Operational		801 751	838 135		2 344	324 926	209 534	115 392	55%	838 135
Interest		16 957	50 691		2 956	8 006	12 673	(4 667)	-37%	50 691
Fuel Levy							-	-		
Operational Revenue							-	-		
Gains on disposal of Assets							-	-		
Other Gains		29 236					-	-		
Discontinued Operations							-	-		
Total Revenue (excluding capital transfers and contributions)		6 124 808	8 120 726	-	596 153	2 019 643	2 030 182	(10 539)	-1%	8 120 726
Expenditure By Type										
Employee related costs		1 468 308	1 781 211		125 511	372 463	445 303	(72 839)	-16%	1 781 211
Remuneration of councillors		51 818	62 700		4 198	11 947	15 675	(3 728)	-24%	62 700
Bulk purchases - electricity		2 350 401	2 514 000		355 226	1 010 525	628 500	382 025	61%	2 514 000
Inventory consumed		739 084	970 629		84 936	196 049	242 657	(46 609)	-19%	970 629
Debt impairment		71 196	600 000		484	3 448	150 000	(146 552)	-98%	600 000
Depreciation and amortisation		343 164	460 782		29 430	90 219	115 195	(24 977)	-22%	460 782
Interest		18 698	40 401		1 093	3 351	10 100	(6 750)	-67%	40 401
Contracted services		799 036	994 211		53 858	114 756	248 553	(133 797)	-54%	994 211
Transfers and subsidies		29 481	65 884		13 141	22 881	16 471	6 410	39%	65 884
Irrecoverable debts written off							-	-		
Operational costs		182 106	215 382		12 901	52 167	53 846	(1 678)	-3%	215 382
Losses on Disposal of Assets							-	-		
Other Losses		33 578					-	-		
Total Expenditure		6 086 868	7 705 200	-	680 777	1 877 805	1 926 300	(48 495)	-3%	7 705 200
Surplus/(Deficit)		37 939	415 526	-	(84 623)	141 838	103 882	37 956	37%	415 526
Transfers and subsidies - capital (monetary allocations)		399 399	448 700		28 630	88 343	112 175	(23 832)	-21%	448 700
Transfers and subsidies - capital (in-kind)							-	-		
Surplus/(Deficit) after capital transfers & contributions		437 338	864 226	-	(55 993)	230 181	216 057			864 226
Income Tax										
Surplus/(Deficit) after income tax		437 338	864 226	-	(55 993)	230 181	216 057			864 226
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		437 338	864 226	-	(55 993)	230 181	216 057			864 226
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		437 338	864 226	-	(55 993)	230 181	216 057			864 226

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, functional classification and funding) - Q1 First Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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		27	-	-	-	-	-	-	-	-
Vote 2 - City Finance		9 153	30 000	-	-	-	7 500	(7 500)	-100%	30 000
Vote 3 - Corporate Services		938	10 000	-	-	-	2 500	(2 500)	-100%	10 000
Vote 4 - Community Services and Social Equity		48 934	24 886	-	3 518	9 317	6 222	3 095	50%	24 886
Vote 5 - Infrastructure Services		268 923	318 102	-	34 115	63 634	79 526	(15 891)	-20%	318 102
Vote 6 - Sustainable Development and City Enterprises		133 279	144 745	-	6 215	20 527	36 186	(15 659)	-43%	144 745
Vote 7 - Electricity		71 071	175 400	-	7 322	11 532	43 850	(32 318)	-74%	175 400
Total Capital Multi-year expenditure	4,7	532 326	703 134	-	51 171	105 010	175 784	(70 773)	-40%	703 134
Single Year expenditure appropriation	2									
Vote 1 - City Manager		944	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Vote 2 - City Finance		3 084	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		3 796	10 000	-	-	-	2 500	(2 500)	-100%	10 000
Vote 4 - Community Services and Social Equity		4 980	4 000	-	-	-	1 000	(1 000)	-100%	4 000
Vote 5 - Infrastructure Services		793	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Vote 6 - Sustainable Development and City Enterprises		1 035	38 026	-	-	-	9 507	(9 507)	-100%	38 026
Vote 7 - Electricity		831	3 600	-	-	-	900	(900)	-100%	3 600
Total Capital single-year expenditure	4	15 464	65 626	-	-	-	16 407	(16 407)	-100%	65 626
Total Capital Expenditure		547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760
Capital Expenditure - Functional Classification										
Governance and administration		18 773	51 000	-	-	-	12 750	(12 750)	-100%	51 000
Executive and council		750	1 000	-	-	-	250	(250)	-100%	1 000
Finance and administration		18 024	50 000	-	-	-	12 500	(12 500)	-100%	50 000
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		57 141	169 252	-	9 166	29 147	42 313	(13 166)	-31%	169 252
Community and social services		43 937	20 307	-	1 911	7 580	5 077	2 503	49%	20 307
Sport and recreation		922	-	-	1 081	1 081	-	1 081	-	-
Public safety		148	4 199	-	-	-	1 050	(1 050)	-100%	4 199
Housing		12 135	144 745	-	6 174	20 486	36 186	(15 700)	-43%	144 745
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		277 382	107 006	-	28 884	42 845	26 752	16 093	60%	107 006
Planning and development		118 612	38 606	-	41	41	9 652	(9 611)	-100%	38 606
Road transport		158 749	68 400	-	28 843	42 804	17 100	25 704	150%	68 400
Environmental protection		22	-	-	-	-	-	-	-	-
Trading services		191 140	438 702	-	13 120	33 019	109 676	(76 657)	-70%	438 702
Energy sources		64 942	179 000	-	7 322	11 532	44 750	(33 218)	-74%	179 000
Water management		67 842	133 925	-	4 529	11 724	33 481	(21 757)	-65%	133 925
Waste water management		48 192	120 778	-	1 186	9 550	30 194	(20 644)	-68%	120 778
Waste management		10 165	5 000	-	83	213	1 250	(1 037)	-83%	5 000
Other		3 353	2 800	-	-	-	700	(700)	-100%	2 800
Total Capital Expenditure - Functional Classification	3	547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760
Funded by:										
National Government		251 840	312 535	-	26 173	79 835	78 134	1 701	2%	312 535
Provincial Government		111 490	136 165	-	41	41	34 041	(34 000)	-100%	136 165
District Municipality		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		363 330	448 700	-	26 214	79 876	112 175	(32 299)	-29%	448 700
Borrowing	6	-	200 000	-	-	-	50 000	(50 000)	-100%	200 000
Internally generated funds		184 460	120 060	-	24 956	25 134	30 015	(4 881)	-16%	120 060
Total Capital Funding		547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760

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 September 2023.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		511 402	602 411		8 517	602 411
Trade and other receivables from exchange transactions		21 545	1 296 255		2 927 246	1 296 255
Receivables from non-exchange transactions		704 629	664 796		33 219	664 796
Current portion of non-current receivables		1 916 875				
Inventory		418 671	359 494		433 710	359 494
VAT						
Other current assets		23 255			414 003	
Total current assets		3 596 377	2 922 957	-	3 816 695	2 922 957
Non current assets						
Investments						
Investment property		953 062	974 256		924 805	974 256
Property, plant and equipment		7 091 455	7 923 583		7 389 652	7 923 583
Biological assets			84 451		564	84 451
Living and non-living resources		576	733			733
Heritage assets		281 882	287 701			287 701
Intangible assets		23 913	20 954		22 594	20 954
Trade and other receivables from exchange transactions			-			-
Non-current receivables from non-exchange transactions			-		(2 699)	-
Other non-current assets		75 800	-			-
Total non current assets		8 426 689	9 291 678	-	8 334 917	9 291 678
TOTAL ASSETS		12 023 066	12 214 634	-	12 151 612	12 214 634
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities		74 271	83 359		61 678	83 359
Consumer deposits		142 079	140 009		145 591	140 009
Trade and other payables from exchange transactions		2 323 952	1 186 051		2 639 174	1 186 051
Trade and other payables from non-exchange transactions		15 568	-			-
Provision		8 980	49 000		58 245	49 000
VAT		188 387	187 552			187 552
Other current liabilities		150 118				
Total current liabilities		2 903 354	1 645 970	-	2 904 687	1 645 970
Non current liabilities						
Financial liabilities		50 311	131 184			131 184
Provision		62 175	75 576			75 576
Long term portion of trade payables		545 988			50 311	
Other non-current liabilities			648 252		608 163	648 252
Total non current liabilities		658 474	855 013	-	658 474	855 013
TOTAL LIABILITIES		3 561 828	2 500 983	-	3 563 161	2 500 983
NET ASSETS	2	8 461 237	9 713 651	-	8 588 451	9 713 651
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		8 241 498	9 501 123		8 366 417	9 501 123
Reserves and funds		4 605	212 528		222 033	212 528
Other		215 134				
TOTAL COMMUNITY WEALTH/EQUITY	2	8 461 237	9 713 651	-	8 588 451	9 713 651

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - Q1 First Quarter

Description	2022/23	Budget Year 2023/24							
	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	1 309 840	1 526 985	–	123 752	374 514	381 746	(7 232)	-2%	1 526 985
Service charges	3 631 232	5 135 631	–	288 117	1 222 335	1 283 908	(61 573)	-5%	5 135 631
Investment revenue	–	50 691	–	2 956	8 006	12 673	(4 667)	-37%	50 691
Transfers and subsidies - Operational	–	838 135	–	2 344	324 926	209 534	115 392	55%	838 135
Other own revenue	1 183 735	569 283	–	178 984	89 862	142 321	(52 459)	-37%	569 283
Total Revenue (excluding capital transfers and contributions)	6 124 808	8 120 726	–	596 153	2 019 643	2 030 182	(10 539)	-1%	8 120 726
Employee costs	1 480 196	1 793 148	–	126 455	375 286	448 287	(73 001)	-16%	1 793 148
Remuneration of Councillors	51 818	62 700	–	4 198	11 947	15 675	(3 728)	-24%	62 700
Depreciation and amortisation	344 010	461 616	–	29 493	90 410	115 404	(24 994)	-22%	461 616
Interest	18 698	40 401	–	1 093	3 351	10 100	(6 750)	-67%	40 401
Inventory consumed and bulk purchases	3 089 484	3 484 629	–	440 161	1 206 574	871 157	335 417	39%	3 484 629
Transfers and subsidies	14 711	51 024	–	11 925	19 496	12 756	6 740	53%	51 024
Other expenditure	1 087 951	1 810 270	–	67 453	170 741	452 568	(281 826)	-62%	1 810 270
Total Expenditure	6 086 868	7 703 788	–	680 777	1 877 805	1 925 947	(48 142)	-2%	7 703 788
Surplus/(Deficit)	37 939	416 938	–	(84 623)	141 838	104 235	37 603	36%	416 938
Transfers and subsidies - capital (monetary)	399 399	448 700	–	28 630	88 343	112 175	(23 832)	-21%	448 700
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	437 338	865 638	–	(55 993)	230 181	216 410	13 771	6%	865 638
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	437 338	865 638	–	(55 993)	230 181	216 410	13 771	6%	865 638
Capital expenditure & funds sources									
Capital expenditure	547 790	768 760	–	51 171	105 010	192 190	(87 180)	-45%	768 760
Capital transfers recognised	363 330	448 700	–	26 214	79 876	112 175	(32 299)	-29%	448 700
Borrowing	–	200 000	–	–	–	50 000	(50 000)	-100%	200 000
Internally generated funds	184 460	120 060	–	24 956	25 134	30 015	(4 881)	-16%	120 060
Total sources of capital funds	547 790	768 760	–	51 171	105 010	192 190	(87 180)	-45%	768 760
Financial position									
Total current assets	3 600 686	2 928 029	–		3 821 409				2 928 029
Total non current assets	8 434 412	9 298 983	–		8 342 448				9 298 983
Total current liabilities	2 904 847	1 647 579	–		2 906 225				1 647 579
Total non current liabilities	658 474	855 013	–		658 474				855 013
Community wealth/Equity	8 471 778	9 724 420	–		8 599 158				9 724 420
Cash flows									
Net cash from (used) operating	835 086	946 660	–	2 362	359	236 665	236 306	100%	946 660
Net cash from (used) investing	(530 648)	(768 501)	–	–	–	(192 125)	(192 125)	100%	(768 501)
Net cash from (used) financing	(79 163)	177 000	–	–	–	44 250	44 250	100%	177 000
Cash/cash equivalents at the month/year end	515 708	767 162	–	–	359	500 793	500 434	100%	355 159
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	249 422	162 840	111 627	114 846	130 503	103 669	636 662	4 524 737	6 034 307
Creditors Age Analysis									
Total Creditors	587 403	269 745	100 614	27 994	865 840	–	–	–	1 851 596

