



Msunduzi Municipality  
MFMA S71 Monthly Report

August 2016 Report  
Budget & Treasury Office

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## 1. PART 1 – IN YEAR REPORT

### 1.1 Executive Summary

#### Legislative Requirements

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

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

#### FINANCIAL PERFORMANCE

**Revenue:** The Year to Date (YTD) total revenue earned was R 828.7 million for the period ending 31 August 2016. The YTD Budget was R 745.5 million, therefore the actual overperformed against the budget by R 83.1 million against the revenue projected. The two main contributors, both accounting for 55% of the actual total YTD Revenue earned are Electricity (39%) & Property Rates revenue (16%). These two revenue sources make up more than 63% of the total YTD budget.

**Operating Expenditure:** The total actual YTD operating expenditure for the period ending 31 August 2016 amounted to R 283.4 million while the YTD budget was R 742.0 million. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 67% of the annual budget expenditure.

**Capital Expenditure:** While the YTD capital expenditure budget was R 121.0 million, the actual YTD Capital expenditure incurred amounted to R 0.1 million resulting in underperformance of the capital budget. This is mainly due to the slow start of the new financial year.

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

**Cash & Cash equivalents** as at 31 August 2016 was R 1.12 billion.

**Consumer Debt:** Consumer debt at 31 August 2016 was just over R 1.73 billion.

## 1.4 In-year Budget Statement Tables

### Parent Municipality (Msunduzi Municipality Only)

#### Monthly Budget Statements Summary

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

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	717 026	842 558	-	65 906	132 486	140 426	(7 940)	-6%	842 558
Service charges	2 228 636	2 878 830	-	240 890	432 072	479 805	(47 733)	-10%	2 878 830
Investment revenue	50 973	49 270	-	-	37 918	8 212	29 706	362%	49 270
Transfers recognised - operational	519 191	489 491	-	180 127	180 127	81 582	98 545	121%	489 491
Other own revenue	325 520	212 797	-	10 992	46 066	35 466	10 600	30%	212 797
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>3 841 347</b>	<b>4 472 946</b>	<b>-</b>	<b>497 915</b>	<b>828 670</b>	<b>745 491</b>	<b>83 179</b>	<b>11%</b>	<b>4 472 946</b>
Employee costs	832 495	1 035 660	-	83 511	167 429	172 610	(5 181)	-3%	1 035 660
Remuneration of Councillors	34 657	43 033	-	3 512	6 961	7 172	(211)	-3%	43 033
Depreciation & asset impairment	463 063	506 103	-	38 768	77 544	84 351	(6 806)	-8%	506 103
Finance charges	71 169	65 460	-	-	-	10 910	(10 910)	-100%	65 460
Materials and bulk purchases	1 785 315	2 117 550	-	15	236	352 925	(352 689)	-100%	2 117 550
Transfers and grants	11 995	148 325	-	20	1 750	24 721	(22 971)	-93%	148 325
Other expenditure	951 496	536 243	-	2 307	29 554	89 374	(59 820)	-67%	536 243
<b>Total Expenditure</b>	<b>4 150 192</b>	<b>4 452 374</b>	<b>-</b>	<b>128 133</b>	<b>283 474</b>	<b>742 062</b>	<b>(458 588)</b>	<b>-62%</b>	<b>4 452 374</b>
<b>Surplus/(Deficit)</b>	<b>(308 844)</b>	<b>20 572</b>	<b>-</b>	<b>369 782</b>	<b>545 195</b>	<b>3 429</b>	<b>541 767</b>	<b>15801%</b>	<b>20 572</b>
Transfers recognised - capital	356 835	447 414	-	(20)	(20)	74 569	(74 589)	-100%	447 414
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>	<b>467 178</b>	<b>599%</b>	<b>467 986</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>	<b>467 178</b>	<b>599%</b>	<b>467 986</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
Capital transfers recognised	275 665	447 973	-	-	-	74 662	(74 662)	-100%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	-	-	26 378	(26 378)	-100%	158 268
Internally generated funds	<b>123 864</b>	<b>120 000</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>20 000</b>	<b>(19 884)</b>	<b>-99%</b>	<b>120 000</b>
<b>Total sources of capital funds</b>	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
<b>Financial position</b>									
Total current assets	1 984 966	3 134 961	-	-	-	-	-	-	3 134 961
Total non current assets	7 548 842	7 628 886	-	-	-	-	-	-	7 628 886
Total current liabilities	915 372	1 318 873	-	-	-	-	-	-	1 318 873
Total non current liabilities	1 197 150	1 255 546	-	-	-	-	-	-	1 255 546
<b>Community wealth/Equity</b>	<b>7 421 286</b>	<b>8 189 428</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 189 428</b>
<b>Cash flows</b>									
Net cash from (used) operating	1 180 761	773 696	-	(59 521)	149 816	128 949	(20 867)	-16%	773 696
Net cash from (used) investing	(1 224 532)	(617 305)	-	-	(116)	(102 884)	(102 769)	100%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	(24)	(47)	(2 960)	(2 913)	98%	(17 762)
<b>Cash/cash equivalents at the month/year end</b>	<b>834 133</b>	<b>1 051 338</b>	<b>-</b>	<b>-</b>	<b>1 126 370</b>	<b>935 814</b>	<b>(190 556)</b>	<b>-20%</b>	<b>1 115 346</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	329 564	100 251	48 985	43 616	46 535	44 205	44 313	#####	1 735 213
<b>Creditors Age Analysis</b>									
Total Creditors	547 441	2 298	38	-	125	-	-	-	549 901

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

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

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>1 435 170</b>	<b>1 542 450</b>	-	<b>173 160</b>	<b>285 160</b>	<b>257 075</b>	<b>28 085</b>	<b>11%</b>	<b>1 542 450</b>
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	173 153	285 148	254 712	30 436	12%	1 528 270
Corporate services		5 993	14 180	-	6	12	2 363	(2 351)	-99%	14 180
<i><b>Community and public safety</b></i>		<b>225 653</b>	<b>93 565</b>	-	<b>1 480</b>	<b>2 862</b>	<b>15 594</b>	<b>(12 733)</b>	<b>-82%</b>	<b>93 565</b>
Community and social services		71 074	52 155	-	300	722	8 693	(7 971)	-92%	52 155
Sport and recreation		24 880	885	-	55	177	147	29	20%	885
Public safety		111 819	23 347	-	551	787	3 891	(3 104)	-80%	23 347
Housing		17 809	17 144	-	574	1 176	2 857	(1 681)	-59%	17 144
Health		71	34	-	-	-	6	(6)	-100%	34
<i><b>Economic and environmental services</b></i>		<b>235 988</b>	<b>435 042</b>	-	<b>1 788</b>	<b>4 149</b>	<b>72 507</b>	<b>(68 358)</b>	<b>-94%</b>	<b>435 042</b>
Planning and development		63 074	53 331	-	1 758	4 087	8 889	(4 801)	-54%	53 331
Road transport		172 914	381 711	-	30	62	63 619	(63 557)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>2 667 551</b>	<b>3 426 115</b>	-	<b>329 907</b>	<b>531 613</b>	<b>571 019</b>	<b>(39 406)</b>	<b>-7%</b>	<b>3 426 115</b>
Electricity		1 700 426	2 074 912	-	195 944	333 142	345 819	(12 677)	-4%	2 074 912
Water		660 510	1 052 569	-	100 603	143 059	175 428	(32 369)	-18%	1 052 569
Waste water management		191 593	176 288	-	18 835	32 012	29 381	2 630	9%	176 288
Waste management		115 022	122 345	-	14 525	23 400	20 391	3 009	15%	122 345
<i><b>Other</b></i>	<b>4</b>	<b>34 298</b>	<b>31 371</b>	-	<b>3 519</b>	<b>3 520</b>	<b>5 229</b>	<b>(1 709)</b>	<b>-33%</b>	<b>31 371</b>
<b>Total Revenue - Standard</b>	<b>2</b>	<b>4 598 660</b>	<b>5 528 543</b>	-	<b>509 854</b>	<b>827 304</b>	<b>921 424</b>	<b>(94 120)</b>	<b>-10%</b>	<b>5 528 543</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>874 771</b>	<b>995 248</b>	-	<b>36 842</b>	<b>74 432</b>	<b>163 538</b>	<b>(89 106)</b>	<b>-54%</b>	<b>995 248</b>
Executive and council		7 712	113 165	-	5 150	10 382	18 861	(8 478)	-45%	113 165
Budget and treasury office		859 050	645 336	-	19 813	40 860	107 641	(66 781)	-62%	645 336
Corporate services		8 009	236 747	-	11 879	23 189	37 035	(13 847)	-37%	236 747
<i><b>Community and public safety</b></i>		<b>670 660</b>	<b>551 767</b>	-	<b>36 168</b>	<b>73 011</b>	<b>92 727</b>	<b>(19 716)</b>	<b>-21%</b>	<b>551 767</b>
Community and social services		116 571	140 429	-	8 209	16 552	23 453	(6 901)	-29%	140 429
Sport and recreation		145 186	118 290	-	9 951	20 476	19 878	598	3%	118 290
Public safety		316 932	236 010	-	14 194	28 539	39 889	(11 350)	-28%	236 010
Housing		49 923	32 584	-	2 188	4 250	5 431	(1 180)	-22%	32 584
Health		42 048	24 453	-	1 626	3 193	4 075	(882)	-22%	24 453
<i><b>Economic and environmental services</b></i>		<b>522 277</b>	<b>567 103</b>	-	<b>28 978</b>	<b>58 031</b>	<b>94 623</b>	<b>(36 592)</b>	<b>-39%</b>	<b>567 103</b>
Planning and development		97 679	110 222	-	6 591	13 157	18 370	(5 213)	-28%	110 222
Road transport		424 597	456 881	-	22 387	44 874	76 253	(31 379)	-41%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>2 428 609</b>	<b>2 904 545</b>	-	<b>35 122</b>	<b>69 763</b>	<b>485 549</b>	<b>(415 786)</b>	<b>-86%</b>	<b>2 904 545</b>
Electricity		1 512 417	1 695 915	-	14 904	29 477	283 288	(253 810)	-90%	1 695 915
Water		590 023	912 149	-	8 212	16 250	152 283	(136 033)	-89%	912 149
Waste water management		175 548	192 253	-	4 910	9 713	32 183	(22 470)	-70%	192 253
Waste management		150 620	104 227	-	7 095	14 323	17 796	(3 473)	-20%	104 227
<i><b>Other</b></i>		<b>54 353</b>	<b>41 895</b>	-	<b>2 981</b>	<b>6 891</b>	<b>6 990</b>	<b>(98)</b>	<b>-1%</b>	<b>41 895</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>4 550 669</b>	<b>5 060 558</b>	-	<b>140 092</b>	<b>282 128</b>	<b>843 426</b>	<b>(561 298)</b>	<b>-67%</b>	<b>5 060 558</b>
<b>Surplus/ (Deficit) for the year</b>		<b>47 991</b>	<b>467 985</b>	-	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>	<b>467 178</b>	<b>599%</b>	<b>467 985</b>

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

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

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - City Manager	1	6 851	-	-	6	12	-	12	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	173 153	285 148	254 712	30 436	11.9%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	15 883	24 892	29 471	(4 578)	-15.5%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	0	2 364	(2 363)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	316 002	509 995	618 799	(108 804)	-17.6%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	4 809	7 256	16 079	(8 823)	-54.9%	96 476
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>4 621 352</b>	<b>5 528 543</b>	<b>-</b>	<b>509 854</b>	<b>827 304</b>	<b>921 424</b>	<b>(94 120)</b>	<b>-10.2%</b>	<b>5 528 543</b>
<b>Expenditure by Vote</b>										
Vote 1 - City Manager	1	12 576	142 460	-	6 859	13 845	23 788	(9 943)	-41.8%	142 460
Vote 2 - City Finance		942 905	723 311	-	22 812	46 972	120 739	(73 767)	-61.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	39 754	80 512	102 071	(21 559)	-21.1%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	10 526	20 443	33 656	(13 213)	-39.3%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	50 113	99 687	537 810	(438 124)	-81.5%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 126	-	10 027	20 670	25 362	(4 692)	-18.5%	152 126
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>4 573 361</b>	<b>5 060 558</b>	<b>-</b>	<b>140 092</b>	<b>282 128</b>	<b>843 426</b>	<b>(561 298)</b>	<b>-66.5%</b>	<b>5 060 558</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>47 991</b>	<b>467 985</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>	<b>467 178</b>	<b>599.0%</b>	<b>467 985</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 August 2016.