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		1 868 407	2 375 780	-	136 622	582 862	593 945	(11 083)	-2%	2 375 780
Executive and council		5 213	4 979	-	69	128	1 245	(1 117)	-90%	4 979
Finance and administration		1 863 194	2 370 801	-	136 553	582 734	592 700	(9 966)	-2%	2 370 801
Internal audit		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		142 629	338 867	-	11 296	38 936	84 717	(45 781)	-54%	338 867
Community and social services		61 499	276 754	-	2 969	11 645	69 188	(57 544)	-83%	276 754
Sport and recreation		589	21 223	-	83	164	5 306	(5 142)	-97%	21 223
Public safety		24 640	8 569	-	396	1 313	2 142	(829)	-39%	8 569
Housing		55 901	32 321	-	7 849	25 814	8 080	17 734	219%	32 321
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		200 051	55 601	-	8 136	27 417	13 900	13 517	97%	55 601
Planning and development		152 415	47 685	-	1 770	5 022	11 921	(6 899)	-58%	47 685
Road transport		47 242	-	-	6 343	22 342	-	22 342		-
Environmental protection		395	7 916	-	22	53	1 979	(1 926)	-97%	7 916
<i>Trading services</i>		4 275 574	5 698 134	-	466 469	1 450 627	1 424 534	26 093	2%	5 698 134
Energy sources		2 589 902	4 028 756	-	323 867	936 594	1 007 189	(70 595)	-7%	4 028 756
Water management		1 249 069	1 300 958	-	105 842	383 304	325 240	58 065	18%	1 300 958
Waste water management		286 349	209 646	-	23 001	83 836	52 412	31 424	60%	209 646
Waste management		150 253	158 774	-	13 759	46 893	39 694	7 199	18%	158 774
<i>Other</i>	4	39 274	101 045	-	2 260	8 144	25 261	(17 117)	-68%	101 045
Total Revenue - Functional	2	6 525 935	8 569 426	-	624 784	2 107 986	2 142 357	(34 371)	-2%	8 569 426
Expenditure - Functional										
<i>Governance and administration</i>		951 677	1 480 553	-	80 437	231 049	370 138	(139 090)	-38%	1 480 553
Executive and council		115 687	258 320	-	13 082	34 123	64 580	(30 457)	-47%	258 320
Finance and administration		816 589	1 193 778	-	66 042	193 835	298 444	(104 609)	-35%	1 193 778
Internal audit		19 401	28 455	-	1 313	3 090	7 114	(4 023)	-57%	28 455
<i>Community and public safety</i>		624 012	535 784	-	54 016	138 303	133 946	4 357	3%	535 784
Community and social services		147 223	135 893	-	11 696	34 678	33 973	705	2%	135 893
Sport and recreation		140 507	130 425	-	11 437	31 213	32 606	(1 393)	-4%	130 425
Public safety		232 288	220 685	-	22 626	52 532	55 171	(2 640)	-5%	220 685
Housing		94 435	35 263	-	7 461	17 489	8 816	8 673	98%	35 263
Health		9 559	13 517	-	796	2 391	3 379	(988)	-29%	13 517
<i>Economic and environmental services</i>		378 225	513 621	-	32 008	73 059	128 405	(55 346)	-43%	513 621
Planning and development		93 766	84 863	-	6 233	20 886	21 216	(330)	-2%	84 863
Road transport		259 799	402 476	-	23 779	46 097	100 619	(54 522)	-54%	402 476
Environmental protection		24 661	26 283	-	1 996	6 076	6 571	(495)	-8%	26 283
<i>Trading services</i>		4 061 495	5 109 852	-	508 764	1 419 447	1 277 463	141 984	11%	5 109 852
Energy sources		2 621 122	3 289 792	-	384 705	1 096 316	822 448	273 868	33%	3 289 792
Water management		952 916	1 293 157	-	86 707	210 918	323 289	(112 371)	-35%	1 293 157
Waste water management		348 154	399 300	-	27 492	80 228	99 825	(19 597)	-20%	399 300
Waste management		139 303	127 604	-	9 860	31 985	31 901	84	0%	127 604
<i>Other</i>		73 188	63 978	-	5 552	15 948	15 995	(46)	0%	63 978
Total Expenditure - Functional	3	6 088 597	7 703 788	-	680 777	1 877 805	1 925 947	(48 142)	-2%	7 703 788
Surplus/ (Deficit) for the year		437 338	865 638	-	(55 993)	230 181	216 410	13 771	6%	865 638

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - City Manager		(15)	-	-	-	-	-	-		-
Vote 2 - City Finance		1 855 452	2 342 935	-	136 152	581 525	585 734	(4 209)	-0,7%	2 342 935
Vote 3 - Corporate Services		8 603	7 980	-	69	128	1 995	(1 867)	-93,6%	7 980
Vote 4 - Community Services and Social Equity		235 448	497 013	-	17 260	60 175	124 253	(64 078)	-51,6%	497 013
Vote 5 - Infrastructure Services		1 588 121	1 520 657	-	135 533	490 530	380 164	110 366	29,0%	1 520 657
Vote 6 - Sustainable Development and City Enterprises		248 423	200 280	-	11 902	39 033	50 070	(11 037)	-22,0%	200 280
Vote 7 - Electricity		2 589 902	4 000 561	-	323 867	936 594	1 000 140	(63 546)	-6,4%	4 000 561
Total Revenue by Vote	2	6 525 935	8 569 426	-	624 784	2 107 986	2 142 357	(34 371)	-1,6%	8 569 426
Expenditure by Vote	1									
Vote 1 - City Manager		151 982	300 106	-	15 679	43 483	75 026	(31 543)	-42,0%	300 106
Vote 2 - City Finance		362 345	799 188	-	29 402	80 967	199 797	(118 830)	-59,5%	799 188
Vote 3 - Corporate Services		163 339	195 633	-	11 980	46 861	48 908	(2 047)	-4,2%	195 633
Vote 4 - Community Services and Social Equity		904 577	827 458	-	70 843	200 656	206 865	(6 209)	-3,0%	827 458
Vote 5 - Infrastructure Services		1 565 729	2 117 250	-	138 038	338 213	529 313	(191 100)	-36,1%	2 117 250
Vote 6 - Sustainable Development and City Enterprises		295 042	224 007	-	28 159	64 819	56 002	8 817	15,7%	224 007
Vote 7 - Electricity		2 645 583	3 240 145	-	386 676	1 102 807	810 036	292 770	36,1%	3 240 145
Total Expenditure by Vote	2	6 088 597	7 703 788	-	680 777	1 877 805	1 925 947	(48 142)	-2,5%	7 703 788
Surplus/ (Deficit) for the year	2	437 338	865 638	-	(55 993)	230 181	216 410	13 771	6,4%	865 638

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		2 569 458	3 892 818		175 224	905 348	973 205	(67 856)	-7%	3 892 818
Service charges - Water		756 447	901 572		81 616	228 231	225 393	2 838	1%	901 572
Service charges - Waste Water Management		185 328	202 500		18 336	55 546	50 625	4 921	10%	202 500
Service charges - Waste management		119 999	138 742		12 940	33 209	34 685	(1 476)	-4%	138 742
Sale of Goods and Rendering of Services							-	-		-
Agency services		2 599	715		248	763	179	584	327%	715
Interest							-	-		-
Interest earned from Receivables		221 878	198 174		172 171	65 183	49 544	15 640	32%	198 174
Interest from Current and Non Current Assets			18 052				4 513	(4 513)	-100%	18 052
Dividends							-	-		-
Rent on Land							-	-		-
Rental from Fixed Assets		20 071	104 824		2 506	9 050	26 206	(17 156)	-65%	104 824
Licence and permits			2 452		114	522	613	(91)	-15%	2 452
Operational Revenue		68 698	230 407		3 925	14 295	57 602	(43 307)	-75%	230 407
Non-Exchange Revenue							-	-		-
Property rates		1 309 840	1 526 985		123 752	374 514	381 746	(7 232)	-2%	1 526 985
Surcharges and Taxes							-	-		-
Fines, penalties and forfeits		20 129	14 660		19	49	3 665	(3 616)	-99%	14 660
Licence and permits		2 415					-	-		-
Transfers and subsidies - Operational		801 751	838 135		2 344	324 926	209 534	115 392	55%	838 135
Interest		16 957	50 691		2 956	8 006	12 673	(4 667)	-37%	50 691
Fuel Levy								-		-
Operational Revenue								-		-
Gains on disposal of Assets								-		-
Other Gains		29 236						-		-
Discontinued Operations								-		-
Total Revenue (excluding capital transfers and contributions)		6 124 808	8 120 726	-	596 153	2 019 643	2 030 182	(10 539)	-1%	8 120 726
Expenditure By Type										
Employee related costs		1 480 196	1 793 148		126 455	375 286	448 287	(73 001)	-16%	1 793 148
Remuneration of councillors		51 818	62 700		4 198	11 947	15 675	(3 728)	-24%	62 700
Bulk purchases - electricity		2 350 401	2 514 000		355 226	1 010 525	628 500	382 025	61%	2 514 000
Inventory consumed		739 084	970 629		84 936	196 049	242 657	(46 609)	-19%	970 629
Debt impairment		71 196	600 000		484	3 448	150 000	(146 552)	-98%	600 000
Depreciation and amortisation		344 010	461 616		29 493	90 410	115 404	(24 994)	-22%	461 616
Interest		18 698	40 401		1 093	3 351	10 100	(6 750)	-67%	40 401
Contracted services		799 732	994 888		53 876	114 800	248 722	(133 922)	-54%	994 888
Transfers and subsidies		14 711	51 024		11 925	19 496	12 756	6 740	53%	51 024
Irrecoverable debts written off								-		
Operational costs		183 353	215 382		13 093	52 493	53 846	(1 353)	-3%	215 382
Losses on Disposal of Assets		92						-		
Other Losses		33 578						-		
Total Expenditure		6 086 868	7 703 788	-	680 777	1 877 805	1 925 947	(48 142)	-2%	7 703 788
Surplus/(Deficit)		37 939	416 938	-	(84 623)	141 838	104 235	37 603	36%	416 938
Transfers and subsidies - capital (monetary allocations)		399 399	448 700		28 630	88 343	112 175	(23 832)	-21%	448 700
Transfers and subsidies - capital (in-kind)								-		
Surplus/(Deficit) after capital transfers & contributions		437 338	865 638	-	(55 993)	230 181	216 410			865 638
Income Tax										
Surplus/(Deficit) after income tax		437 338	865 638	-	(55 993)	230 181	216 410			865 638
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		437 338	865 638	-	(55 993)	230 181	216 410			865 638
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		437 338	865 638	-	(55 993)	230 181	216 410			865 638