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

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		686 819	798 728		64 346	131 294	133 121	(1 828)	-1%	798 728
Property rates - penalties & collection charges		30 207	43 830		1 560	1 193	7 305	(6 112)	-84%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		186 402	320 343	334 708	(14 365)	-4%	2 008 246
Service charges - water revenue		448 064	623 188		36 139	73 340	103 865	(30 524)	-29%	623 188
Service charges - sanitation revenue		139 629	147 839		11 559	24 655	24 640	15	0%	147 839
Service charges - refuse revenue		74 810	99 557		6 790	13 733	16 593	(2 860)	-17%	99 557
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		21 476	43 809		1 755	3 840	7 302	(3 462)	-47%	43 809
Interest earned - external investments		50 973	49 270		-	37 918	8 212	29 706	362%	49 270
Interest earned - outstanding debtors		69 529	66 349		5 842	13 705	11 058	2 647	24%	66 349
Dividends received		-	-		-	-	-	-		-
Fines		108 634	18 538		142	163	3 090	(2 926)	-95%	18 538
Licences and permits		89	92		4	9	15	(7)	-44%	92
Agency services		24 372	670		53	100	112	(11)	-10%	670
Transfers recognised - operational		519 191	489 491		180 127	180 127	81 582	98 545	121%	489 491
Other revenue		101 001	83 339		3 196	9 056	13 890	(4 834)	-35%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>3 841 347</b>	<b>4 472 946</b>	<b>-</b>	<b>497 915</b>	<b>828 670</b>	<b>745 491</b>	<b>83 179</b>	<b>11%</b>	<b>4 472 946</b>
<b>Expenditure By Type</b>										
Employee related costs		832 495	1 035 660		83 511	167 429	172 610	(5 181)	-3%	1 035 660
Remuneration of councillors		34 657	43 033		3 512	6 961	7 172	(211)	-3%	43 033
Debt impairment		222 110	120 815		-	-	20 136	(20 136)	-100%	120 815
Depreciation & asset impairment		463 063	506 103		38 768	77 544	84 351	(6 806)	-8%	506 103
Finance charges		71 169	65 460		-	-	10 910	(10 910)	-100%	65 460
Bulk purchases		1 586 802	1 936 708		-	200	322 785	(322 584)	-100%	1 936 708
Other materials		198 513	180 842		15	36	30 140	(30 104)	-100%	180 842
Contracted services		110 072	35 108		9	37	5 851	(5 814)	-99%	35 108
Transfers and grants		11 995	148 325		20	1 750	24 721	(22 971)	-93%	148 325
Other expenditure		618 857	380 320		2 298	10 324	63 387	(53 062)	-84%	380 320
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
<b>Total Expenditure</b>		<b>4 150 192</b>	<b>4 452 374</b>	<b>-</b>	<b>128 133</b>	<b>283 474</b>	<b>742 062</b>	<b>(458 588)</b>	<b>-62%</b>	<b>4 452 374</b>
<b>Surplus/(Deficit)</b>		<b>(308 844)</b>	<b>20 572</b>	<b>-</b>	<b>369 782</b>	<b>545 195</b>	<b>3 429</b>	<b>541 767</b>	<b>0</b>	<b>20 572</b>
Transfers recognised - capital		356 835	447 414		(20)	(20)	74 569	(74 589)	(0)	447 414
Contributions recognised - capital										
Contributed assets										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>			<b>467 986</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>			<b>467 986</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>			<b>467 986</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>47 991</b>	<b>467 986</b>	<b>-</b>	<b>369 762</b>	<b>545 175</b>	<b>77 998</b>			<b>467 986</b>



## Capital Expenditure

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

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

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - City Manager		6 411	5 250	-	-	-	875	(875)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	116	116	4 155	(4 039)	-97%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	-	-	8 617	(8 617)	-100%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	998	(998)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	-	-	91 012	(91 012)	-100%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	-	-	10 591	(10 591)	-100%	63 544
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>384 493</b>	<b>697 480</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>116 247</b>	<b>(116 131)</b>	<b>-100%</b>	<b>697 480</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - City Manager		763	500	-	-	-	83	(83)	-100%	500
Vote 2 - City Finance		31 896	782	-	-	-	130	(130)	-100%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	-	-	3 261	(3 261)	-100%	19 565
Vote 4 - Corporate Services		6 460	527	-	-	-	88	(88)	-100%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	-	-	598	(598)	-100%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	633	(633)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>77 217</b>	<b>28 761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 794</b>	<b>(4 794)</b>	<b>-100%</b>	<b>28 761</b>
<b>Total Capital Expenditure</b>		<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>50 466</b>	<b>37 971</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>6 329</b>	<b>(6 213)</b>	<b>-98%</b>	<b>37 971</b>
Executive and council		7 174	5 750	-	-	-	958	(958)	-100%	5 750
Budget and treasury office		36 832	25 710	-	116	116	4 285	(4 169)	-97%	25 710
Corporate services		6 460	6 512	-	-	-	1 085	(1 085)	-100%	6 512
<b>Community and public safety</b>		<b>52 921</b>	<b>103 238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17 206</b>	<b>(17 206)</b>	<b>-100%</b>	<b>103 238</b>
Community and social services		4 763	32 740	-	-	-	5 457	(5 457)	-100%	32 740
Sport and recreation		39 271	31 425	-	-	-	5 237	(5 237)	-100%	31 425
Public safety		3 022	3 640	-	-	-	607	(607)	-100%	3 640
Housing		5 864	35 434	-	-	-	5 906	(5 906)	-100%	35 434
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>151 576</b>	<b>293 680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48 947</b>	<b>(48 947)</b>	<b>-100%</b>	<b>293 680</b>
Planning and development		23 039	31 908	-	-	-	5 318	(5 318)	-100%	31 908
Road transport		126 943	260 312	-	-	-	43 385	(43 385)	-100%	260 312
Environmental protection		1 594	1 460	-	-	-	243	(243)	-100%	1 460
<b>Trading services</b>		<b>204 390</b>	<b>291 352</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48 559</b>	<b>(48 559)</b>	<b>-100%</b>	<b>291 352</b>
Electricity		97 937	190 721	-	-	-	31 787	(31 787)	-100%	190 721
Water		65 591	58 728	-	-	-	9 788	(9 788)	-100%	58 728
Waste water management		37 404	31 403	-	-	-	5 234	(5 234)	-100%	31 403
Waste management		3 457	10 500	-	-	-	1 750	(1 750)	-100%	10 500
<b>Other</b>		<b>2 357</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
<b>Funded by:</b>										
National Government		260 460	428 074	-	-	-	71 346	(71 346)	-100%	428 074
Provincial Government		15 205	19 899	-	-	-	3 317	(3 317)	-100%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>275 665</b>	<b>447 973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74 662</b>	<b>(74 662)</b>	<b>-100%</b>	<b>447 973</b>
<b>Public contributions &amp; donations</b>	5	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	6	<b>62 181</b>	<b>158 268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26 378</b>	<b>(26 378)</b>	<b>-100%</b>	<b>158 268</b>
<b>Internally generated funds</b>		<b>123 864</b>	<b>120 000</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>20 000</b>	<b>(19 884)</b>	<b>-99%</b>	<b>120 000</b>
<b>Total Capital Funding</b>		<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>

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

Table C6 displays the financial position of the municipality as at 31 August 2016.

**KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M02 August**

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

Table C7 below display the Cash Flow Statement for the month ending 31 August 2016.

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

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		716 603	741 451		58 438	110 555	123 575	(13 021)	-11%	741 451
Service charges		2 227 525	2 533 370		204 331	425 121	422 228	2 893	1%	2 533 370
Other revenue		-	138 875		36 430	42 979	23 146	19 833	86%	138 875
Government - operating		519 604	489 491		1 625	181 752	81 582	100 170	123%	489 491
Government - capital		356 459	447 973		20 320	119 705	74 662	45 043	60%	447 973
Interest		120 502	107 657		1 313	40 827	17 943	22 884	128%	107 657
Dividends							-	-		-
<b>Payments</b>										
Suppliers and employees		(2 677 191)	(3 611 671)		(381 977)	(769 412)	(601 945)	167 467	-28%	(3 611 671)
Finance charges		(71 169)	(65 460)			(0)	(10 910)	(10 910)	100%	(65 460)
Transfers and Grants		(11 573)	(7 990)			(1 710)	(1 332)	379	-28%	(7 990)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 180 761</b>	<b>773 696</b>	<b>-</b>	<b>(59 521)</b>	<b>149 816</b>	<b>128 949</b>	<b>(20 867)</b>	<b>-16%</b>	<b>773 696</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
<b>Payments</b>										
Capital assets		#####	(617 305)			(116)	(102 884)	(102 769)	100%	(617 305)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(1 224 532)</b>	<b>(617 305)</b>	<b>-</b>	<b>-</b>	<b>(116)</b>	<b>(102 884)</b>	<b>(102 769)</b>	<b>100%</b>	<b>(617 305)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				8 333	(8 333)	-100%	50 000
Increase (decrease) in consumer deposits		4 370					-	-		-
<b>Payments</b>										
Repayment of borrowing		(53 739)	(67 762)		(24)	(47)	(11 294)	(11 246)	100%	(67 762)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>50 631</b>	<b>(17 762)</b>	<b>-</b>	<b>(24)</b>	<b>(47)</b>	<b>(2 960)</b>	<b>(2 913)</b>	<b>98%</b>	<b>(17 762)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>6 860</b>	<b>138 629</b>	<b>-</b>	<b>(59 545)</b>	<b>149 653</b>	<b>23 105</b>			<b>138 629</b>
Cash/cash equivalents at beginning:		827 273	912 709			976 717	912 709			976 717
Cash/cash equivalents at month/year end:		834 133	1 051 338			1 126 370	935 814			1 115 346

## Consolidated Budget Tables (With Municipal Entity: Safe City)

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

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	717 026	842 558	-	65 906	132 486	140 426	(7 940)	-6%	842 558
Service charges	2 228 636	2 878 830	-	240 890	432 072	479 805	(47 733)	-10%	2 878 830
Investment revenue	50 973	49 330	-	10	37 933	8 223	29 710	361%	49 330
Transfers recognised - operational	519 191	489 491	-	180 127	180 127	81 582	98 545	121%	489 491
Other own revenue	325 520	212 797	-	10 992	46 066	35 466	10 600	30%	212 797
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>3 841 347</b>	<b>4 473 006</b>	<b>-</b>	<b>497 925</b>	<b>828 685</b>	<b>745 502</b>	<b>83 183</b>	<b>11%</b>	<b>4 473 006</b>
Employee costs	832 495	1 040 938	-	83 883	168 162	173 490	(5 328)	-3%	1 040 938
Remuneration of Councillors	34 657	43 033	-	3 512	6 961	7 172	(211)	-3%	43 033
Depreciation & asset impairment	463 063	507 298	-	38 837	77 682	84 489	(6 806)	-8%	507 298
Finance charges	71 169	65 474	-	1	2	10 912	(10 910)	-100%	65 474
Materials and bulk purchases	1 785 315	2 118 107	-	42	281	353 006	(352 725)	-100%	2 118 107
Transfers and grants	11 995	140 526	-	20	1 750	24 721	(22 971)	-93%	140 526
Other expenditure	951 496	538 193	-	2 404	29 692	89 659	(59 967)	-67%	538 193
<b>Total Expenditure</b>	<b>4 150 192</b>	<b>4 453 569</b>	<b>-</b>	<b>128 699</b>	<b>284 530</b>	<b>743 448</b>	<b>(458 918)</b>	<b>-62%</b>	<b>4 453 569</b>
<b>Surplus/(Deficit)</b>	<b>(308 844)</b>	<b>19 436</b>	<b>-</b>	<b>369 226</b>	<b>544 154</b>	<b>2 054</b>	<b>542 101</b>	<b>26397%</b>	<b>19 436</b>
Transfers recognised - capital	356 835	447 973	-	(20)	(20)	74 569	(74 589)	-100%	447 973
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>	<b>467 512</b>	<b>610%</b>	<b>467 410</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>	<b>467 512</b>	<b>610%</b>	<b>467 410</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
Capital transfers recognised	275 665	447 973	-	-	-	37 331	(37 331)	-100%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	-	-	13 189	(13 189)	-100%	158 268
Internally generated funds	123 864	120 000	-	116	116	10 000	(9 884)	-99%	120 000
<b>Total sources of capital funds</b>	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>60 520</b>	<b>(60 404)</b>	<b>-100%</b>	<b>726 241</b>
<b>Financial position</b>									
Total current assets	1 984 966	3 135 284	-	-	-	-	-	-	3 135 284
Total non current assets	7 548 842	7 640 388	-	-	-	-	-	-	7 640 388
Total current liabilities	915 372	1 319 101	-	-	-	-	-	-	1 319 101
Total non current liabilities	1 197 150	1 255 547	-	-	-	-	-	-	1 255 547
<b>Community wealth/Equity</b>	<b>7 421 286</b>	<b>8 201 024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 201 024</b>
<b>Cash flows</b>									
Net cash from (used) operating	1 180 761	773 947	-	(60 010)	148 912	128 991	(19 920)	-15%	773 947
Net cash from (used) investing	(1 224 532)	(617 305)	-	-	(116)	(102 884)	(102 769)	100%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	(24)	(47)	(2 960)	(2 913)	98%	(17 762)
<b>Cash/cash equivalents at the month/year end</b>	<b>834 133</b>	<b>1 051 589</b>	<b>-</b>	<b>-</b>	<b>1 125 465</b>	<b>935 856</b>	<b>(189 610)</b>	<b>-20%</b>	<b>1 115 597</b>
<b>Debtors &amp; creditors analysis</b>									
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	329 564	100 251	48 985	43 616	46 535	44 205	44 313	#####	1 735 213
<b>Creditors Age Analysis</b>									
Total Creditors	547 441	2 298	38	-	125	-	-	-	549 901

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

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		1 435 170	1 542 450	-	173 160	285 160	257 075	28 085	11%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	173 153	285 148	254 712	30 436	12%	1 528 270
Corporate services		5 993	14 180	-	6	12	2 363	(2 351)	-99%	14 180
<i><b>Community and public safety</b></i>		225 653	93 565	-	1 480	2 862	15 594	(12 733)	-82%	93 565
Community and social services		71 074	52 155	-	300	722	8 693	(7 971)	-92%	52 155
Sport and recreation		24 880	885	-	55	177	147	29	20%	885
Public safety		111 819	23 347	-	551	787	3 891	(3 104)	-80%	23 347
Housing		17 809	17 144	-	574	1 176	2 857	(1 681)	-59%	17 144
Health		71	34	-	-	-	6	(6)	-100%	34
<i><b>Economic and environmental services</b></i>		235 988	435 042	-	1 788	4 149	72 507	(68 358)	-94%	435 042
Planning and development		63 074	53 331	-	1 758	4 087	8 889	(4 801)	-54%	53 331
Road transport		172 914	381 711	-	30	62	63 619	(63 557)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		2 667 551	3 426 115	-	329 907	531 613	571 019	(39 406)	-7%	3 426 115
Electricity		1 700 426	2 074 912	-	195 944	333 142	345 819	(12 677)	-4%	2 074 912
Water		660 510	1 052 569	-	100 603	143 059	175 428	(32 369)	-18%	1 052 569
Waste water management		191 593	176 288	-	18 835	32 012	29 381	2 630	9%	176 288
Waste management		115 022	122 345	-	14 525	23 400	20 391	3 009	15%	122 345
<i><b>Other</b></i>	4	34 298	31 371	-	3 519	3 520	5 229	(1 709)	-33%	31 371
<b>Total Revenue - Standard</b>	2	4 598 660	5 528 543	-	509 854	827 304	921 424	(94 120)	-10%	5 528 543
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		874 771	995 248	-	36 842	74 432	163 538	(89 106)	-54%	995 248
Executive and council		7 712	113 165	-	5 150	10 382	18 861	(8 478)	-45%	113 165
Budget and treasury office		859 050	645 336	-	19 813	40 860	107 641	(66 781)	-62%	645 336
Corporate services		8 009	236 747	-	11 879	23 189	37 035	(13 847)	-37%	236 747
<i><b>Community and public safety</b></i>		670 660	552 342	-	36 724	74 052	94 102	(20 050)	-21%	552 342
Community and social services		116 571	141 004	-	8 209	16 552	23 453	(6 901)	-29%	141 004
Sport and recreation		145 186	118 290	-	9 951	20 476	19 878	598	3%	118 290
Public safety		316 932	236 010	-	14 750	29 580	41 264	(11 684)	-28%	236 010
Housing		49 923	32 584	-	2 188	4 250	5 431	(1 180)	-22%	32 584
Health		42 048	24 453	-	1 626	3 193	4 075	(882)	-22%	24 453
<i><b>Economic and environmental services</b></i>		522 277	567 103	-	28 978	58 031	94 623	(36 592)	-39%	567 103
Planning and development		97 679	110 222	-	6 591	13 157	18 370	(5 213)	-28%	110 222
Road transport		424 597	456 881	-	22 387	44 874	76 253	(31 379)	-41%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		2 428 609	2 904 545	-	35 122	69 763	485 549	(415 786)	-86%	2 904 545
Electricity		1 512 417	1 695 915	-	14 904	29 477	283 288	(253 810)	-90%	1 695 915
Water		590 023	912 149	-	8 212	16 250	152 283	(136 033)	-89%	912 149
Waste water management		175 548	192 253	-	4 910	9 713	32 183	(22 470)	-70%	192 253
Waste management		150 620	104 227	-	7 095	14 323	17 796	(3 473)	-20%	104 227
<i><b>Other</b></i>		54 353	41 895	-	2 981	6 891	6 990	(98)	-1%	41 895
<b>Total Expenditure - Standard</b>	3	4 550 669	5 061 133	-	140 648	283 169	844 801	(561 632)	-66%	5 061 133
<b>Surplus/ (Deficit) for the year</b>		47 991	467 410	-	369 206	544 134	76 623	467 512	610%	467 410

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

Vote Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - City Manager	1	6 851	-	-	6	12	-	12	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	173 153	285 148	254 712	30 436	11.9%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	15 883	24 892	29 471	(4 578)	-15.5%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	0	2 364	(2 363)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	316 002	509 995	618 799	(108 804)	-17.6%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	4 809	7 256	16 079	(8 823)	-54.9%	96 476
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>4 621 352</b>	<b>5 528 543</b>	<b>-</b>	<b>509 854</b>	<b>827 304</b>	<b>921 424</b>	<b>(94 120)</b>	<b>-10.2%</b>	<b>5 528 543</b>
<b>Expenditure by Vote</b>										
Vote 1 - City Manager	1	12 576	142 460	-	6 859	13 845	23 788	(9 943)	-41.8%	142 460
Vote 2 - City Finance		942 905	723 311	-	22 812	46 972	120 739	(73 767)	-61.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	39 754	80 512	102 071	(21 559)	-21.1%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	10 526	20 443	33 656	(13 213)	-39.3%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	50 113	99 687	537 810	(438 124)	-81.5%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 701	-	10 583	21 711	26 737	(5 026)	-18.8%	152 701
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>4 573 361</b>	<b>5 061 133</b>	<b>-</b>	<b>140 648</b>	<b>283 169</b>	<b>844 801</b>	<b>(561 632)</b>	<b>-66.5%</b>	<b>5 061 133</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>	<b>467 512</b>	<b>610.1%</b>	<b>467 410</b>

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

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		686 819	798 728		64 346	131 294	133 121	(1 828)	-1%	798 728
Property rates - penalties & collection charges		30 207	43 830		1 560	1 193	7 305	(6 112)	-84%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		186 402	320 343	334 708	(14 365)	-4%	2 008 246
Service charges - water revenue		448 064	623 188		36 139	73 340	103 865	(30 524)	-29%	623 188
Service charges - sanitation revenue		139 629	147 839		11 559	24 655	24 640	15	0%	147 839
Service charges - refuse revenue		74 810	99 557		6 790	13 733	16 593	(2 860)	-17%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		1 755	3 840	7 302	(3 462)	-47%	43 809
Interest earned - external investments		50 973	49 330		10	37 933	8 223	29 710	361%	49 330
Interest earned - outstanding debtors		69 529	66 349		5 842	13 705	11 058	2 647	24%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		142	163	3 090	(2 926)	-95%	18 538
Licences and permits		89	92		4	9	15	(7)	-44%	92
Agency services		24 372	670		53	100	112	(11)	-10%	670
Transfers recognised - operational		519 191	489 491		180 127	180 127	81 582	98 545	121%	489 491
Other revenue		101 001	83 339		3 196	9 056	13 890	(4 834)	-35%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>3 841 347</b>	<b>4 473 006</b>	<b>-</b>	<b>497 925</b>	<b>828 685</b>	<b>745 502</b>	<b>83 183</b>	<b>11%</b>	<b>4 473 006</b>
<b>Expenditure By Type</b>										
Employee related costs		832 495	1 040 938		83 883	168 162	173 490	(5 328)	-3%	1 040 938
Remuneration of councillors		34 657	43 033		3 512	6 961	7 172	(211)	-3%	43 033
Debt impairment		222 110	120 815		-	-	20 136	(20 136)	-100%	120 815
Depreciation & asset impairment		463 063	507 298		38 837	77 682	84 489	(6 806)	-8%	507 298
Finance charges		71 169	65 474		1	2	10 912	(10 910)	-100%	65 474
Bulk purchases		1 586 802	1 936 708		-	200	322 785	(322 584)	-100%	1 936 708
Other materials		198 513	181 399		42	81	30 221	(30 140)	-100%	181 399
Contracted services		110 072	35 408		29	76	5 895	(5 819)	-99%	35 408
Transfers and grants		11 995	140 526		20	1 750	24 721	(22 971)	-93%	140 526
Other expenditure		618 857	381 970		2 375	10 423	63 628	(53 204)	-84%	381 970
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
<b>Total Expenditure</b>		<b>4 150 192</b>	<b>4 453 569</b>	<b>-</b>	<b>128 699</b>	<b>284 530</b>	<b>743 448</b>	<b>(458 918)</b>	<b>-62%</b>	<b>4 453 569</b>
<b>Surplus/(Deficit)</b>		<b>(308 844)</b>	<b>19 436</b>	<b>-</b>	<b>369 226</b>	<b>544 154</b>	<b>2 054</b>	<b>542 101</b>	<b>0</b>	<b>19 436</b>
Transfers recognised - capital		356 835	447 973		(20)	(20)	74 569	(74 589)	(0)	447 973
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>			<b>467 410</b>
Taxation		-	-		-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>			<b>467 410</b>
Attributable to minorities		-	-		-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>			<b>467 410</b>
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>47 991</b>	<b>467 410</b>	<b>-</b>	<b>369 206</b>	<b>544 134</b>	<b>76 623</b>			<b>467 410</b>