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q1 First Quarter

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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		27	-	-	-	-	-	-		-
Vote 2 - City Finance		9 153	30 000	-	-	-	7 500	(7 500)	-100%	30 000
Vote 3 - Corporate Services		938	10 000	-	-	-	2 500	(2 500)	-100%	10 000
Vote 4 - Community Services and Social Equity		48 934	24 886	-	3 518	9 317	6 222	3 095	50%	24 886
Vote 5 - Infrastructure Services		268 923	318 102	-	34 115	63 634	79 526	(15 891)	-20%	318 102
Vote 6 - Sustainable Development and City Enterprises		133 279	144 745	-	6 215	20 527	36 186	(15 659)	-43%	144 745
Vote 7 - Electricity		71 071	175 400	-	7 322	11 532	43 850	(32 318)	-74%	175 400
Total Capital Multi-year expenditure	4,7	532 326	703 134	-	51 171	105 010	175 784	(70 773)	-40%	703 134
Single Year expenditure appropriation	2									
Vote 1 - City Manager		944	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Vote 2 - City Finance		3 084	-	-	-	-	-	-		-
Vote 3 - Corporate Services		3 796	10 000	-	-	-	2 500	(2 500)	-100%	10 000
Vote 4 - Community Services and Social Equity		4 980	4 000	-	-	-	1 000	(1 000)	-100%	4 000
Vote 5 - Infrastructure Services		793	5 000	-	-	-	1 250	(1 250)	-100%	5 000
Vote 6 - Sustainable Development and City Enterprises		1 035	38 026	-	-	-	9 507	(9 507)	-100%	38 026
Vote 7 - Electricity		831	3 600	-	-	-	900	(900)	-100%	3 600
Total Capital single-year expenditure	4	15 464	65 626	-	-	-	16 407	(16 407)	-100%	65 626
Total Capital Expenditure		547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760
Capital Expenditure - Functional Classification										
Governance and administration		18 773	51 000	-	-	-	12 750	(12 750)	-100%	51 000
Executive and council		750	1 000				250	(250)	-100%	1 000
Finance and administration		18 024	50 000				12 500	(12 500)	-100%	50 000
Internal audit		-	-				-	-		
Community and public safety		57 141	169 252	-	9 166	29 147	42 313	(13 166)	-31%	169 252
Community and social services		43 937	20 307		1 911	7 580	5 077	2 503	49%	20 307
Sport and recreation		922	-		1 081	1 081	-	1 081		
Public safety		148	4 199				1 050	(1 050)	-100%	4 199
Housing		12 135	144 745		6 174	20 486	36 186	(15 700)	-43%	144 745
Health		-	-				-	-		
Economic and environmental services		277 382	107 006	-	28 884	42 845	26 752	16 093	60%	107 006
Planning and development		118 612	38 606		41	41	9 652	(9 611)	-100%	38 606
Road transport		158 749	68 400		28 843	42 804	17 100	25 704	150%	68 400
Environmental protection		22	-				-	-		
Trading services		191 140	438 702	-	13 120	33 019	109 676	(76 657)	-70%	438 702
Energy sources		64 942	179 000		7 322	11 532	44 750	(33 218)	-74%	179 000
Water management		67 842	133 925		4 529	11 724	33 481	(21 757)	-65%	133 925
Waste water management		48 192	120 778		1 186	9 550	30 194	(20 644)	-68%	120 778
Waste management		10 165	5 000		83	213	1 250	(1 037)	-83%	5 000
Other		3 353	2 800				700	(700)	-100%	2 800
Total Capital Expenditure - Functional Classification	3	547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760
Funded by:										
National Government		251 840	312 535		26 173	79 835	78 134	1 701	2%	312 535
Provincial Government		111 490	136 165		41	41	34 041	(34 000)	-100%	136 165
District Municipality								-		
Agencies, Households, Non-profit Institutions, Private Enterprises, Public								-		
Transfers recognised - capital		363 330	448 700	-	26 214	79 876	112 175	(32 299)	-29%	448 700
Borrowing	6		200 000				50 000	(50 000)	-100%	200 000
Internally generated funds		184 460	120 060		24 956	25 134	30 015	(4 881)	-16%	120 060
Total Capital Funding		547 790	768 760	-	51 171	105 010	192 190	(87 180)	-45%	768 760

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		515 708	603 974		13 228	603 974
Trade and other receivables from exchange transactions		21 545	1 296 255		2 927 246	1 296 255
Receivables from non-exchange transactions		704 629	668 306		33 219	668 306
Current portion of non-current receivables		1 916 875				–
Inventory		418 671	359 494		433 710	359 494
VAT					–	–
Other current assets		23 257			414 006	–
Total current assets		3 600 686	2 928 029	–	3 821 409	2 928 029
Non current assets						
Investments						–
Investment property		953 062	974 256		924 805	974 256
Property, plant and equipment		7 099 179	7 930 888		7 397 184	7 930 888
Biological assets			84 451		564	84 451
Living and non-living resources		576	733			733
Heritage assets		281 882	287 701			287 701
Intangible assets		23 913	20 954		22 594	20 954
Trade and other receivables from exchange transactions			–			–
Non-current receivables from non-exchange transactions			–		(2 699)	–
Other non-current assets		75 800	–			–
Total non current assets		8 434 412	9 298 983	–	8 342 448	9 298 983
TOTAL ASSETS		12 035 098	12 227 011	–	12 163 857	12 227 011
LIABILITIES						
Current liabilities						
Bank overdraft						–
Financial liabilities		74 271	83 359		61 678	83 359
Consumer deposits		142 079	140 009		145 591	140 009
Trade and other payables from exchange transactions		2 323 952	1 186 508		2 639 174	1 186 508
Trade and other payables from non-exchange transactions		15 568	–			–
Provision		10 030	50 151		59 295	50 151
VAT		188 829	187 552		488	187 552
Other current liabilities		150 118				–
Total current liabilities		2 904 847	1 647 579	–	2 906 225	1 647 579
Non current liabilities						
Financial liabilities		50 311	131 184			131 184
Provision		62 175	75 576			75 576
Long term portion of trade payables		545 988			50 311	–
Other non-current liabilities			648 252		608 163	648 252
Total non current liabilities		658 474	855 013	–	658 474	855 013
TOTAL LIABILITIES		3 563 320	2 502 592	–	3 564 699	2 502 592
NET ASSETS	2	8 471 778	9 724 420	–	8 599 158	9 724 420
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		8 252 038	9 511 892		8 377 125	9 511 892
Reserves and funds		4 605	212 528		222 033	212 528
Other		215 134				–
TOTAL COMMUNITY WEALTH/EQUITY	2	8 471 778	9 724 420	–	8 599 158	9 724 420

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 September 2023

KZIN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description		NT Code	Budget Year 2023/24										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 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	55 555	54 906	26 877	36 988	54 676	36 897	244 904	1 973 160	2 483 964	2 346 626		1 478 666	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	105 020	33 363	22 741	20 930	19 043	15 770	82 312	200 905	500 084	338 960		129 960	
Receivables from Non-exchange Transactions - Property Rates	1400	38 131	34 877	20 312	23 041	23 577	20 482	128 729	784 012	1 073 162	979 841		589 039	
Receivables from Exchange Transactions - Waste Water Management	1500	9 403	9 811	4 662	5 682	6 022	5 616	32 156	286 381	359 732	335 857		234 089	
Receivables from Exchange Transactions - Waste Management	1600	4 428	4 486	2 444	3 107	3 001	3 008	16 670	159 604	196 749	185 391		130 474	
Receivables from Exchange Transactions - Property Rental Debtors	1700	1 619	1 125	855	1 862	665	703	3 529	47 186	57 544	53 946		39 247	
Interest on Arrear Debtor Accounts	1810	34 927	24 244	24 350	23 005	23 451	20 874	127 593	896 502	1 174 945	1 091 424		685 666	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-			
Other	1900	338	29	9 387	231	67	318	768	176 987	188 126	178 371		175 144	
Total By Income Source	2000	249 422	162 840	111 627	114 846	130 503	103 669	636 662	4 524 737	6 034 307	5 510 418	-	3 462 285	
2022/23 - totals only		658 343	138 914	104 162	89 012	95 391	88 930	511 546	3 828 864	5 515 160	4 613 742		2 977 911	
Debtors Age Analysis By Customer Group														
Organs of State	2200	21 917	9 087	3 993	4 255	4 629	3 650	19 946	91 045	158 523	123 526		70 146	
Commercial	2300	91 575	30 216	28 253	18 329	19 549	17 537	98 586	382 740	686 786	536 741		277 653	
Households	2400	130 000	118 355	76 000	88 093	102 404	78 895	497 588	3 850 853	4 942 188	4 617 833		2 951 478	
Other	2500	5 930	5 181	3 381	4 169	3 921	3 588	20 542	200 098	246 810	232 317		163 008	
Total By Customer Group	2600	249 422	162 840	111 627	114 846	130 503	103 669	636 662	4 524 737	6 034 307	5 510 418	-	3 462 285	

2.2 Creditors Analysis

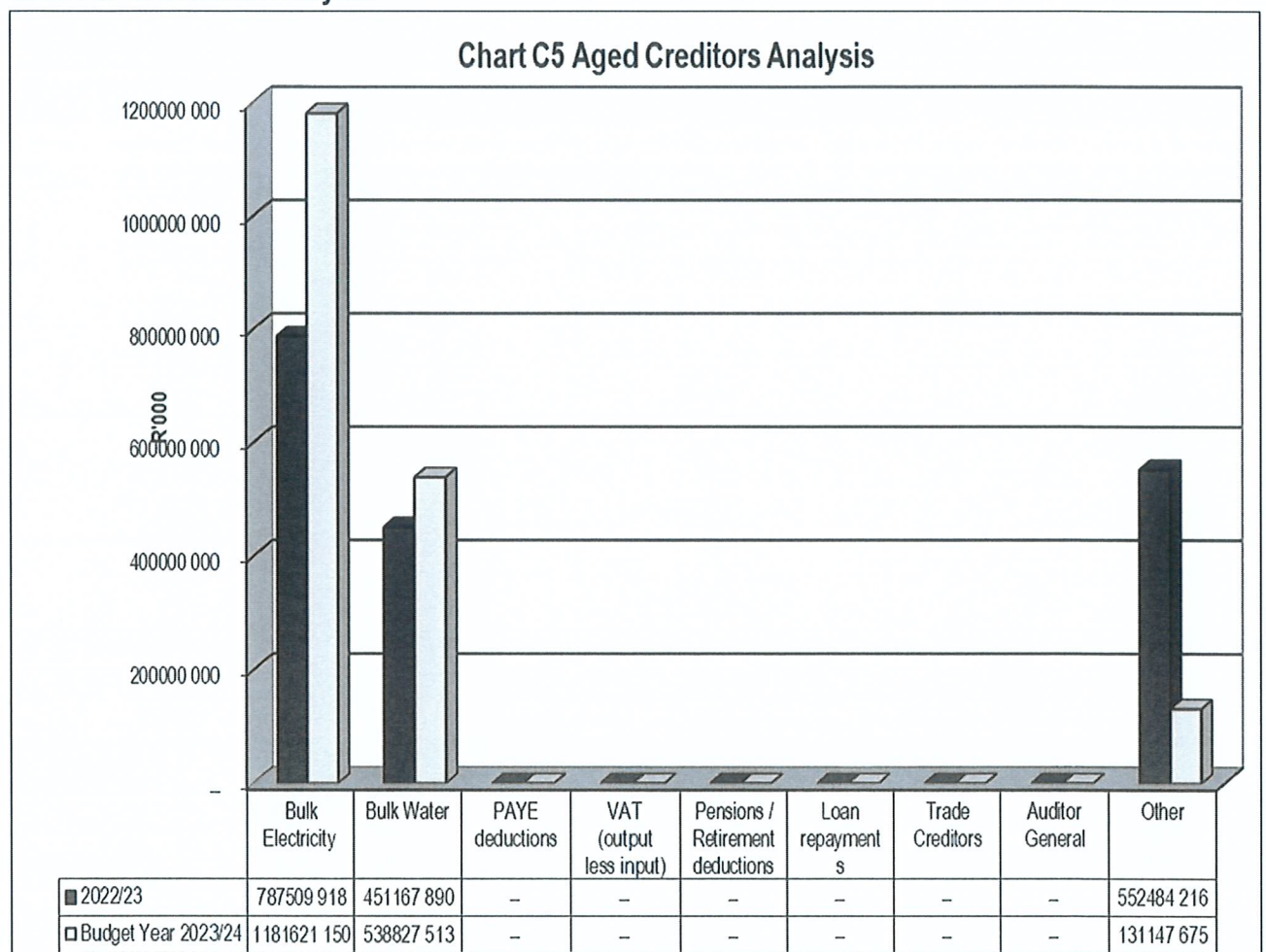
Table SC 4 below presents the aged creditors as at 30 September 2023

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2023/24									Prior year
		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	totals for chart (same period)
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	408 873	376 797	–	–	395 950				1 181 621	787 510
Bulk Water	0200	111 170	(139 658)	97 426	–	469 889				538 828	451 168
PAYE deductions	0300									–	
VAT (output less input)	0400									–	
Pensions / Retirement deductions	0500									–	
Loan repayments	0600									–	
Trade Creditors	0700									–	
Auditor General	0800									–	
Other	0900	67 360	32 605	3 188	27 994	–				131 148	552 484
Total By Customer Type	1000	587 403	269 745	100 614	27 994	865 840	–	–	–	1 851 596	1 791 162

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

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 September 2023.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ,	Commissio n Paid (Rands)	Commissio n Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<u>Municipality</u>										417 570	1 746	(253 989)	248 676	414 003
														-
														-
														-
														-
														-
Municipality sub-total										417 570		(253 989)	248 676	414 003
<u>Entities</u>														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									417 570		(253 989)	248 676	414 003

The total consolidated investment balances as at 30 September 2023 amounted to R 414.003 million.

2.4 Allocation and Grant receipts and Expenditure

Grant Receipts: The total operating and capital grant receipts for first quarter amounted to R498.006 million that is inclusive of equitable share of R319.676 million, Operating Transfers of R15.639 and Capital transfers of R162.691 million.

KZN225 Msunduzi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		765 767	805 981	–	3 384	334 774	201 495	133 278	66,1%	805 981
Local Government Equitable Share		696 056	767 222			319 676	191 806	127 871	66,7%	767 222
Finance Management		1 847	1 950			1 950	488	1 463	300,0%	1 950
Municipal Systems Improvement								–		
EPWP Incentive		5 228	4 979				1 245	(1 245)	-100,0%	4 979
Water Services Operating Subsidy		55 555						–		
Public Transport Infrastructure								–		
Energy Efficiency and Demand Management						1 244		1 244		
Water Services Infrastructure Grant			22 000			6 000	5 500	500	9,1%	22 000
Operating costs-MIG		7 080	9 830		3 384	5 904	2 458	3 446	140,2%	9 830
Provincial Government:		36 159	32 154	–	–	541	8 038	(7 498)	-93,3%	32 154
Human Settlements - Title Deeds Restoration								–		
Housing Accreditation-OPERATING		2 518				541		541		
Human Settlements - Accredited Municipal RO								–		
Human Settlements - Housing Development								–		
Arts and Culture- Community Library Services		16 172						–		
Arts and Culture- Provincialisation								–		
Arts and Culture-Museum Subsidies			13 658				3 414	(3 414)	-100,0%	13 658
Arts and Culture-Museum Subsidies - Tatham Art Gallery		91						–		
COGTA		655	151				38	(38)	-100,0%	151
Municipal Employment Initiative - OPERATING								–		
Housing Projects -OPERATING		2 051	18 345				4 586	(4 586)	-100,0%	18 345
Informal Economy Infrastructure Development		14 671						–		
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Total Operating Transfers and Grants	5	801 926	838 135	–	3 384	335 315	209 534	125 781	60,0%	838 135
Capital Transfers and Grants										
National Government:		286 531	312 535	–	81 211	159 691	78 134	81 558	104,4%	312 535
Municipal Infrastructure Grant (MIG)		220 149	238 929		81 211	141 691	59 732	81 959	137,2%	238 929
Public Transport and Systems		–						–		
Neighbourhood Development Partnership		34 499	33 606			5 500	8 402	(2 902)	-34,5%	33 606
Dept of Mineral/Electricity		–						–		
Integrated National Electrification Programme		27 380	7 000			2 500	1 750	750	42,9%	7 000
Municipal Systems Improvement		59						–		
Water Services Infrastructure Grant		4 444	28 000			10 000	7 000	3 000	42,9%	28 000
Energy Efficiency and Demand Management		–	5 000				1 250	(1 250)	-100,0%	5 000
Other capital transfers/grants <i>[insert desc]</i>								–		
Provincial Government:		112 671	136 165	–	3 000	3 000	34 041	(31 041)	-91,2%	136 165
Airport Grant		2 875			3 000	3 000		3 000		
Human Settlement - Housing Accreditation		731	700				175	(175)	-100,0%	700
Housing								–		
Provincial Government:								–		
Arts and Culture- Community Library Services			420				105	(105)	-100,0%	420
Arts and Culture-Museum Subsidies - Tatham Art Gallery		348						–		
PMB Airport- CAPITAL			3 000				750	(750)	-100,0%	3 000
Housing Projects -Capital		655	14 850				3 713	(3 713)	-100,0%	14 850
Human Settlement		4 367	116 195				29 049	(29 049)	-100,0%	116 195
Greater Edendale Development Initiative-CAPITAL		86 746						–		
Operation Dlusumlando-Capital		561						–		
Youth Enterprise Park-CAPITAL		192						–		
Eastwood Primary Substation-CAPITAL		16 130						–		
Informal Economy Infrastructure Development		66	1 000				250	(250)	-100,0%	1 000
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Total Capital Transfers and Grants	5	399 202	448 700	–	84 211	162 691	112 175	50 516	45,0%	448 700
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 201 128	1 286 835	–	87 595	498 006	321 709	176 297	54,8%	1 286 835

Grants Expenditure: The amount spent in respect of conditional grants amounted to R413.269 million for the first quarter of the financial year which is inclusive of capital expenditure of transfers and grants of R88.434 million, total operating expenditure of transfers and grants of R5.220 million and equitable share of R319.676 million.

KZN225 Msunduzi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		765 767	805 981	–	1 494	322 116	201 495	120 621	59,9%	805 981
Local Government Equitable Share		696 056	767 222			319 676	191 806	127 871	66,7%	767 222
Finance Management		1 847	1 950		227	413	488	(74)	-15,3%	1 950
Municipal Systems Improvement								–		
EPWP Incentive		5 228	4 979		69	128	1 245	(1 117)	-89,7%	4 979
Water Services Operating Subsidy		55 555			851	851		851		
Municipal Water Infrastructure Grant			22 000				5 500	(5 500)	-100,0%	22 000
Operating costs-MIG		7 080	9 830		347	1 048	2 458	(1 409)	-57,4%	9 830
Provincial Government:		36 159	32 154	–	850	2 809	8 038	(5 229)	-65,1%	32 154
Human Settlements - Accredited Municipalities		2 518			234	722		722		
Arts and Culture- Community Library Services		16 172			575	2 046		2 046		
Arts and Culture- Provincialisation								–		
Arts and Culture-Museum Subsidies			13 658				3 414	(3 414)	-100,0%	13 658
Arts and Culture-Museum Subsidies - Tatham Art Gallery		91						–		
COGTA		168	151				38	(38)	-100,0%	151
Municipal Employment Initiative - OPERATING								–		
Housing Projects -OPERATING		2 051	18 345				4 586	(4 586)	-100,0%	18 345
Informal Economy Instructure Development		14 671						–		
KZN-Military Veterans		487			41	41		41		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total operating expenditure of Transfers and Grants:		801 926	838 135	–	2 344	324 926	209 534	115 392	55,1%	838 135
Capital expenditure of Transfers and Grants										
National Government:		286 531	312 535	–	22 456	70 475	78 134	(7 659)	-9,8%	312 535
Municipal Infrastructure Grant (MIG)		220 149	238 929		16 302	62 149	59 732	2 417	4,0%	238 929
Public Transport and Systems		–						–		
Neighbourhood Development Partnership		34 499	33 606				8 402	(8 402)	-100,0%	33 606
Dept of Mineral/Electricity		–						–		
Intergrated National Electrification Porgramme		27 380	7 000		2 355	2 575	1 750	825	47,1%	7 000
Municipal Systems Improvement		59						–		
Municipal Water Infrastructure Grant		4 444	28 000		1 854	3 806	7 000	(3 194)	-45,6%	28 000
Energy Efficiency and Demand Manaagement		–	5 000		1 945	1 945	1 250	695	55,6%	5 000
Other capital transfers/grants [insert desc]								–		
Provincial Government:		112 671	136 165	–	6 174	17 868	34 041	(16 173)	-47,5%	136 165
Airport Grant		2 875						–		
Human Settlement - Housing Accreditation		731	700				175	(175)	-100,0%	700
Arts and Culture- Community Library Services			420				105	(105)	-100,0%	420
Arts and Culture-Museum Subsidies - Tatham Art Gallery		348						–		
PMB Airport- CAPITAL			3 000				750	(750)	-100,0%	3 000
Housing Projects -Capital		655	14 850		6 174	17 868	3 713	14 156	381,3%	14 850
Human Settlement		4 367	116 195				29 049	(29 049)	-100,0%	116 195
Greater Edendale Development Initiative-CAPITAL		86 746						–		
Operation Dlusisumlando-Capital		561						–		
Youth Enterprise Park-CAPITAL		192						–		
Eastwood Primary Substation-CAPITAL		16 130						–		
Informal Economy Instructure Development		66	1 000				250	(250)	-100,0%	1 000
District Municipality:		–	–	–	–	–	–	–		–
0								–		
Other grant providers:		–	–	–	–	–	–	–		–
0								–		
Total capital expenditure of Transfers and Grants		399 202	448 700	–	28 630	88 343	112 175	(23 832)	-21,2%	448 700
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 201 128	1 286 835	–	30 974	413 269	321 709	91 560	28,5%	1 286 835