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

Vote Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - City Manager		6 411	5 250	-	-	-	875	(875)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	116	116	4 155	(4 039)	-97%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	-	-	8 617	(8 617)	-100%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	998	(998)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	-	-	91 012	(91 012)	-100%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	-	-	10 591	(10 591)	-100%	63 544
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>384 493</b>	<b>697 480</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>116 247</b>	<b>(116 131)</b>	<b>-100%</b>	<b>697 480</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - City Manager		763	500	-	-	-	83	(83)	-100%	500
Vote 2 - City Finance		31 896	782	-	-	-	130	(130)	-100%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	-	-	3 261	(3 261)	-100%	19 565
Vote 4 - Corporate Services		6 460	527	-	-	-	88	(88)	-100%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	-	-	598	(598)	-100%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	633	(633)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>77 217</b>	<b>28 761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 794</b>	<b>(4 794)</b>	<b>-100%</b>	<b>28 761</b>
<b>Total Capital Expenditure</b>		<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>121 040</b>	<b>(120 925)</b>	<b>-100%</b>	<b>726 241</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>50 466</b>	<b>37 971</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>3 164</b>	<b>(3 049)</b>	<b>-96%</b>	<b>37 971</b>
Executive and council		7 174	5 750	-	-	-	479	(479)	-100%	5 750
Budget and treasury office		36 832	25 710	-	116	116	2 142	(2 027)	-95%	25 710
Corporate services		6 460	6 512	-	-	-	543	(543)	-100%	6 512
<b>Community and public safety</b>		<b>52 921</b>	<b>103 238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8 603</b>	<b>(8 603)</b>	<b>-100%</b>	<b>103 238</b>
Community and social services		4 763	32 740	-	-	-	2 728	(2 728)	-100%	32 740
Sport and recreation		39 271	31 425	-	-	-	2 619	(2 619)	-100%	31 425
Public safety		3 022	3 640	-	-	-	303	(303)	-100%	3 640
Housing		5 864	35 434	-	-	-	2 953	(2 953)	-100%	35 434
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>151 576</b>	<b>293 680</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 473</b>	<b>(24 473)</b>	<b>-100%</b>	<b>293 680</b>
Planning and development		23 039	31 908	-	-	-	2 659	(2 659)	-100%	31 908
Road transport		126 943	260 312	-	-	-	21 693	(21 693)	-100%	260 312
Environmental protection		1 594	1 460	-	-	-	122	(122)	-100%	1 460
<b>Trading services</b>		<b>204 390</b>	<b>291 352</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24 279</b>	<b>(24 279)</b>	<b>-100%</b>	<b>291 352</b>
Electricity		97 937	190 721	-	-	-	15 893	(15 893)	-100%	190 721
Water		65 591	58 728	-	-	-	4 894	(4 894)	-100%	58 728
Waste water management		37 404	31 403	-	-	-	2 617	(2 617)	-100%	31 403
Waste management		3 457	10 500	-	-	-	875	(875)	-100%	10 500
<b>Other</b>		<b>2 357</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>60 520</b>	<b>(60 404)</b>	<b>-100%</b>	<b>726 241</b>
<b>Funded by:</b>										
National Government		260 460	428 074	-	-	-	35 673	(35 673)	-100%	428 074
Provincial Government		15 205	19 899	-	-	-	1 658	(1 658)	-100%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		<b>275 665</b>	<b>447 973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37 331</b>	<b>(37 331)</b>	<b>-100%</b>	<b>447 973</b>
<b>Public contributions &amp; donations</b>	5	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Borrowing</b>	6	<b>62 181</b>	<b>158 268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 189</b>	<b>(13 189)</b>	<b>-100%</b>	<b>158 268</b>
<b>Internally generated funds</b>		<b>123 864</b>	<b>120 000</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>10 000</b>	<b>(9 884)</b>	<b>-99%</b>	<b>120 000</b>
<b>Total Capital Funding</b>		<b>461 711</b>	<b>726 241</b>	<b>-</b>	<b>116</b>	<b>116</b>	<b>60 520</b>	<b>(60 404)</b>	<b>-100%</b>	<b>726 241</b>

**KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M02 August**

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

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

Description	Ref	Budget Year 2016/17								
		2015/16	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full Year
R thousands	1	Audited	Budget	Budget	actual	actual	budget	variance	variance	Forecast
		Outcome							%	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		716 603	741 451		58 438	110 555	123 575	(13 021)	-11%	741 451
Service charges		2 227 525	2 533 370		204 331	425 121	422 228	2 893	1%	2 533 370
Other revenue		-	138 875		36 430	42 979	23 146	19 833	86%	138 875
Government - operating		519 604	489 491		1 625	181 752	81 582	100 170	123%	489 491
Government - capital		356 459	447 973		20 320	119 705	74 662	45 043	60%	447 973
Interest		120 502	107 717		1 323	40 842	17 953	22 889	127%	107 717
Dividends			-				-	-		-
<b>Payments</b>										
Suppliers and employees		(2 677 191)	(3 619 264)		(382 475)	(770 330)	(603 211)	167 119	-28%	(3 619 264)
Finance charges		(71 169)	(65 474)		(1)	(2)	(10 912)	(10 910)	100%	(65 474)
Transfers and Grants		(11 573)	(191)			(1 710)	(32)	1 678	-5260%	(191)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 180 761</b>	<b>773 947</b>	<b>-</b>	<b>(60 010)</b>	<b>148 912</b>	<b>128 991</b>	<b>(19 920)</b>	<b>-15%</b>	<b>773 947</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
<b>Payments</b>										
Capital assets		#####	(617 305)			(116)	(102 884)	(102 769)	100%	(617 305)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(1 224 532)</b>	<b>(617 305)</b>	<b>-</b>	<b>-</b>	<b>(116)</b>	<b>(102 884)</b>	<b>(102 769)</b>	<b>100%</b>	<b>(617 305)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				8 333	(8 333)	-100%	50 000
Increase (decrease) in consumer deposits		4 370					-	-		-
<b>Payments</b>										
Repayment of borrowing		(53 739)	(67 762)		(24)	(47)	(11 294)	(11 246)	100%	(67 762)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>50 631</b>	<b>(17 762)</b>	<b>-</b>	<b>(24)</b>	<b>(47)</b>	<b>(2 960)</b>	<b>(2 913)</b>	<b>98%</b>	<b>(17 762)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>6 860</b>	<b>138 880</b>	<b>-</b>	<b>(60 034)</b>	<b>148 748</b>	<b>23 147</b>			<b>138 880</b>
Cash/cash equivalents at beginning:		827 273	912 709			976 717	912 709			976 717
Cash/cash equivalents at month/year end:		834 133	1 051 589			1 125 465	935 856			1 115 597

## 1 PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

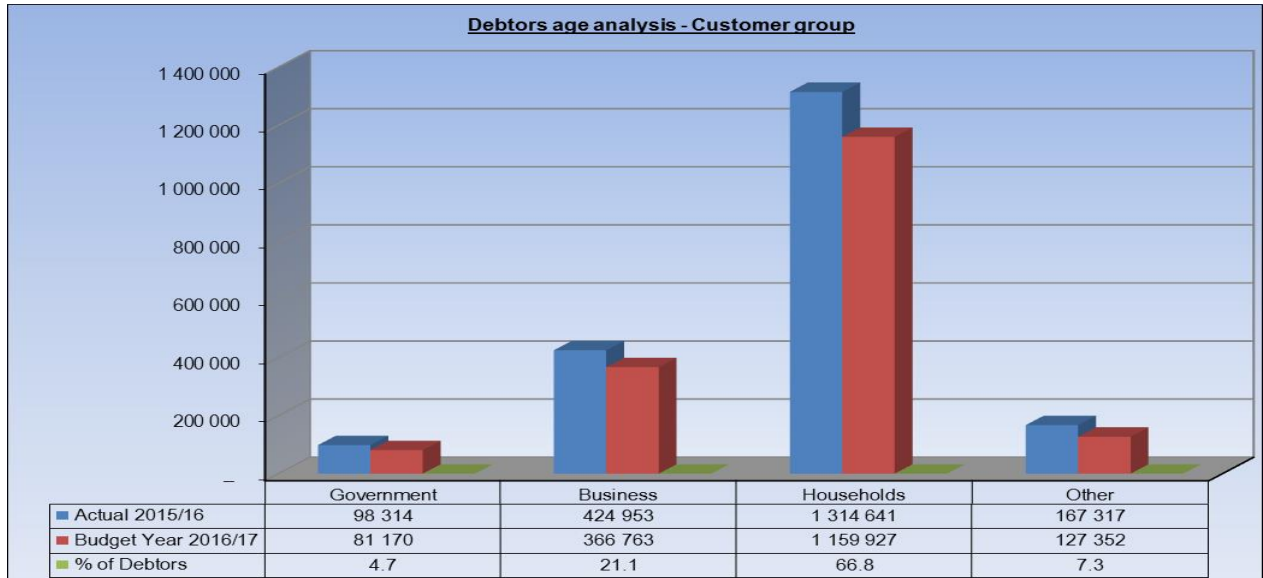
The table presented below summarises the Debtors Age Analysis as at 31 August 2016.

**Table 2.1.1: Debtors Age Analysis by Income Source**

**KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August**

Description	NT Code	Budget Year 2016/17									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	47 651	21 587	17 299	17 092	17 015	17 336	17 268	353 357	508 605	422 068		136 991
Trade and Other Receivables from Exchange Transactions - Electricity	1300	205 254	38 408	7 150	4 956	4 303	4 256	4 082	50 570	318 978	68 166		18 410
Receivables from Non-exchange Transactions - Property Rates	1400	62 010	22 006	9 709	8 916	9 444	7 402	7 073	225 708	352 269	258 543		124 405
Receivables from Exchange Transactions - Waste Water Management	1500	11 116	4 774	3 833	2 680	3 002	2 983	2 757	66 742	97 889	78 166		29 246
Receivables from Exchange Transactions - Waste Management	1600	7 223	2 722	1 679	1 608	1 537	1 509	1 484	34 470	52 232	40 609		14 694
Receivables from Exchange Transactions - Property Rental Debtors	1700	635	555	540	529	525	515	512	20 802	24 613	22 883		13 759
Interest on Arrear Debtor Accounts	1810	9 173	9 966	8 796	8 822	8 588	8 396	8 170	216 705	278 615	250 681		115 207
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	(13 497)	234	(22)	(988)	2 121	1 808	2 966	109 389	102 012	115 297		48 022
<b>Total By Income Source</b>	<b>2000</b>	<b>329 564</b>	<b>100 251</b>	<b>48 985</b>	<b>43 616</b>	<b>46 535</b>	<b>44 205</b>	<b>44 313</b>	<b>1 077 745</b>	<b>1 735 213</b>	<b>1 256 413</b>	<b>-</b>	<b>500 734</b>
<b>2015/16 - totals only</b>		<b>280 203</b>	<b>156 369</b>	<b>71 977</b>	<b>53 536</b>	<b>51 472</b>	<b>40 275</b>	<b>38 696</b>	<b>1 169 735</b>	<b>1 862 262</b>	<b>1 353 713</b>		<b>725 491</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	18 191	7 649	3 632	2 069	2 075	2 030	1 861	43 663	81 170	51 699		33 793
Commercial	2300	180 708	35 716	8 091	6 142	7 741	5 644	6 323	116 398	366 763	142 248		55 007
Households	2400	124 363	52 133	34 654	32 777	34 185	33 827	33 693	814 295	1 159 927	948 776		359 305
Other	2500	6 302	4 752	2 608	2 628	2 534	2 703	2 436	103 388	127 352	113 690		52 628
<b>Total By Customer Group</b>	<b>2600</b>	<b>329 564</b>	<b>100 251</b>	<b>48 985</b>	<b>43 616</b>	<b>46 535</b>	<b>44 205</b>	<b>44 313</b>	<b>1 077 745</b>	<b>1 735 213</b>	<b>1 256 413</b>	<b>-</b>	<b>500 734</b>