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		41 150	3 618		3 014	6 051	904	5 147	569%	3 618
Pension and UIF Contributions		2 495	3 295		204	400	824	(424)	-51%	3 295
Medical Aid Contributions		1 822	8 001		174	349	2 000	(1 651)	-83%	8 001
Motor Vehicle Allowance		2 551	39 273		201	397	9 818	(9 421)	-96%	39 273
Cellphone Allowance		3 719	747		272	544	187	357	191%	747
Housing Allowances		81	7 767		5	10	1 942	(1 931)	-99%	7 767
Other benefits and allowances		(0)			(2)	(3)		(3)		-
Sub Total - Councillors		51 818	62 700	-	3 870	7 748	15 675	(7 927)	-51%	62 700
% increase	4		21,0%							21,0%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		8 621	8 727		661	1 814	2 182	(368)	-17%	8 727
Pension and UIF Contributions		816	687		82	246	172	74	43%	687
Medical Aid Contributions		199	60 106		12	48	15 027	(14 979)	-100%	60 106
Overtime		-	-					-		
Performance Bonus			-					-		
Motor Vehicle Allowance		993	2 559		58	254	640	(386)	-60%	2 559
Cellphone Allowance		110	171		8	26	43	(16)	-39%	171
Housing Allowances		203	70 026		17	52	17 507	(17 455)	-100%	70 026
Other benefits and allowances		122						-		
Sub Total - Senior Managers of Municipality		11 064	142 275	-	839	2 439	35 569	(33 130)	-93%	142 275
% increase	4		1186,0%							1186,0%
Other Municipal Staff										
Basic Salaries and Wages		993 232	1 030 081		82 174	244 464	257 520	(13 056)	-5%	1 030 081
Pension and UIF Contributions		180 566	291 354		15 744	47 328	72 839	(25 510)	-35%	291 354
Medical Aid Contributions		63 939	122 280		6 504	19 299	30 570	(11 271)	-37%	122 280
Overtime		120 003	101 320		10 996	29 703	25 330	4 373	17%	101 320
Performance Bonus								-		
Motor Vehicle Allowance		30 212	36 572		2 690	8 050	9 143	(1 093)	-12%	36 572
Cellphone Allowance		4 908	5 141		441	1 325	1 285	40	3%	5 141
Housing Allowances		4 538	4 916		399	1 193	1 229	(36)	-3%	4 916
Other benefits and allowances		34 345	39 950		2 797	8 573	9 988	(1 415)	-14%	39 950
Payments in lieu of leave		-	-					-		
Long service awards		25 501	18 330		2 928	10 090	4 582	5 507	120%	18 330
Post-retirement benefit obligations			-					-		
Sub Total - Other Municipal Staff	2	1 457 244	1 649 944	-	124 672	370 024	412 486	(42 461)	-10%	1 649 944
% increase	4		13,2%							13,2%
Total Parent Municipality		1 520 125	1 854 919	-	129 381	380 212	463 730	(83 518)	-18%	1 854 919
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		251	231		37	102	58	44	76%	
Pension and UIF Contributions								-		
Sub Total - Executive members Board	2	251	231	-	37	102	58	44	76%	-
% increase	4		-7,9%							
Senior Managers of Entities										
Basic Salaries and Wages		805	858		62	186	214	(29)	-13%	
Pension and UIF Contributions		2						-		
Medical Aid Contributions		31	31		3	8	8	1	8%	
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance		30	30		3	8	8	-		
Cellphone Allowance		11	11		1	3	3	-		
Sub Total - Senior Managers of Entities		879	929	-	68	204	232	(28)	-12%	-
% increase	4		5,8%							
Other Staff of Entities										
Basic Salaries and Wages		8 377	8 737		657	1 969	2 184	(216)	-10%	
Pension and UIF Contributions		657	600		48	143	150	(7)	-4%	
Medical Aid Contributions		1 083	866		95	284	216	68	31%	
Overtime		381	367		22	69	92	(23)	-25%	
Performance Bonus								-		
Motor Vehicle Allowance		102	102		9	26	26	-		
Cellphone Allowance		106	106		9	27	27	-		
Housing Allowances								-		
Other benefits and allowances		52			-	-		-		
Sub Total - Other Staff of Entities		10 759	10 778	-	839	2 517	2 694	(177)	-7%	-
% increase	4		0,2%							
Total Municipal Entities		11 888	11 938	-	944	2 823	2 984	(162)	-5%	-
TOTAL SALARY, ALLOWANCES & BENEFITS		1 532 014	1 866 857	-	130 325	383 035	466 714	(83 680)	-18%	1 854 919
% increase	4		21,9%							21,1%
TOTAL MANAGERS AND STAFF		1 479 945	1 803 926	-	126 418	375 185	450 982	(75 797)	-17%	1 792 219

Councillor Allowances

The total councillors allowance year to date budget for month of September 2023 amounted to R15.675 million. The year to date actual councillor's allowance amounted to R7.748 million.

Employee Benefits

The total consolidated salaries expenditure as at 30 September 2023 amounted to R375.286 million, against the year to date budget of R448.287 million, resulting in a slight variance of -16%.

Board Member Fees – Safe City

The municipal entity's board members offer a voluntary service to the organisation

The detailed staff benefits report is contained in the s66 report

2.6 Parent Municipality Financial Performance

REVENUE ANALYSIS

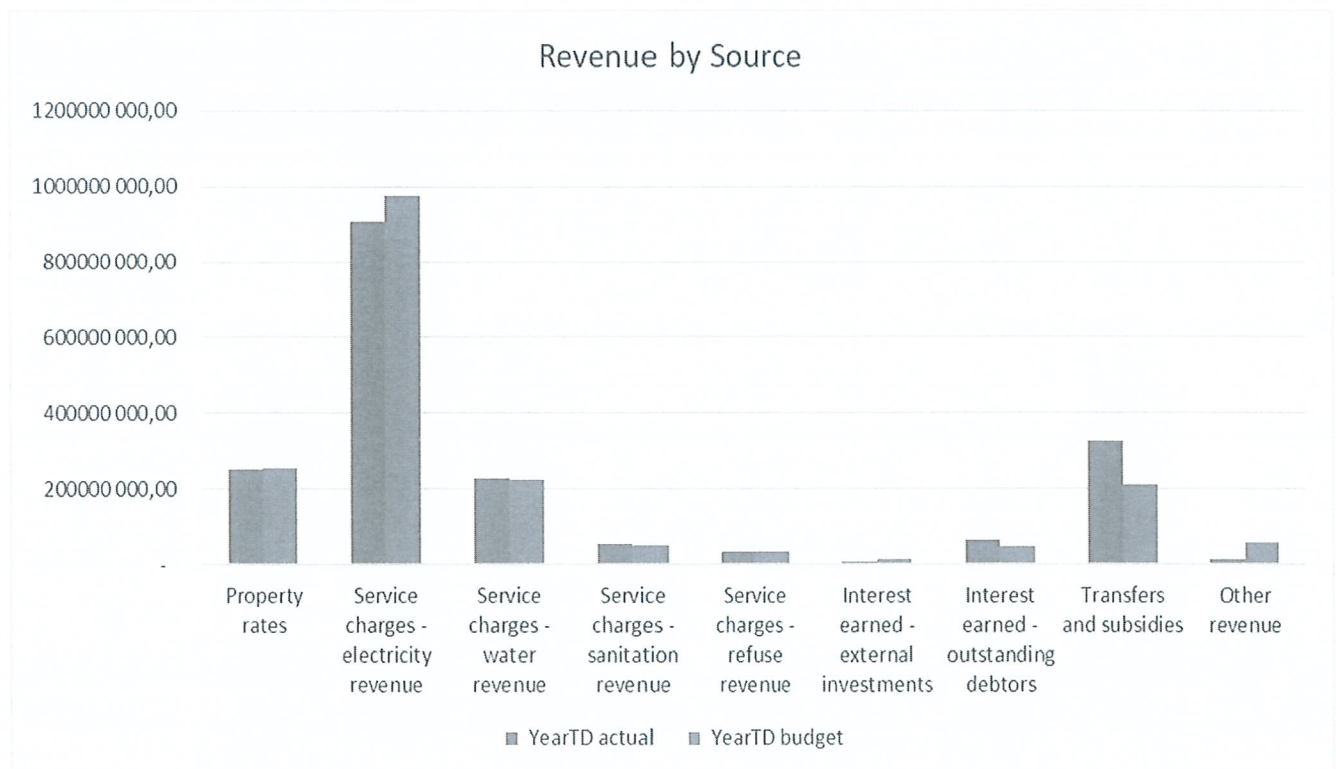
This section on material variances to the Service Delivery & Budget Implementation Plan analyses the financial as well as the non-financial YTD performance targets for the first quarter

The financial performance section analyses material variances between the actual targets as at year to date and the budget for the same period. The charts below analyses each major component under following headings:

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

2.6.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 45% of the actual Year operating revenue basket.

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 an under performance of -2% as at 30 September 2023.

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 11% of the total operating revenue basket; there is an over performance against the budget causing a 1% variance when comparing YTD actual to YTD Budget.

Service Charges – waste water management: reflects an over performance of 10% when comparing YTD actual revenue and YTD budget.

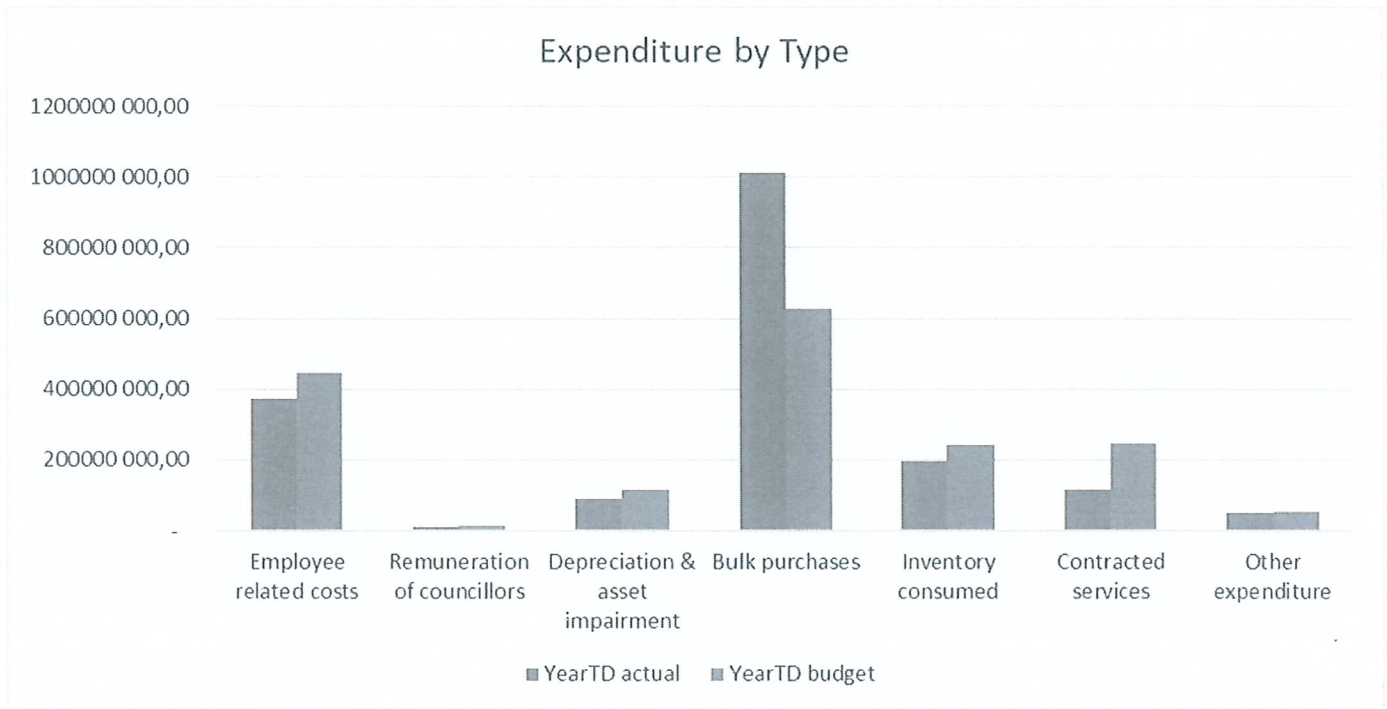
Service Charges – waste management reflects an under performance of -4% when comparing the YTD actual revenue to the YTD budget.

Interest earned – from receivables and operational revenue have a variances of 32% and -75% respectively at the end of first quarter.

OPERATIONAL EXPENDITURE

The chart below presents the first quarter YTD operational expenditure movements against the YTD budgets.

Chart 5: Expenditure by category



Bulk Purchases: This is a major expenditure cost driver of the Municipality contributing 54% of the total actual YTD operating expenditure basket. There was a variance of 61% for this expenditure cost driver when comparing year to date actual and year to date budget.

Employee Related Costs: There is a variance of -16% 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 cost is contained in the MFMA S66 report on staff benefits.

Operational Costs: YTD actual figure for Operational Cost for the first quarter amounted to R52.167 million while the YTD budget amounted to R53.846 million resulting in a variance of -3% when comparing YTD actual expenditure to YTD budget.

Depreciation & Amortisation: The YTD budget for depreciation & asset impairment figure amounted to R115.195 million and the YTD actual being R 90.219 million.

Finance Charges: YTD budgeted figure for finance charges for the year amounted to R10.100 million and the Actual YTD amounted to R3.351 million, resulting in a variance of -67%.

Inventory Consumed: YTD actual figure for inventory consumed for first quarter amounted to R196.049 million, which is inclusive of water bulk purchases of R169.519 million.

Contracted Services: YTD Budget for contracted services amounted to R 248.553 million, whilst the actual amounted to R 114.756 million, resulting in a variance of -54%.

2.7 Municipal Entity Financial Performance

Safe City Msunduzi NPC - Table F1 Monthly Budget Statement Summary - M03 September

Description	2022/23	Current Year 2023/24							
	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	173	80	-	9	47	20	0	133%	-
Transfers recognised - operational	-	-	-	-	-	-	-		-
Other own revenue	13 189	14 029	-	3 507	3 507	3 507	(0)	0%	-
Total Revenue (excluding capital transfers and contributions)	13 362	14 109	-	3 516	3 553	3 527	27	1%	-
Employee costs	11 888	11 993	-	944	2 823	2 998	(175)	-6%	-
Remuneration of Board Members	-	-	-	-	-	-	-		-
Depreciation and asset impairment	846	834	-	63	192	209	(17)	-8%	-
Interest	-	-	-	-	-	-	-		-
Inventory consumed and bulk purchases	-	-	-	-	-	-	-		-
Transfers and grants	-	-	-	-	-	-	-		-
Other expenditure	2 035	2 034	-	210	370	497	(127)	-26%	-
Total Expenditure	14 770	14 861	-	1 217	3 385	3 704	(319)	-9%	-
Surplus/(Deficit)	(1 407)	(752)	-	2 299	168	(177)	346	-195%	-
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	(1 407)	(752)	-	2 299	168	(177)	346	-195%	-
Income Tax	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(1 407)	(752)	-	2 299	168	(177)	346	-195%	-
Capital expenditure & funds sources									
Capital expenditure	-	-	-	-	-	-	-		-
Transfers recognised - capital	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	-	-	-	-	-	-		-
Total sources of capital funds	-	-	-	-	-	-	-		-
Financial position									
Total current assets	4 309	5 072	-		4 714				5 072
Total non current assets	7 724	7 305	-		7 532				7 305
Total current liabilities	-	-	-		-				-
Total non current liabilities	-	-	-		-				-
Community wealth/Equity	-	10 768	-		10 707				10 768
Cash flows									
Net cash from (used) operating	3 098	282	-	2 362	359	21	339	1652%	-
Net cash from (used) investing	(72)	-	-	-	-	-	-		-
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the year end	4 306	4 589	-	2 362	359	4 327	(3 968)	-92%	1 280
Debtors & creditors analysis	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total
Debtors Age Analysis									
Total By Income Source	-	-	-	-	-	-	-	0%	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	0%	-

2.8 Capital Programme Performance

This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table below.

KZN225 Msunduzi - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - Q1 First Quarter

Month	2022/23	Budget Year 2023/24							
	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	45 649	64 063		16 310	16 310	64 063	47 754	74,5%	2%
August	45 649	64 063		37 530	53 840	128 127	74 287	58,0%	7%
September	45 649	64 063		51 171	105 010	192 190	87 180	45,4%	14%
October	45 649	64 063				256 253	-		
November	45 649	64 063				320 317	-		
December	45 649	64 063				384 380	-		
January	45 649	64 063				448 443	-		
February	45 649	64 063				512 507	-		
March	45 649	64 063				576 570	-		
April	45 649	64 063				640 633	-		
May	45 649	64 063				704 697	-		
June	45 649	64 063				768 760	-		
Total Capital expenditure	547 790	768 760	-	105 010					

The Total Capital Expenditure as at the end of September amounted to R105.010 million.

The three tables that follow provides more detailed information on the capital expenditure by separating capital expenditure by asset types and by “New”, “Renewal” and Upgrading of assets.

KZN225 Msunduzi - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - Q1 First

Description	Ref	2022/23	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		83 119	291 588	–	5 613	14 784	72 897	58 113	79,7%	291 588
Roads Infrastructure		2 070	2 250	–	131	179	563	383	68,1%	2 250
Roads		2 070	2 250	–	131	179	563	383	68,1%	2 250
Road Structures								–		
Road Furniture								–		
Capital Spares								–		
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection								–		
Storm water Conveyance								–		
Attenuation								–		
Electrical Infrastructure		63 108	194 000	–	5 243	9 233	48 500	39 267	81,0%	194 000
Power Plants		63 108	194 000	–	5 243	9 233	48 500	39 267	81,0%	194 000
Water Supply Infrastructure		4 743	29 860	–	–	–	7 465	7 465	100,0%	29 860
Dams and Weirs								–		
Boreholes								–		
Reservoirs		4 743	29 860	–			7 465	7 465	100,0%	29 860
Pump Stations								–		
Water Treatment Works								–		
Sanitation Infrastructure		11 811	65 478	–	240	5 371	16 369	10 998	67,2%	65 478
Pump Station								–		
Reticulation		11 811	65 478	–	240	5 371	16 369	10 998	67,2%	65 478
Waste Water Treatment Works								–		
Solid Waste Infrastructure		1 388	–	–	–	–	–	–		–
Landfill Sites		1 388	–	–	–	–	–	–		–
Community Assets		37 937	25 607	–	1 885	7 554	6 402	(1 152)	-18,0%	25 607
Community Facilities		37 937	25 607	–	1 885	7 554	6 402	(1 152)	-18,0%	25 607
Halls		35 824	25 607	–	1 885	7 554	6 402	(1 152)	-18,0%	25 607
Centres		198						–		
Cemeteries/Crematoria		1 907						–		
Taxi Ranks/Bus Terminals		8						–		
Other assets		12 611	145 545	–	6 174	20 486	36 386	15 900	43,7%	145 545
Operational Buildings		8 244	10 000	–	–	2 618	2 500	(118)	-4,7%	10 000
Municipal Offices		(155)						–		
Pay/Enquiry Points								–		
Building Plan Offices								–		
Workshops		8 399	10 000	–		2 618	2 500	(118)	-4,7%	10 000
Yards								–		
Housing		4 367	135 545	–	6 174	17 868	33 886	16 018	47,3%	135 545
Staff Housing								–		
Social Housing		4 367	135 545	–	6 174	17 868	33 886	16 018	47,3%	135 545
Capital Spares								–		
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets								–		
Intangible Assets		7 986	30 000	–	–	–	7 500	7 500	100,0%	30 000
Servitudes		7 986	30 000	–	–	–	7 500	7 500	100,0%	30 000
Licences and Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment								–		
Furniture and Office Equipment		6 316	15 000	–	–	–	3 750	3 750	100,0%	15 000
Furniture and Office Equipment		6 316	15 000	–			3 750	3 750	100,0%	15 000
Machinery and Equipment		9 073	199	–	1 638	1 638	50	(1 589)	-3193,4%	199
Machinery and Equipment		9 073	199	–	1 638	1 638	50	(1 589)	-3193,4%	199
Transport Assets		7 760	–	–	–	–	–	–		–
Transport Assets		7 760	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Immature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Total Capital Expenditure on new assets	1	164 802	507 940	–	15 311	44 462	126 985	82 523	65,0%	507 940

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

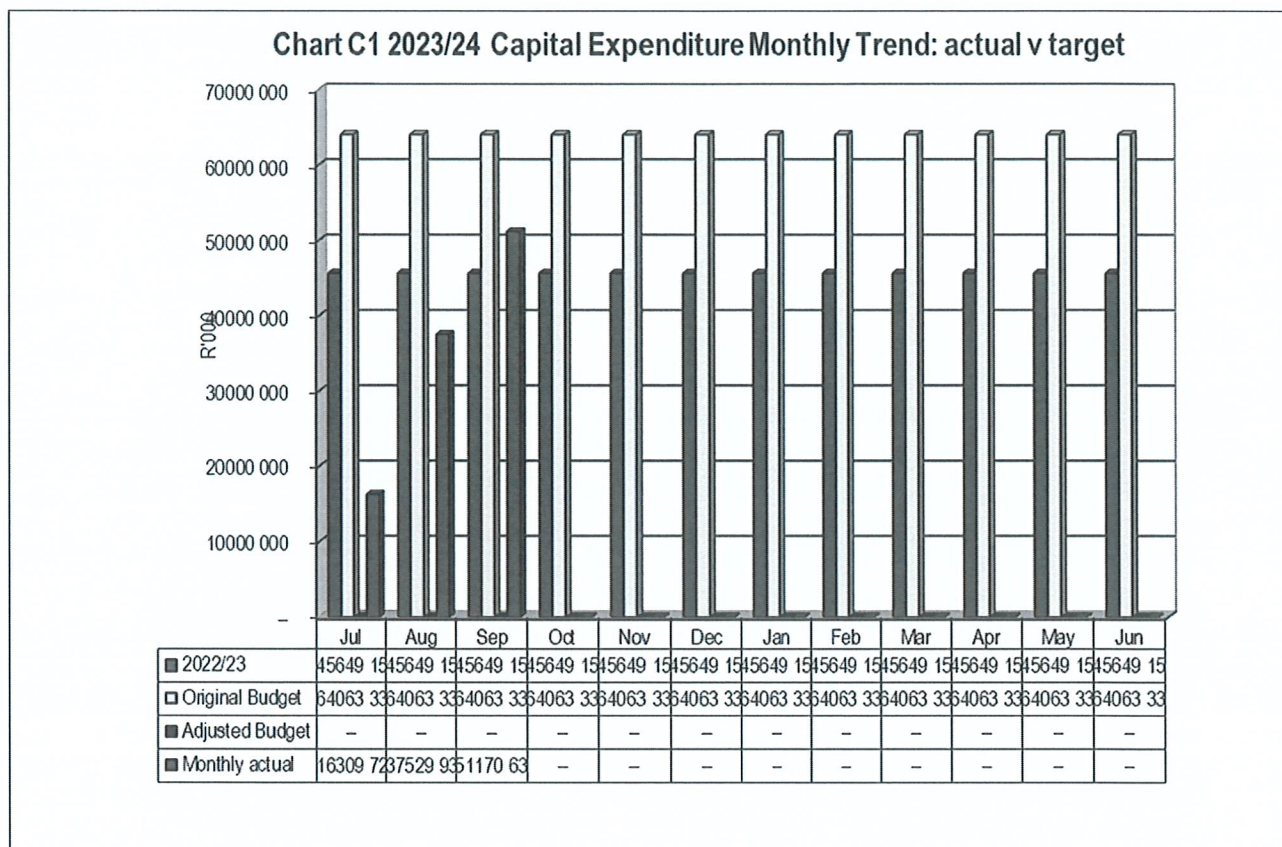
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		115 551	47 356	-	21 269	21 269	11 839	(9 430)	-79,7%	47 356
Roads Infrastructure		115 551	33 150	-	21 269	21 269	8 288	(12 982)	-156,6%	33 150
Roads		115 551	33 150	-	21 269	21 269	8 288	(12 982)	-156,6%	33 150
Coastal Infrastructure		-	14 206	-	-	-	3 552	3 552	100,0%	14 206
Sand Pumps								-		
Piers								-		
Revetments								-		
Promenades			14 206				3 552	3 552	100,0%	14 206
Capital Spares								-		
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Data Centres								-		
Core Layers								-		
Distribution Layers								-		
Capital Spares								-		
Community Assets		175	8 000	-	-	-	2 000	2 000	100,0%	8 000
Community Facilities		175	8 000	-	-	-	2 000	2 000	100,0%	8 000
Halls								-		
Markets		175	8 000				2 000	2 000	100,0%	8 000
Unimproved Property								-		
Other assets		130	-	-	1 349	1 349	-	(1 349)		-
Operational Buildings		130	-	-	1 349	1 349	-	(1 349)		-
Municipal Offices		130			1 349	1 349		(1 349)		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets								-		
Intangible Assets		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Computer Equipment								-		
Furniture and Office Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment								-		
Machinery and Equipment		-	-	-	-	-	-	-		-
Machinery and Equipment								-		
Transport Assets		-	-	-	-	-	-	-		-
Transport Assets								-		
Land		-	-	-	-	-	-	-		-
Land								-		
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals								-		
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection								-		
Zoological plants and animals								-		
Immature		-	-	-	-	-	-	-		-
Policing and Protection								-		
Zoological plants and animals								-		
Total Capital Expenditure on renewal of existing assets	1	115 855	55 356	-	22 618	22 618	13 839	(8 779)	-63,4%	55 356