**Chart 1: Debtors Age Analysis By Customer Group**

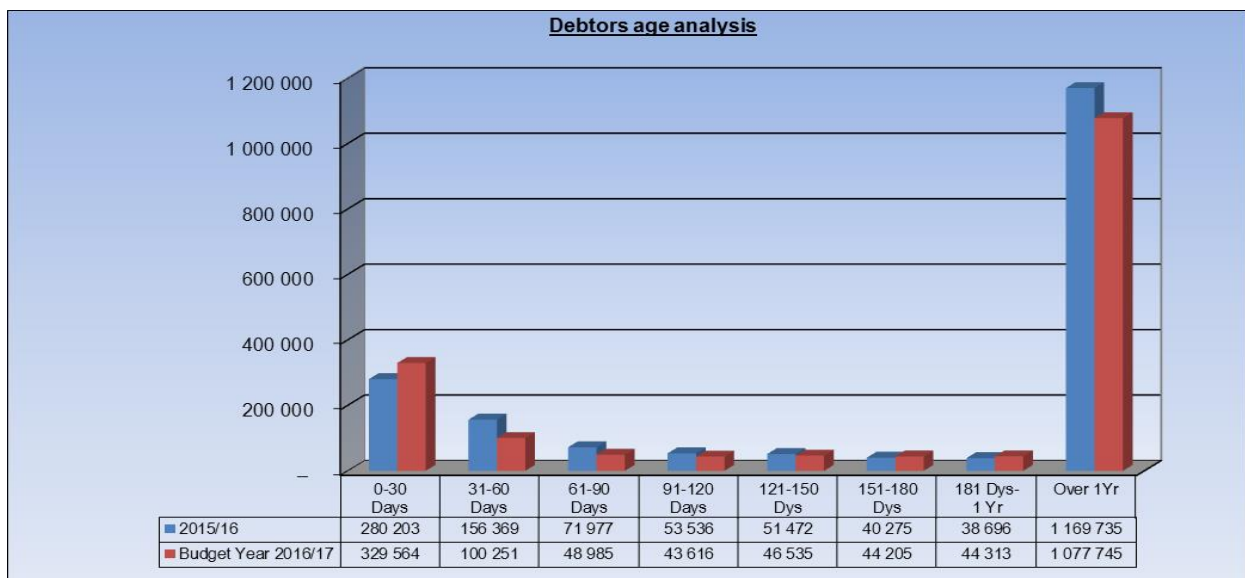


The information presented in the chart above reflects a decrease in the outstanding debtor's balances as at 31 August 2016 of R 218.6 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 73 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 67% of the total municipal debt as detailed below:

- ✓ Households            67%
- ✓ Commercial         21%
- ✓ Other                    7%
- ✓ Organs of State      5%

**Chart 2: Year on Year Debtors Age Analysis**



## 2.2 Creditors Analysis

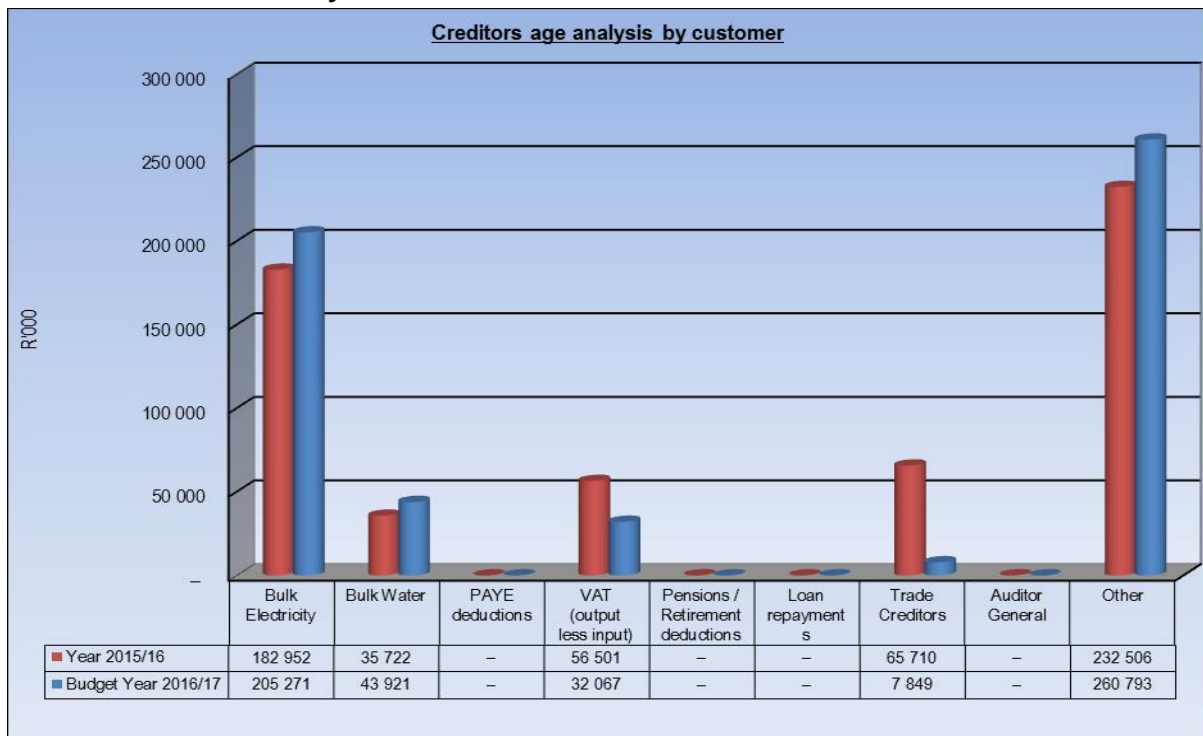
Table SC 4 below presents the aged creditors as at 31 August 2016

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2016/17								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	205 271	-	-	-	-	-	-	-	205 271	182 952
Bulk Water	0200	43 921	-	-	-	-	-	-	-	43 921	35 722
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	32 067	-	-	-	-	-	-	-	32 067	56 501
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	5 389	2 298	38	-	125	-	-	-	7 849	65 710
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	260 793	-	-	-	-	-	-	-	260 793	232 506
<b>Total By Customer Type</b>	<b>1000</b>	<b>547 441</b>	<b>2 298</b>	<b>38</b>	<b>-</b>	<b>125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>549 901</b>	<b>573 392</b>

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

**Chart 3: Creditors Analysis**



## 2.3 Investment Portfolio Analysis

The following information presents the short term investments balances broken down per investment type as at 31 August 2016.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio							M02 August 2016		
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month R thousands
R thousands		Yrs/Months							
<b>Municipality</b>									
Fixed - ABSA - Call		Call	Call	on call					27 404
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Fixed - FNB - Various		Various							647 162
Standard Bank		3 months							210 000
<b>Municipality sub-total</b>					-		-	-	1 042 884

The total consolidated investment balances as at 31 August 2016 was R 1.043 billion.

## 2.4 Allocation and Grant receipts and Expenditure

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

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

M02 August 2016

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>		<b>475 432</b>	<b>455 827</b>	<b>-</b>	<b>181 752</b>	<b>75 971</b>	<b>105 781</b>	<b>139.2%</b>	<b>455 827</b>
Local Government Equitable Share		373 541	432 307		180 127	72 051	108 076	150.0%	432 307
Finance Management		1 600	1 625		1 625	271	1 354	500.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809			1 135	(1 135)	-100.0%	6 809
Energy Efficiency and Demand Management		-	8 000			1 333	(1 333)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			1 181	(1 181)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
<b>Provincial Government:</b>		<b>43 759</b>	<b>10 786</b>	<b>-</b>	<b>-</b>	<b>1 798</b>	<b>(1 798)</b>	<b>-100.0%</b>	<b>10 786</b>
Health subsidy		-	-			-	-		-
Provincial Government	3	-	-			-	-		-
Expanded Public Works Grant		-	-			-	-		-
Sport and Recreation	60	-	-			-	-		-
Health		-	-			-	-		-
Human Settlements	16 413	-	-			-	-		-
Public Works	-	-	-			-	-		-
Arts and Culture- Community Library Services	10 347	581	-			97	(97)	-100.0%	581
Arts and Culture- Provincialisation	16 201	9 805	-			1 634	(1 634)	-100.0%	9 805
Arts and Culture-Museum Subsidies	478	400	-			67	(67)	-100.0%	400
COGTA	257	-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other grant providers:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-			-	-		-
<b>Total Operating Transfers and Grants</b>	<b>5</b>	<b>519 191</b>	<b>466 613</b>	<b>-</b>	<b>181 752</b>	<b>77 769</b>	<b>103 983</b>	<b>133.7%</b>	<b>466 613</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>		<b>289 651</b>	<b>450 393</b>	<b>-</b>	<b>119 705</b>	<b>75 065</b>	<b>44 640</b>	<b>59.5%</b>	<b>450 393</b>
Municipal Infrastructure Grant (MIG)		157 065	183 531		49 000	30 588	18 412	60.2%	183 531
Public Transport and Systems		20 634	200 031		37 349	33 339	4 011	12.0%	200 031
Neighbourhood Development Partnership		20 195	22 110		18 300	3 685	14 615	396.6%	22 110
Dept of Mineral/Electricity		9 188	-		4 040	-	4 040	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			1 333	(1 333)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		11 016	6 120	4 896	0.0%	36 721
		-	-			-	-	0.0%	-
<b>Provincial Government:</b>		<b>66 807</b>	<b>19 899</b>	<b>-</b>	<b>-</b>	<b>3 317</b>	<b>(3 317)</b>	<b>0.0%</b>	<b>19 899</b>
Airport Development Project		-	-			-	-	0.0%	-
Sport and Recreation	80	-	-			-	-	0.0%	-
Corridor Development		-	-			-	-		-
KZNPA	5 182	9 510	-			1 585	(1 585)	-100.0%	9 510
Arts and Culture-Museum Subsidies	8 865	-	-			-	-	0.0%	-
COGTA	18 016	10 389	-			1 732	(1 732)	-100.0%	10 389
Human Settlement	25 032	-	-			-	-		-
Municipal Water Infrastructure	9 631	-	-			-	-	0.0%	-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other grant providers:</b>		<b>413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Developer Contribution		413	-			-	-		-
<b>Total Capital Transfers and Grants</b>	<b>5</b>	<b>356 872</b>	<b>470 292</b>	<b>-</b>	<b>119 705</b>	<b>78 382</b>	<b>41 323</b>	<b>52.7%</b>	<b>470 292</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>5</b>	<b>876 063</b>	<b>936 905</b>	<b>-</b>	<b>301 457</b>	<b>156 151</b>	<b>145 306</b>	<b>93.1%</b>	<b>936 905</b>



**Capital and Operating grants:** While the budgeted full year grant expenditure budget is R 936.9 million, the actual YTD Capital grant expenditure incurred amounted to R 0.4 million resulting in underperformance of 100% of the YTD capital grants budget of R 77.9 million.

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

M02 August 2016

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>		<b>475 432</b>	<b>455 827</b>	<b>-</b>	<b>-</b>	<b>75 971</b>	<b>(75 971)</b>	<b>-100.0%</b>	<b>455 827</b>
Local Government Equitable Share		373 541	432 307			72 051	(72 051)	-100.0%	432 307
Finance Management		1 600	1 625			271	(271)	-100.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809			1 135	(1 135)	-100.0%	6 809
Energy Efficiency and Demand Management		-	8 000			1 333	(1 333)	-100.0%	8 000
Water Services Operating Subsidy		1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			1 181	(1 181)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
<b>Provincial Government:</b>		<b>43 759</b>	<b>10 786</b>	<b>-</b>	<b>-</b>	<b>1 798</b>	<b>(1 798)</b>	<b>-100.0%</b>	<b>10 786</b>
Health subsidy		-	-			-	-		-
Provincial Government		3	-			-	-		-
Expanded Public Works Grant		-	-			-	-		-
Sport and Recreation		60	-			-	-		-
Health		-	-			-	-		-
Human Settlements		16 413	-			-	-		-
Public Works		-	-			-	-		-
Arts and Culture- Community Library Services		10 347	581			97	(97)	-100.0%	581
DWAF		16 201	9 805	-		1 634	(1 634)	-100.0%	9 805
Cogla		478	400	-		67	(67)	-100.0%	400
Sport And Recreation		257	-			-	-		-
<b>District Municipality:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
[insert description]		-	-			-	-		-
<b>Total operating expenditure of Transfers and Grants:</b>		<b>519 191</b>	<b>466 613</b>	<b>-</b>	<b>-</b>	<b>77 769</b>	<b>(77 769)</b>	<b>-100.0%</b>	<b>466 613</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>		<b>289 651</b>	<b>450 393</b>	<b>-</b>	<b>463</b>	<b>75 065</b>	<b>(74 603)</b>	<b>-99.4%</b>	<b>450 393</b>
Municipal Infrastructure Grant (MIG)		157 065	183 531			30 588	(30 588)	-100.0%	183 531
Public Transport and Systems		20 634	200 031			33 339	(33 339)	-100.0%	200 031
Neighbourhood Development Partnership		20 195	22 110			3 685	(3 685)	-100.0%	22 110
Dept of Mineral/Electricity		9 188	-			-	-		-
Intergrated National Electrification Programme		82 151	8 000			1 333	(1 333)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721			6 120	(6 120)		36 721
Library		-	-		463	-	463	#DIV/0!	-
<b>Provincial Government:</b>		<b>66 807</b>	<b>19 899</b>	<b>-</b>	<b>-</b>	<b>3 317</b>	<b>(3 317)</b>	<b>-</b>	<b>19 899</b>
Airport Development Project		-	-			-	-		-
Sport and Recreation		80	-			-	-		-
Corridor Development		-	-			-	-		-
Arts and Culture-Museum Subsidies		8 865	-			-	-		-
COGTA		18 016	10 389	-		1 732	(1 732)	-100.0%	10 389
Human Settlement		25 032	-			-	-		-
Municipal Water Infrastructure		9 631	-			-	-		-
<b>Other grant providers:</b>		<b>413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Developer Contribution		413	-			-	-		-
		-	-			-	-		-
<b>Total capital expenditure of Transfers and Grants</b>		<b>356 872</b>	<b>470 292</b>	<b>-</b>	<b>463</b>	<b>78 382</b>	<b>(77 919)</b>	<b>-99.4%</b>	<b>470 292</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>876 063</b>	<b>936 905</b>	<b>-</b>	<b>463</b>	<b>156 151</b>	<b>(155 688)</b>	<b>-99.7%</b>	<b>936 905</b>

## 2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C					D	
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		31 389	28 637		2 864	5 138	4 773	366	8%	28 637
Pension and UIF Contributions		253	3 614		314	601	602	(1)	0%	3 614
Medical Aid Contributions		2 287	1 416		104	216	236	(20)	-8%	1 416
Motor Vehicle Allowance		528	7 292		492	1 074	1 215	(141)	-12%	7 292
Cellphone Allowance		133	2 034		137	268	339	(71)	-21%	2 034
Housing Allowances		10	41		5	9	7	2	26%	41
Other benefits and allowances		58			23	72		72	#DIV/0!	
<b>Sub Total - Councillors</b>		<b>34 657</b>	<b>43 034</b>	<b>-</b>	<b>3 938</b>	<b>7 379</b>	<b>7 172</b>	<b>206</b>	<b>3%</b>	<b>43 034</b>
<b>% increase</b>	4		<b>24.2%</b>							<b>24.2%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		5 651	6 102		755	1 510	1 017	493	48%	6 102
Pension and UIF Contributions		798	511		90	315	85	230	270%	511
Medical Aid Contributions		-	60		19	25	10	15	152%	60
Overtime		-			-	-	-	-		-
Performance Bonus		210	382		-	-	64	(64)	-100%	382
Motor Vehicle Allowance		762	818		95	191	136	55	40%	818
Cellphone Allowance		-	100		10	20	17	3	18%	100
Housing Allowances		98	142		83	165	24	142	598%	142
Other benefits and allowances		38	509		0	0	85	(84)	-100%	509
Payments in lieu of leave		-			-	-	-	-		-
Long service awards		-			-	-	-	-		-
Post-retirement benefit obligations		-			-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>7 558</b>	<b>8 624</b>	<b>-</b>	<b>1 052</b>	<b>2 226</b>	<b>1 437</b>	<b>789</b>	<b>55%</b>	<b>8 624</b>
<b>% increase</b>	4		<b>14.1%</b>							<b>14.1%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		504 910	698 784		50 545	116 503	116 464	39	0%	698 784
Pension and UIF Contributions		112 428	134 410		7 374	14 869	22 402	(7 532)	-34%	134 410
Medical Aid Contributions		40 020	46 584		3 633	7 261	7 764	(503)	-6%	46 584
Overtime		38 448	51 413		1 808	3 989	8 569	(4 580)	-53%	51 413
Performance Bonus		-			51	111	-	111	#DIV/0!	-
Motor Vehicle Allowance		12 324	14 308		1 201	2 410	2 385	26	1%	14 308
Cellphone Allowance		2 340	2 843		219	455	474	(19)	-4%	2 843
Housing Allowances		3 108	4 323		420	840	721	120	17%	4 323
Other benefits and allowances		96 672	49 944		7 147	14 753	8 324	6 429	77%	49 944
Payments in lieu of leave		2 280			617	859	-	859	#DIV/0!	-
Long service awards		12 444	18 100		1 361	2 734	3 017	(283)	-9%	18 100
Post-retirement benefit obligations		-			-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>824 974</b>	<b>1 020 709</b>	<b>-</b>	<b>74 377</b>	<b>164 784</b>	<b>170 118</b>	<b>(5 334)</b>	<b>-3%</b>	<b>1 020 709</b>
<b>% increase</b>	4		<b>23.7%</b>							<b>23.7%</b>
<b>Total Parent Municipality</b>		<b>867 189</b>	<b>1 072 367</b>	<b>-</b>	<b>79 367</b>	<b>174 389</b>	<b>178 728</b>	<b>(4 339)</b>	<b>-2%</b>	<b>1 072 367</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Sub Total - Board Members of Entities</b>	2	-	-	-	-	-	-	-	-	-
<b>% increase</b>	4									
<b>Senior Managers of Entities</b>										
Basic Salaries and Wages		329	442		33	66	74	(8)	-10%	442
Pension and UIF Contributions		-			-	-	-	-		-
Medical Aid Contributions		12	15		2	3	3	1	20%	15
Overtime		18			-	-	-	-		-
Performance Bonus		6	6		-	-	1	(1)	-100%	6
Motor Vehicle Allowance		-	19		2	3	3	(0)	-5%	19
Cellphone Allowance		4	4		-	1	1	0	50%	4
Housing Allowances		-			-	-	-	-		-
Other benefits and allowances		-			-	-	-	-		-
Payments in lieu of leave		-			-	-	-	-		-
Long service awards		-			-	-	-	-		-
Post-retirement benefit obligations		-			-	-	-	-		-
<b>Sub Total - Senior Managers of Entities</b>		<b>369</b>	<b>486</b>	<b>-</b>	<b>37</b>	<b>73</b>	<b>81</b>	<b>(8)</b>	<b>-10%</b>	<b>486</b>
<b>% increase</b>	4		<b>31.7%</b>							<b>31.7%</b>
<b>Other Staff of Entities</b>										
Basic Salaries and Wages		2 259	2 969		223	431	495	(64)	-13%	2 969
Pension and UIF Contributions		154	209		18	36	35	1	3%	209
Medical Aid Contributions		389	586		28	55	98	(43)	-44%	586
Overtime		416	597		41	79	100	(21)	-21%	597
Performance Bonus		22	27		-	-	5	(5)	-100%	27
Motor Vehicle Allowance		56	69		5	11	12	(1)	-4%	69
Cellphone Allowance		11	12		1	2	2	-		12
Housing Allowances		-			-	-	-	-		-
Other benefits and allowances		219	288		21	46	48	(2)	-4%	288
Payments in lieu of leave		-			-	-	-	-		-
Long service awards		-			-	-	-	-		-
Post-retirement benefit obligations		-			-	-	-	-		-
<b>Sub Total - Other Staff of Entities</b>		<b>3 526</b>	<b>4 757</b>	<b>-</b>	<b>337</b>	<b>660</b>	<b>793</b>	<b>(133)</b>	<b>-17%</b>	<b>4 757</b>
<b>% increase</b>	4		<b>34.9%</b>							<b>34.9%</b>
<b>Total Municipal Entities</b>		<b>3 895</b>	<b>5 243</b>	<b>-</b>	<b>374</b>	<b>733</b>	<b>874</b>	<b>(141)</b>	<b>-16%</b>	<b>5 243</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>871 084</b>	<b>1 077 610</b>	<b>-</b>	<b>79 741</b>	<b>175 122</b>	<b>179 602</b>	<b>(4 480)</b>	<b>-2%</b>	<b>1 077 610</b>
<b>% increase</b>	4		<b>23.7%</b>							<b>23.7%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>836 427</b>	<b>1 034 576</b>	<b>-</b>	<b>75 803</b>	<b>167 743</b>	<b>172 429</b>	<b>(4 686)</b>	<b>-3%</b>	<b>1 034 576</b>

## **Councillor Allowances**

The expenditure on councillor allowances as at 31 August 2016 was under spent by 3%. The year to date budget for Remuneration of Councillor's is R 7.17 million while the actual expenditure incurred was R 6.96 million resulting in 96% YTD expenditure performance.

## **Employee Benefits**

The total consolidated salaries expenditure for 31 August 2016 was R 168.1 million, against the budget of R 173.4 million, resulting in a slight underperformance.

## **Board Member Fees – Safe City**

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

The detailed staff benefits report is contained in the s66 report

## 2.6 Material Variances to the SDBIP

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

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

## 2.6.1 Monthly Cash Projections

Table SC9 presents the actual cash flows for the period ending 31 August 2016 and the monthly forecast till year end. The first table mainly presents cash inflows, while the next the page presents mainly outflows.