KZN225 Msunduzi - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - Q1

Description	Ref	2022/23	Budget Year 2023/24							
		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 upgrading of existing assets by Asset Class/Sub-class										
Infrastructure		228 972	189 765	–	13 200	37 889	47 441	9 552	20,1%	189 765
Roads Infrastructure		122 865	38 400	–	5 516	19 428	9 600	(9 828)	-102,4%	38 400
Roads		122 865	38 400	–	5 516	19 428	9 600	(9 828)	-102,4%	38 400
Electrical Infrastructure		5 702	–	–	2 080	2 299	–	(2 299)		–
Power Plants		5 702	–	–	2 080	2 299	–	(2 299)		–
HV Substations		–	–	–	–	–	–	–		–
Water Supply Infrastructure		60 284	106 065	–	4 664	11 859	26 516	14 657	55,3%	106 065
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	4 664	11 859	–	(11 859)		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		60 284	106 065	–	–	–	26 516	26 516	100,0%	106 065
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		35 610	40 300	–	946	4 179	10 075	5 896	58,5%	40 300
Pump Station		–	–	–	–	–	–	–		–
Reticulation		35 610	40 300	–	946	4 179	10 075	5 896	58,5%	40 300
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		4 511	5 000	–	(5)	124	1 250	1 126	90,1%	5 000
Landfill Sites		4 511	5 000	–	(5)	124	1 250	1 126	90,1%	5 000
Waste Transfer Stations		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Other assets		38 161	10 700	–	41	41	2 675	2 634	98,5%	10 700
Operational Buildings		38 161	10 700	–	41	41	2 675	2 634	98,5%	10 700
Municipal Offices		38 161	10 700	–	41	41	2 675	2 634	98,5%	10 700
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	5 000	–	–	–	1 250	1 250	100,0%	5 000
Transport Assets		–	5 000	–	–	–	1 250	1 250	100,0%	5 000
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on upgrading of existing	1	267 133	205 465	–	13 241	37 930	51 366	13 436	26,2%	205 465

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 6: Capital Expenditure Monthly Trend



The monthly 2022/23 trend presents monthly actual expenditure figures for prior year. Original Budget stipulates the budget for the year. The monthly actual figures stipulate 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 7: Capital Expenditure: YTD Actual vs. YTD Target

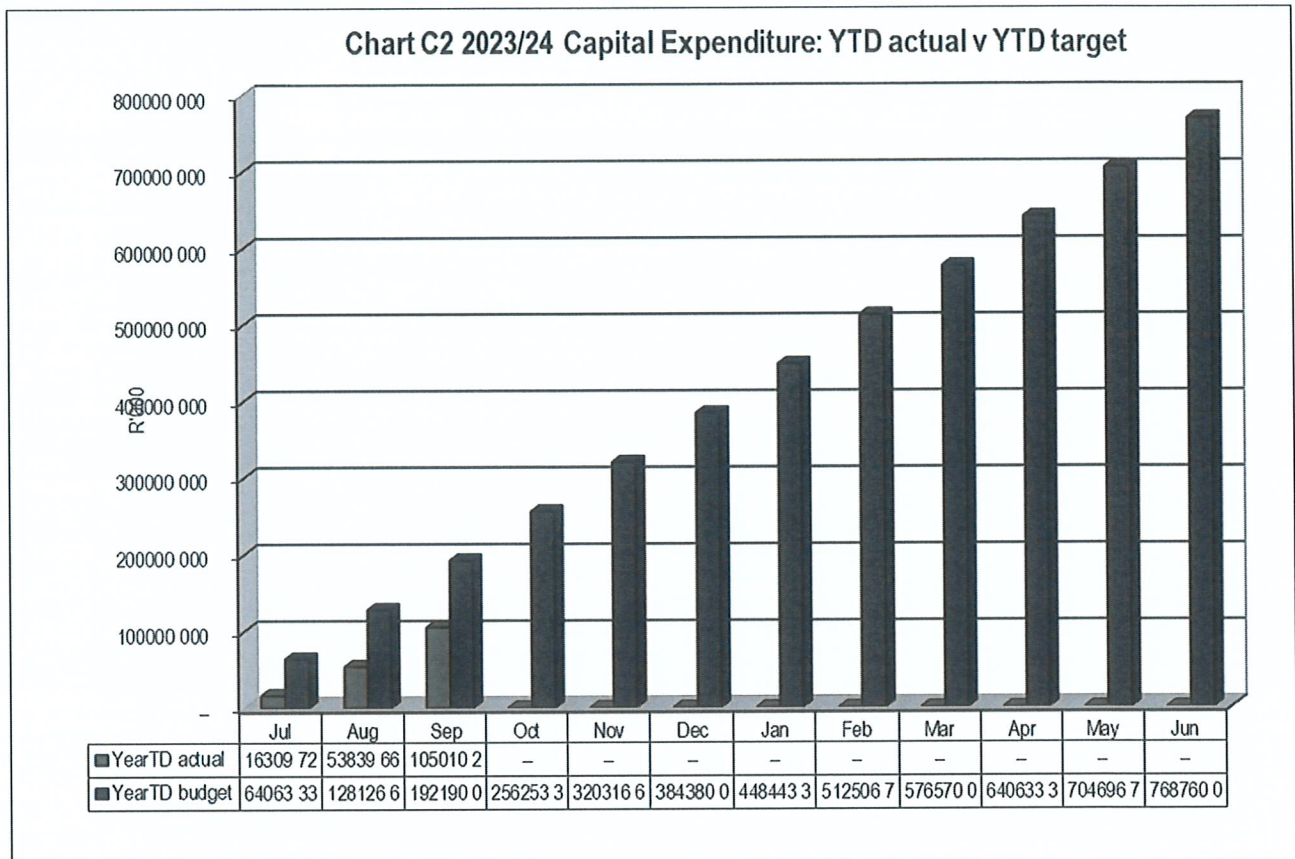
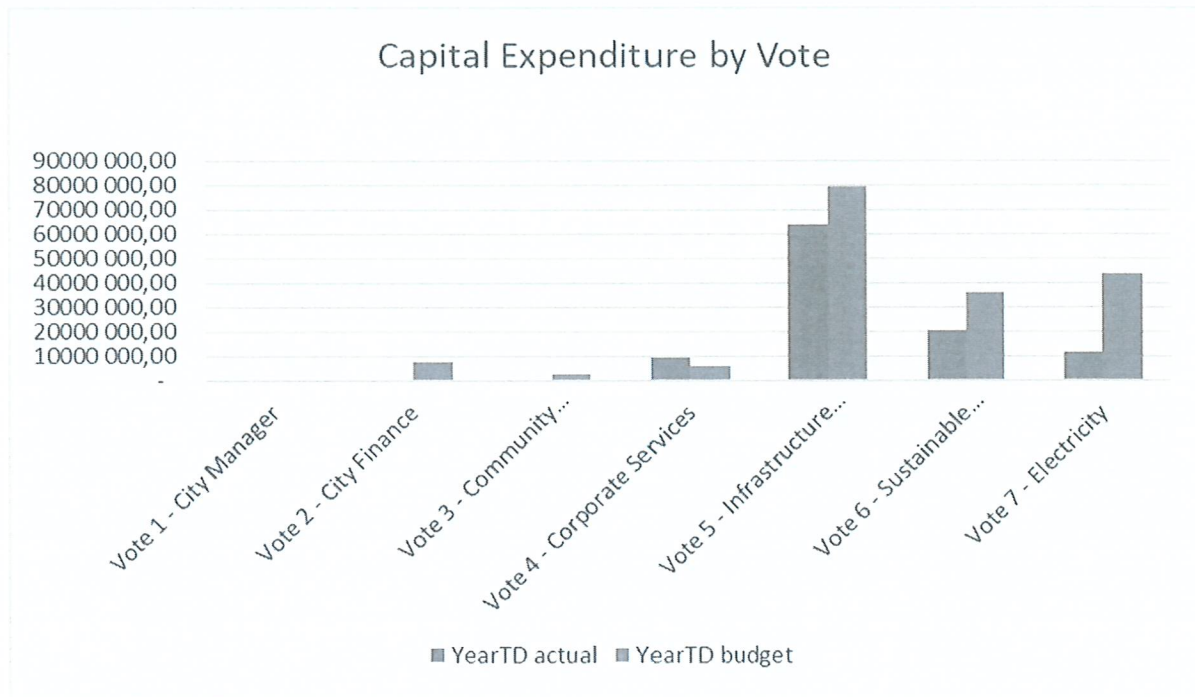


Chart 8: Capital Expenditure by Vote



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

The municipal entity's report for the month ending 30 September 2023 is attached.

Safe City Msunduzi NPC - Table F1 Monthly Budget Statement Summary - M03 September

[illegible]

Safe City Msunduzi NPC - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2022/23	Current Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue	1									
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water								-		
Service charges - Waste Water Management								-		
Service charges - Waste Management								-		
Sale of Goods and Rendering of Services								-		
Agency services								-		
Interest								-		
Interest earned from Receivables								-		
Interest earned from Current and Non Current Assets		173	80		9	47	20	27	133,3%	
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets								-		
Licence and permits								-		
Operational Revenue								-		
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes								-		
Fines, penalties and forfeits								-		
Licences or permits								-		
Transfer and subsidies - Operational								-		
Interest								-		
Fuel Levy								-		
Operational Revenue		13 189	14 029	-	3 507	3 507	3 507	(0)	0,0%	
Gains on disposal of Assets								-		
Other Gains								-		
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		13 362	14 109	-	3 516	3 553	3 527	27	0,8%	-
Expenditure By Type										
Employee related costs		11 888	11 993		944	2 823	2 998	(175)	-5,9%	
Remuneration of board members								-		
Bulk purchases - electricity								-		
Inventory consumed								-		
Debt impairment								-		
Depreciation and asset impairment	2	846	834		63	192	209	(17)	-8,0%	
Interest								-		
Contracted services		696	345		18	45	86	(42)	-48,2%	
Transfers and subsidies								-		
Irrecoverable debts written off								-		
Operational costs		1 247	1 689		192	326	411	(85)	-20,7%	
Losses on disposal of Assets		92						-		
Other Losses								-		
Total Expenditure	3	14 770	14 861	-	1 217	3 385	3 704	(319)	-8,6%	-
Surplus/(Deficit)		(1 407)	(752)	-	2 299	168	(177)	346	-194,9%	-
Transfers and subsidies - capital (monetary allocations)								-		
Transfers and subsidies - capital (in-kind)								-		
Surplus/(Deficit) before taxation		(1 407)	(752)	-	2 299	168	(177)	346	-194,9%	-
Income Tax					-	-		-		
Surplus/(Deficit) for the year		(1 407)	(752)	-	2 299	168	(177)	346		-
References										
1. Revenue includes sales of: (insert description)										
2. Bulk purchases - electricity										
2. Bulk purchases - water										
3. Expenditure includes repairs & maintenance of:										

4. List operating expenditure on allocations as a note (MFMA section 87(11)(f))

5. Material variances to be explained in Table SF1 (materiality to be defined by the parent municipality)

Safe City Msunduzi NPC - Table F4 Monthly Budget Statement - Financial Position - M03 September