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts														MO2 August 2016		
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
<b>Cash Receipts By Source</b>																
Property rates		51 006	57 401	59 905	59 905	59 905	59 905	59 905	59 905	59 905	59 905	58 573	45 261	702 880	745 053	789 756
Property rates - penalties & collection charges		1 111	1 036	3 287	3 287	3 287	3 287	3 287	3 287	3 287	3 287	3 214	2 484	38 570	40 885	43 338
Service charges - electricity revenue		174 573	154 895	151 122	151 122	151 122	151 122	151 122	151 122	151 122	151 122	147 271	108 763	1 767 256	1 902 275	2 047 608
Service charges - water revenue		30 590	32 291	38 020	38 020	38 020	38 020	38 020	38 020	38 020	38 020	45 700	122 500	548 405	609 553	677 518
Service charges - sanitation revenue		9 674	10 604	11 088	11 088	11 088	11 088	11 088	11 088	11 088	11 088	10 842	8 378	130 099	137 904	146 179
Service charges - refuse		5 954	6 541	7 467	7 467	7 467	7 467	7 467	7 467	7 467	7 467	7 301	5 642	87 610	92 867	98 439
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 195	1 412	3 286	3 286	3 286	3 286	3 286	3 286	3 286	3 286	3 213	2 482	38 552	38 044	39 946
Interest earned - external investments		39 515	1 313	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	49 270	52 177	55 204
Interest earned - outstanding debtors		1 061	910	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 866	3 760	58 387	61 890	65 604
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		347	427	1 390	1 390	1 390	1 390	1 390	1 390	1 390	1 390	1 359	1 051	16 313	17 185	17 639
Licences and permits		6	5	7	7	7	7	7	7	7	7	7	5	81	85	90
Agency services		0	0	50	50	50	50	50	50	50	50	49	38	590	619	650
Transfer receipts - operating		180 127	1 625	38 884	38 884	38 884	38 884	38 884	38 884	38 884	38 884	40 791	59 856	489 491	530 153	579 871
Other revenue		2 929	33 405	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 945	13 036	83 339	87 417	91 776
<b>Cash Receipts by Source</b>		<b>498 087</b>	<b>301 865</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>329 925</b>	<b>334 237</b>	<b>377 361</b>	<b>4 010 844</b>	<b>4 316 107</b>	<b>4 653 617</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		99 385	20 320	38 957	38 957	38 957	38 957	38 957	38 957	38 957	38 957	37 331	21 076	447 973	460 223	521 989
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	50 000	-	-	-	-	-	50 000	120 000	120 000
Increase in consumer deposits		1 011	272	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>598 483</b>	<b>322 456</b>	<b>368 881</b>	<b>368 881</b>	<b>368 881</b>	<b>368 881</b>	<b>418 881</b>	<b>368 881</b>	<b>368 881</b>	<b>368 881</b>	<b>371 568</b>	<b>398 437</b>	<b>4 508 817</b>	<b>4 896 330</b>	<b>5 295 606</b>

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash payments														Medium Term Revenue and Expenditure Framework		
Description	Ref	Budget Year 2016/17												Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
<b>Cash Payments by Type</b>																
Employee related costs		83 964	83 807	85 722	85 722	85 722	85 722	85 722	85 722	85 722	85 722	86 305	92 130	1 035 660	1 095 614	1 159 201
Remuneration of councillors		3 441	3 441	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 586	2 037	43 033	45 615	48 352
Interest paid		-	0	16 251	-	-	17 678	-	-	14 956	-	-	16 576	65 460	58 249	49 568
Bulk purchases - Electricity		182 952	205 250	117 565	117 565	117 565	117 565	117 565	117 565	117 565	117 565	117 413	115 889	1 408 955	1 519 699	1 639 148
Bulk purchases - Water & Sewer		35 837	43 600	35 650	35 650	35 650	35 650	35 650	35 650	35 650	35 650	43 979	127 269	527 753	586 597	652 003
Other materials		1 140	137	16 786	16 786	16 786	16 786	16 786	16 786	16 786	16 786	15 070	(2 085)	180 842	204 864	216 029
Contracted services		651	18 766	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	35 108	45 274	47 548
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		1 710	-	650	650	650	650	650	650	650	650	666	825	7 990	8 603	9 265
General expenses		79 450	26 976	22 883	22 883	22 883	22 883	22 883	22 883	22 883	22 883	31 693	119 794	380 320	345 821	284 450
<b>Cash Payments by Type</b>		<b>389 146</b>	<b>381 977</b>	<b>302 174</b>	<b>285 924</b>	<b>285 924</b>	<b>303 601</b>	<b>285 924</b>	<b>285 924</b>	<b>300 880</b>	<b>285 924</b>	<b>301 638</b>	<b>475 362</b>	<b>3 685 121</b>	<b>3 910 336</b>	<b>4 105 563</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		116	-	39 191	39 191	39 191	39 191	39 191	39 191	39 191	39 191	51 442	173 953	617 305	867 636	983 155
Repayment of borrowing		24	24	18 675	-	-	14 397	-	-	19 607	-	-	15 083	67 762	73 307	77 156
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>389 285</b>	<b>382 001</b>	<b>360 041</b>	<b>325 115</b>	<b>325 115</b>	<b>357 189</b>	<b>325 115</b>	<b>325 115</b>	<b>359 678</b>	<b>325 115</b>	<b>353 081</b>	<b>664 398</b>	<b>4 370 188</b>	<b>4 851 279</b>	<b>5 165 874</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>209 198</b>	<b>(59 545)</b>	<b>8 841</b>	<b>43 767</b>	<b>43 767</b>	<b>11 692</b>	<b>93 767</b>	<b>43 767</b>	<b>9 203</b>	<b>43 767</b>	<b>18 488</b>	<b>(265 961)</b>	<b>138 629</b>	<b>45 051</b>	<b>129 732</b>
Cash/cash equivalents at the month/year beginning:		976 717	1 185 914	1 126 370	1 135 210	1 178 977	1 222 743	1 234 436	1 328 202	1 371 969	1 381 172	1 424 939	1 443 427	976 717	1 115 346	1 160 397
Cash/cash equivalents at the month/year end:		1 185 914	1 126 370	1 135 210	1 178 977	1 222 743	1 234 436	1 328 202	1 371 969	1 381 172	1 424 939	1 443 427	1 177 466	1 115 346	1 160 397	1 290 129

## 2.6.2 Material Variances: Financial Indicators

225 Msunduzi - Supporting Table SC1 Material variance explanations			M02 August 2016
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>R thousands</b>			
<b>Revenue By Source</b>			
Agency services	-10%	This is based on the customer usage for fire services to the District municipality	
Other revenue	-35%	This is a user driven resource	
Rental of facilities and equipment	-47%	This is a user driven resource	
Licences and permits	-44%	This is a user driven resource	
Interest earned - external investments	362%	This is would smooth out during the year	
Transfers recognised - operational	121%	This is would smooth out during the year	
Interest earned - outstanding debtors	24%	This is would smooth out during the year	
<b>Expenditure By Type</b>			
Debt impairment	100%	This is an annulised year end entry	
Other materials	100%	This is a seasonal category and will smooth out during the year	
Contracted services	99%	This is a seasonal category and will smooth out during the year	
Transfers and grants	93%	These are quarterly payments, the under-performance would smooth out during the year	
Finance charges	100%	This over-performance would smooth out during the	
Bulk purchases	100%	This is would smooth out during the year	
Depreciation & asset impairment	8%	This is an annulised year end entry	
Other expenditure	84%	This is would smooth out during the year	

## 2.7 Parent Municipality Financial Performance

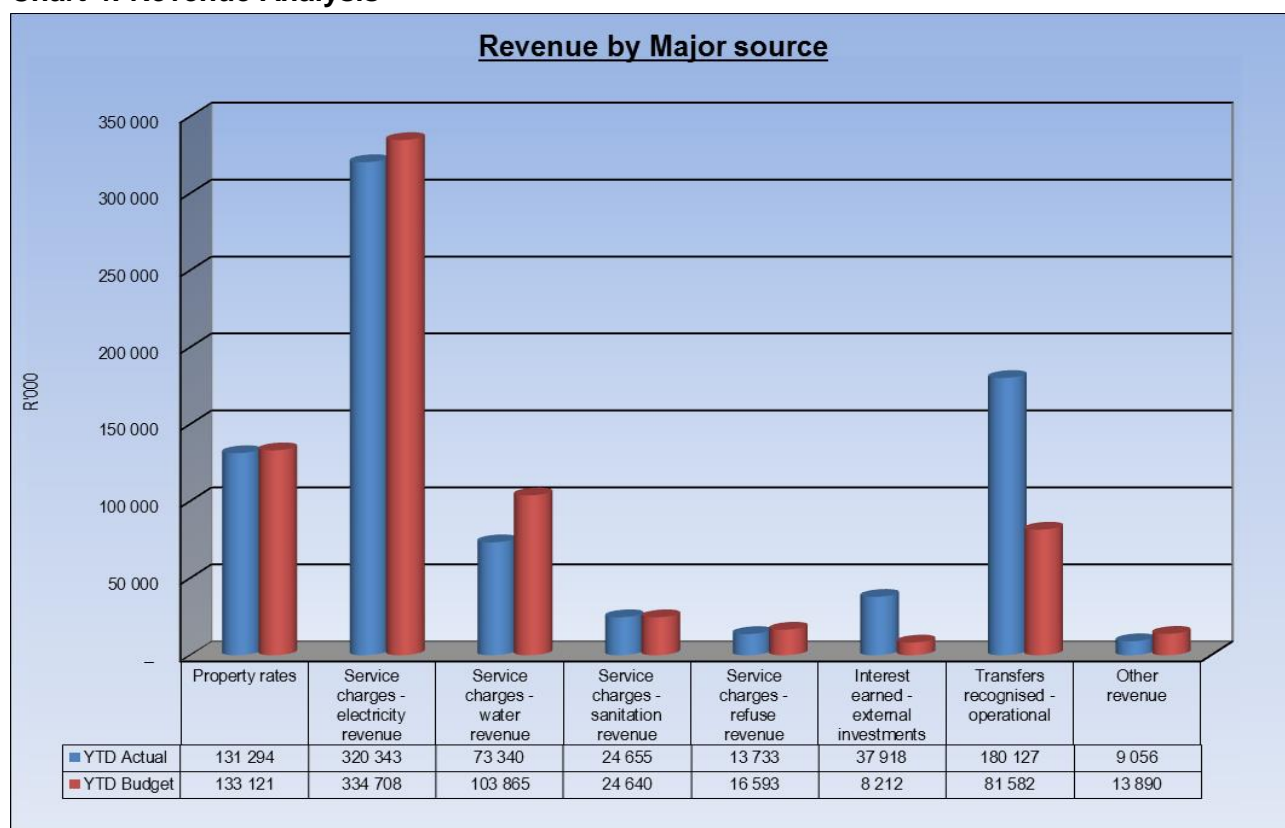
### REVENUE ANALYSIS

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

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

## 2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



**Service Charges – Electricity Revenue:** This is a major revenue source of the Municipality contributing 39% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges slightly under performed by (R 14.3 million) when compared to the Year Budget.

**Property Rates** is the second largest contributor to the operating revenue basket making up 18% of the total operating revenue. When comparing YTD Actual revenue earned to YTD Budget, there is a 1% under performance existed as at 31 August 2016.

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

**Service Charges - Water revenue:** The revenue earned from Water charges shared 14% of the budgeted revenue basket and 9% of YTD actual revenue, there is an underperformance against the budget causing a 29% variance when comparing YTD actual to YTD Budget.

**Service Charges - sanitation revenue:** reflects a 0% variance and is line when comparing the YTD actual revenue to the YTD budget.