Vote Description	Ref	2022/23	Current Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands						
ASSETS						
Current assets						
Cash and cash equivalents		4 306	1 563		4 711	1 563
Trade and other receivables from exchange transactions						
Receivables from non-exchange transactions			3 507		–	3 507
Current portion of non-current receivables						
Inventory						
VAT					–	
Other current assets		3	3		3	3
Total current assets		4 309	5 072	–	4 714	5 072
Non current assets						
Investments						
Investment property						
Property, plant and equipment		7 724	7 305		7 532	7 305
Biological assets						
Living and non-living resources						
Heritage assets						
Intangible assets						
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions						
Other non-current assets						
Total non current assets		7 724	7 305	–	7 532	7 305
TOTAL ASSETS		12 032	12 377	–	12 245	12 377
LIABILITIES						
Current liabilities						
Bank overdraft						
Financial liabilities						
Consumer deposits						
Trade and other payables from exchange transactions						
Trade and other payables from non-exchange transactions						
Provision		1 050	1 151		1 050	1 151
VAT		442	457		488	457
Other current liabilities						
Total current liabilities		–	–	–	–	–
Non current liabilities						
Financial liabilities						
Provision						
Long term portion of trade payables						
Other non-current liabilities						
Total non current liabilities		–	–	–	–	–
TOTAL LIABILITIES		–	–	–	–	–
NET ASSETS	1	12 032	12 377	–	12 245	12 377
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	10 768		10 707	10 768
Reserves						
Other						
TOTAL COMMUNITY WEALTH/EQUITY	1	–	10 768	–	10 707	10 768

References

1. Net assets must balance with Total Community Wealth/Equity

Safe City Msunduzi NPC - Table F5 Monthly Budget Statement - Cash Flows - M03 September

Description	Ref	2022/23	Current Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges								-		
Other revenue		18 381	12 197		3 507	3 507	3 507	(0)	0,0%	
Transfers and Subsidies - Operational								-		
Transfers and Subsidies - Capital								-		
Interest		173	80		9	47	20	27	133,3%	
Dividends								-		
Payments										
Suppliers and employees		(15 456)	(11 995)		(1 154)	(3 194)	(3 507)	312	-8,9%	
Interest								-		
Dividends paid								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		3 098	282	-	2 362	359	21	339	1651,9%	-
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(72)				-		-		
NET CASH FROM/(USED) INVESTING ACTIVITIES		(72)	-	-	-	-	-	-		-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		3 026	282	-	2 362	359	21	339	1651,9%	-
Cash/cash equivalents at the beginnig of year	2	1 280	4 306				4 306	(4 306)	-100,0%	1 280
Cash/cash equivalents at the end of year	2	4 306	4 589	-	2 362	359	4 327	(3 968)	-91,7%	1 280

Safe City Msunduzi NPC - Supporting Table F1 Entity Material variance explanation - M03 September

Description	Ref	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
R thousands				
Revenue items				
Expenditure items				
Financial Position				
Capital Expenditure items				
Cash flow items				
Interest		(22)	Due to low bank balances- cash inflow is low due to low collection rate. High dependacy on investments to fund operations	
Suppliers and employees		(1 159)	Operating expenditure is more than anticipated, the budget was es	Review cash flow budget
Capital assets		(109)	No capex for the month, the budget is for computers and furniture will be incurred as and when required during the year	
Measurable performance				
Total variance				

Safe City Msunduzi NPC - Supporting Table F6 Entity Board member allowances & staff benefits - M03 September

Summary of Employee and Board Member remuneration	Ref	2022/23	Current Year 2023/24							
		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
Remuneration										
Board Members of Entities										
Basic Salaries and Wages		251	231		37	102	58	44	76,1%	
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Board Fees								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
In-kind benefits								-		
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Board Members of Entities		251	231	-	37	102	58	44	76,1%	-
% increase	3		-7,9%							
Senior Managers of Entities										
Basic Salaries and Wages		805	858		62	186	214	(29)	-13,4%	
Pension and UIF Contributions		2						-		
Medical Aid Contributions		31	31		3	8	8	1	7,9%	
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance		30	30		3	8	8	-		
Cellphone Allowance		11	11		1	3	3	-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
In-kind benefits								-		
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Senior Managers of Entities		879	929	-	68	204	232	(28)	-12,1%	-
% increase	3		5,8%							
Other Staff of Entities										
Basic Salaries and Wages		8 377	8 737		657	1 969	2 184	(216)	-9,9%	
Pension and UIF Contributions		657	600		48	143	150	(7)	-4,5%	
Medical Aid Contributions		1 083	866		95	284	216	68	31,2%	
Overtime		381	367		22	69	92	(23)	-24,6%	
Performance Bonus								-		
Motor Vehicle Allowance		102	102		9	26	26	-		
Cellphone Allowance		106	106		9	27	27	-		
Housing Allowances								-		
Other benefits and allowances		52	55		-	-	14	(14)	-100,0%	
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
In-kind benefits								-		
Entertainment								-		
Scarcity								-		
Acting and post related allowance								-		
In kind benefits								-		
Sub Total - Other Staff of Entities		10 759	10 833	-	839	2 517	2 708	(191)	-7,1%	-
% increase	3		0,7%							
Total Municipal Entities remuneration		11 888	11 993	-	944	2 823	2 998	(175)	-5,9%	-
Unpaid salary, allowances & benefits in arrears:										

Safe City Msunduzi NPC - Supporting Table F7 Entity monthly actuals & revised targets - M03 September

Description	Budget Year 2024/25												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands													1		
Cash Receipts By Source															
Property rates															
Service charges - electricity revenue															
Service charges - water revenue															
Service charges - sanitation revenue															
Service charges - refuse revenue															
Rental of facilities and equipment															
Interest earned - external investments															
Interest earned - outstanding debtors															
Fines, penalties and forfeits															
Licences and permits															
Agency services															
Transfers and Subsidies - Operational															
Other revenue	22	16	3 516									(3 553)			
Cash Receipts by Source	22	16	3 516									(3 553)			
Other Cash Flows by Source (National / Provincial and District) (National / Provincial Departmental Agencies, Households, Proceeds on Disposal of Fixed and Intangible Assets															
Short term loans															
Borrowing long term/refinancing															
Increase (decrease) in consumer deposits															
Decrease (increase) in non-current receivables															
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	22	16	3 516									(3 553)			
Cash Payments by Type															
Employee related costs	930	948	944									(2 823)			
Remuneration of councillors															
Finance charges															
Bulk purchases - electricity															
Acquisitions - water & other inventory															
Dividends paid	8	19	18									(45)			
Contracted services															
Transfers and grants - other municipalities															
Transfers and grants - other															
Other expenditure	52	83	192									(327)			
Cash Payments by Type	989	1 051	1 154									(3 194)			
Other Cash Flows/Payments by Type															
Capital assets															
Repayment of borrowing															
Other Cash Flows/Payments															
Total Cash Payments by Type	989	1 051	1 154									(3 194)			
NET INCREASE/(DECREASE) IN CASH HELD	(968)	(1 035)	2 362												
Cash/cash equivalents at the month/year begin:	-	(968)	(2 002)	359	359	359	359	359	359	359	359	359	-	-	-
Cash/cash equivalents at the month/year end:	(968)	(2 002)	359	359	359	359	359	359	359	359	359	0	-	-	-

References

1. Note that SF7 is deliberately not linked to Table F2 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. .

Supporting Table F&D Entry Depreciation by asset class - M23 September

Description	2022/23				Current Year 2023/24				Full Year Forecast
	Audited Estimate	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD Budget	YTD variance	YTD variance %	
Depreciation by Asset Class/Sub class									
Infrastructure									
Assets Infrastructure	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Storm water infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Abstraction	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Pylon Poles	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	-	-	-	-	-	-
Pumping Stations	-	-	-	-	-	-	-	-	-
Water Treatment Works	-	-	-	-	-	-	-	-	-
B&M Works	-	-	-	-	-	-	-	-	-
Dredging	-	-	-	-	-	-	-	-	-
Dredging Plants	-	-	-	-	-	-	-	-	-
PFA Stations	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Pump Station	-	-	-	-	-	-	-	-	-
Retention	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works	-	-	-	-	-	-	-	-	-
Civil Sewers	-	-	-	-	-	-	-	-	-
Traffic Facilities	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Facilities	-	-	-	-	-	-	-	-	-
Rail Structures	-	-	-	-	-	-	-	-	-
Rail Furniture	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Stormwater Conveyance	-	-	-	-	-	-	-	-	-
Abstraction	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Gas Infrastructure	-	-	-	-	-	-	-	-	-
Service Pipes	-	-	-	-	-	-	-	-	-
Pipes	-	-	-	-	-	-	-	-	-
Accessories	-	-	-	-	-	-	-	-	-
Accessories	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres	-	-	-	-	-	-	-	-	-
Cable Layers	-	-	-	-	-	-	-	-	-
Distribution Layers	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Community Assets									
Community Facilities	-	-	-	-	-	-	-	-	-
Halls	-	-	-	-	-	-	-	-	-
Centres	-	-	-	-	-	-	-	-	-
Offices	-	-	-	-	-	-	-	-	-
Childcare Centres	-	-	-	-	-	-	-	-	-
Freight/Leisure Stations	-	-	-	-	-	-	-	-	-
Tram Stations	-	-	-	-	-	-	-	-	-
Musicals	-	-	-	-	-	-	-	-	-
Colleges	-	-	-	-	-	-	-	-	-
Theatres	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Community Centres	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Public Open Space	-	-	-	-	-	-	-	-	-
Nature Reserves	-	-	-	-	-	-	-	-	-
Public Recreation Facilities	-	-	-	-	-	-	-	-	-
Museums	-	-	-	-	-	-	-	-	-
Docks	-	-	-	-	-	-	-	-	-
Archives	-	-	-	-	-	-	-	-	-
Assets	-	-	-	-	-	-	-	-	-
Tax Refund/Bus Terminals	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Water Facilities	-	-	-	-	-	-	-	-	-
Cultural Facilities	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Outlets Assets									
Non-ferrous	-	-	-	-	-	-	-	-	-
Metals Buildings	-	-	-	-	-	-	-	-	-
Alloys of Al	-	-	-	-	-	-	-	-	-
Generation Assets	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
Investment Assets									
Revenue Generating	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Investment Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Other Assets									
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Public Works Assets	-	-	-	-	-	-	-	-	-
Building Plant Offices	-	-	-	-	-	-	-	-	-
Workshops	-	-	-	-	-	-	-	-	-
Yards	-	-	-	-	-	-	-	-	-
Shops	-	-	-	-	-	-	-	-	-
Laboratories	-	-	-	-	-	-	-	-	-
Training Centres	-	-	-	-	-	-	-	-	-
Workshop Plant	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Self-Housing	-	-	-	-	-	-	-	-	-
Shared Housing	-	-	-	-	-	-	-	-	-
Cable Spans	-	-	-	-	-	-	-	-	-
Biological and Cultural Assets									
Biological and Cultural Assets	-	-	-	-	-	-	-	-	-
Intangible Assets									
Intangible Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Water Rights	-	-	-	-	-	-	-	-	-
Plant Licences	-	-	-	-	-	-	-	-	-
Self Water Licences	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	-	-	-	-	-	-	-	-
Local Software/Software Applications	-	-	-	-	-	-	-	-	-
Unimproved	-	-	-	-	-	-	-	-	-
Computer Equipment									
Computer Equipment	11	9	-	1	3	2	(7)	-30.7%	-
Furniture and Office Equipment									
Furniture and Office Equipment	9	9	-	1	9	1	(7)	-22.2%	-
Machinery and Equipment									
Machinery and Equipment	9	5	-	1	3	1	(7)	-22.2%	-
Transport Assets									
Transport Assets	111	805	-	80	183	201	18	9.7%	-
Land									
Land	14	14	-	1	4	4	1	13.3%	-
Plant, Marine and Non-Biological Assets									
Plant, Marine and Non-Biological Assets	14	14	-	1	4	4	1	13.3%	-
Utilities Assets									
Utilities Assets	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	-	-
Drinking water supply	-	-	-	-	-	-	-	-	-
Drinking water supply	-	-	-	-	-	-	-	-	-
Drinking water supply	-	-	-	-	-	-	-	-	-
Drinking water supply	-	-	-	-	-	-	-	-	-
Total Depreciation	344	814	-	13	192	219	17	8.2%	-

1. Total Cost for Depreciation by Asset Category must reconcile to total capital expenditure shown in Capital Budget