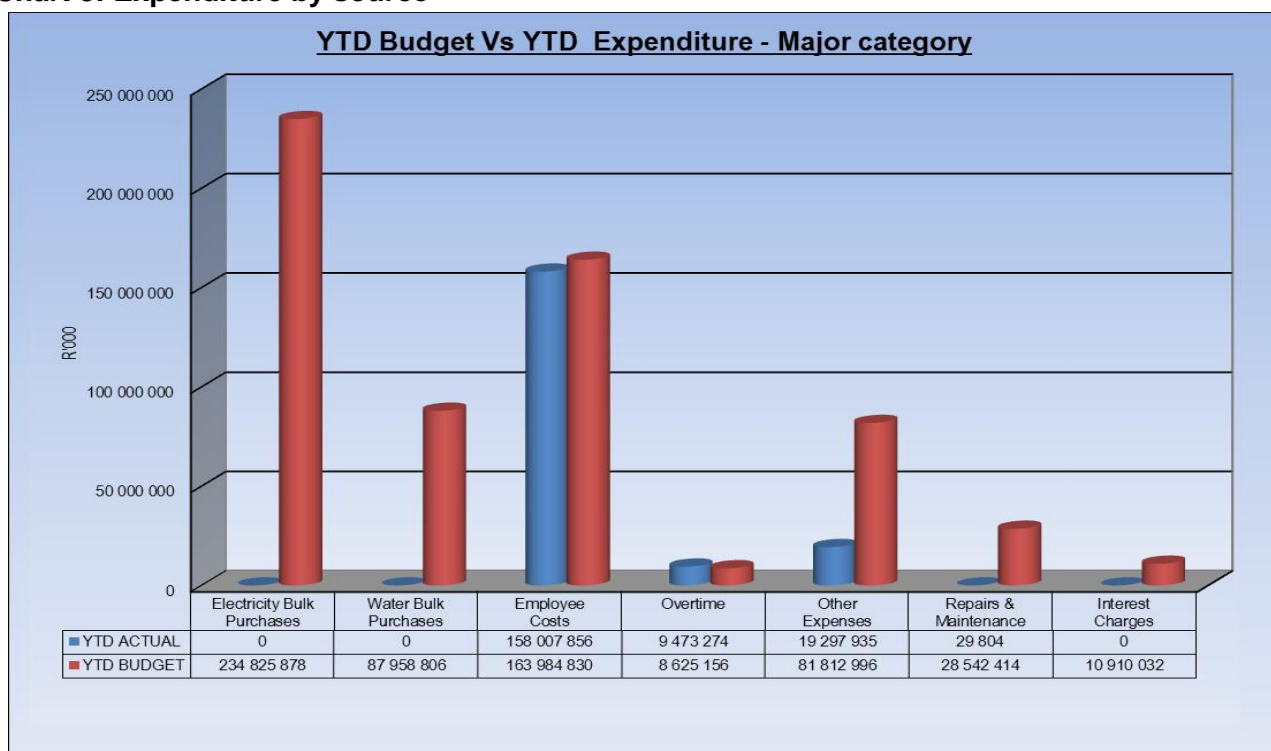
**Service Charges - refuse revenue** reflects an under performance of 17% when comparing the YTD actual revenue to the YTD budget.

**Interest earned** – outstanding debtors and other revenue contributed 2.7% to the total operating revenue received as at 31 August 2016.

## OPERATIONAL EXPENDITURE

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

**Chart 5: Expenditure by source**



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

**Employee Related Costs:** There is a slight under expenditure in respect of actual YTD expenditure on employee related costs against the YTD budget. A detailed line item and business unit analysis of the employee related costs is contained in the MFMA S66 report on staff benefits.

**Other Expenditure's** YTD budget figure was R 63.6 million while the actual costs incurred was R 10.4 million resulting in under performance against the budget of R 53.2 million. This is as a result of payments being done through the SAP system. The table below provides a detailed listing of the top 20 cash drainers during the month of August 2016.



**Table 3: Top 20 Cash Drainers – August 2016**

No:	Description	YTD Actual	August - 2016	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	35 914	4 578 337	0.8%
2	Motor Vehicle Licences	0	1 800 000	0.0%
3	Bank Charges	-455	6 411 878	0.0%
4	Kwanalogo Subscriptions	0	8 649 000	0.0%
5	IDP Expenses	0	2 733 669	0.0%
6	Interview Costs	0	13 667	0.0%
7	Plant Hire	0	2 209 816	0.0%
8	Extraordinary Items	0	951 303	0.0%
9	Stores & Materials	0	9 388 841	0.0%
10	Marketing & Promotion	0	6 807 472	0.0%
11	Security Services	0	35 107 801	0.0%
12	Uniforms	100 000	5 288 781	1.9%
13	Petrol & Lubricants	0	32 516 298	0.0%
14	Valuation Roll	0	341 674	0.0%
15	Postage And Stamps	0	4 749 364	0.0%
16	External Services	16 093	49 441 205	0.0%
17	Hire Charges	0	15 540 905	0.0%
18	Telephones	503 774	8 052 855	6.3%
19	Subscriptions For Cities Network	0	1 127 526	0.0%
20	Ward Committee Expenses	0	9 157 994	0.0%

**Depreciation & Asset Impairment:** The full year depreciation & asset impairment figure is R 506.1 million. The actual YTD is R 77.7 million whilst the YTD budget is R 84.5 million.

**Finance Charges:** YTD budgeted figure for finance charges for the year was R 10.9 million and the Actual figure was R 0.01 million pointing to a positive variance in this line item.

**Contracted Services:** YTD Budget for contracted services was R 5.89 million, whilst the actual YTD is R 0.76 million, resulting in a positive variance in this line item.

**Remuneration of councillors:** the YTD budget was R 7.17 million and the actual expenditure incurred was R 6.96 million.

## 2.8 Municipal Entity Financial Performance

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

Description	2015/16	Current Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	192	65	-	10	15	11	0	34%	65
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 284	6 841	-	-	1 710	1 710	-	-	6 841
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 476</b>	<b>6 906</b>	<b>-</b>	<b>10</b>	<b>1 725</b>	<b>1 721</b>	<b>4</b>	<b>0</b>	<b>6 906</b>
Employee costs	4 227	5 278	-	372	733	880	(146)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	138	138	(0)	(0)	830
Finance charges	12	12	-	1	2	2	(0)	(0)	12
Materials and bulk purchases	167	489	-	27	45	81	(36)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	97	137	285	(148)	(0)	1 711
<b>Total Expenditure</b>	<b>5 965</b>	<b>8 319</b>	<b>-</b>	<b>567</b>	<b>1 056</b>	<b>1 387</b>	<b>(330)</b>	<b>(0)</b>	<b>8 319</b>
<b>Surplus/(Deficit)</b>	<b>6 512</b>	<b>(1 413)</b>	<b>-</b>	<b>(557)</b>	<b>669</b>	<b>335</b>	<b>334</b>	<b>0</b>	<b>(1 413)</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>6 512</b>	<b>(1 413)</b>	<b>-</b>	<b>(557)</b>	<b>669</b>	<b>335</b>	<b>334</b>	<b>0</b>	<b>(1 413)</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>6 512</b>	<b>(1 413)</b>	<b>-</b>	<b>(557)</b>	<b>669</b>	<b>335</b>	<b>334</b>	<b>0</b>	<b>(1 413)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>									
Transfers recognised - capital	6 610	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>6 610</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	1 406	1 128	-	-	2 266	-	-	-	1 128
Total non current assets	6 138	5 785	-	-	6 000	-	-	-	5 785
Total current liabilities	222	250	-	-	222	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
<b>Community wealth/Equity</b>	<b>7 322</b>	<b>6 663</b>	<b>-</b>	<b>-</b>	<b>8 044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 663</b>
<b>Cash flows</b>									
Net cash from (used) operating	6 572	(1 072)	-	(489)	805	471	334	0	(1 072)
Net cash from (used) investing	(6 610)	-	-	-	-	-	-	-	-
Net cash from (used) financing	(6 800)	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>1 382</b>	<b>7 147</b>	<b>8 219</b>	<b>(489)</b>	<b>805</b>	<b>471</b>	<b>334</b>	<b>0</b>	<b>7 147</b>
<b>Debtors &amp; creditors analysis</b>	<b>0 - 30 Days</b>	<b>31 - 60 Days</b>	<b>61 - 90 Days</b>	<b>91 - 120 Days</b>	<b>121 - 150 Days</b>	<b>151 - 180 Days</b>	<b>181 Days - 1 Year</b>	<b>Over 1 Year</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Revenue Source	-	-	-	-	-	-	-	-	-
<b>Creditors Age Analysis</b>									
Total Creditors	-	-	-	-	-	-	-	-	-

## 2.9 Capital Programme Performance

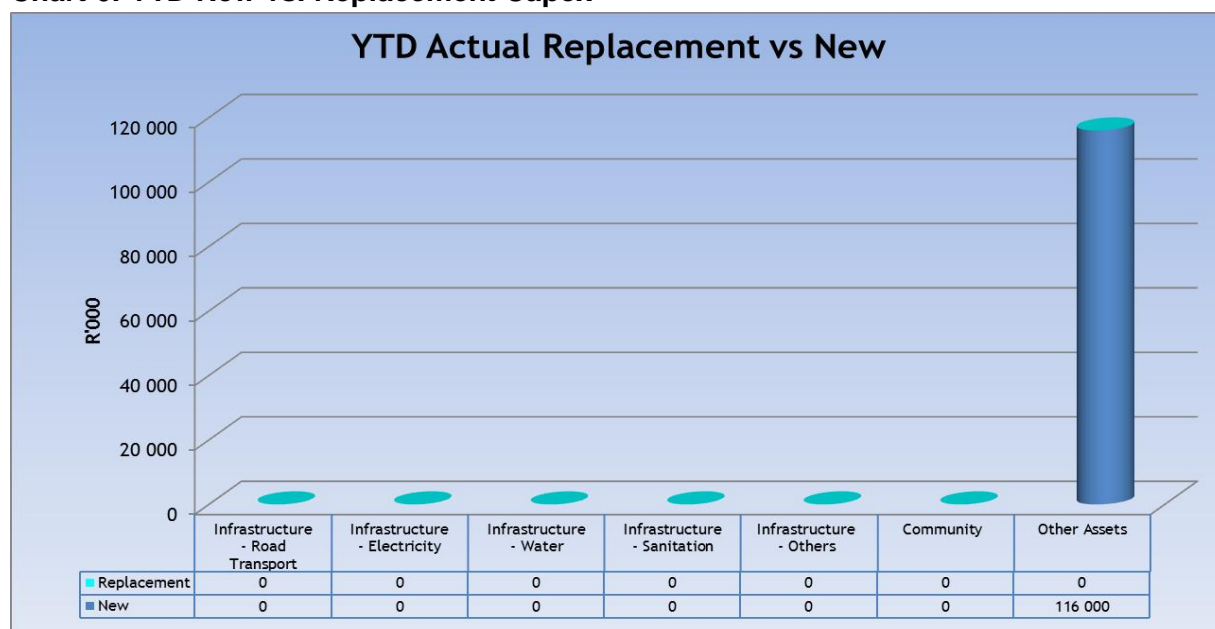
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	9 089	48 957		–		48 957	–		
August	23 544	48 957		116	116	97 914	97 798	99.9%	0%
September	39 949	48 957				146 871	–		
October	46 126	48 957				195 828	–		
November	39 269	48 957				244 785	–		
December	63 575	48 957				293 742	–		
January	15 750	48 957				342 699	–		
February	32 316	48 957				391 656	–		
March	32 165	48 957				440 613	–		
April	46 620	48 957				489 570	–		
May	44 113	60 520				550 090	–		
June	69 194	176 151				726 241	–		
<b>Total Capital expenditure</b>	<b>461 711</b>	<b>726 241</b>	<b>–</b>	<b>116</b>					

The two tables that follow provide more detailed information on the capital expenditure by separating capital expenditure by asset types and also by “New” or “Replacement” assets. The chart below displays capital expenditure for new and replacement assets as at the month of August 2016.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 0.1 million, R 0.1 million (0%) was new assets and R 0.0 million (0%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

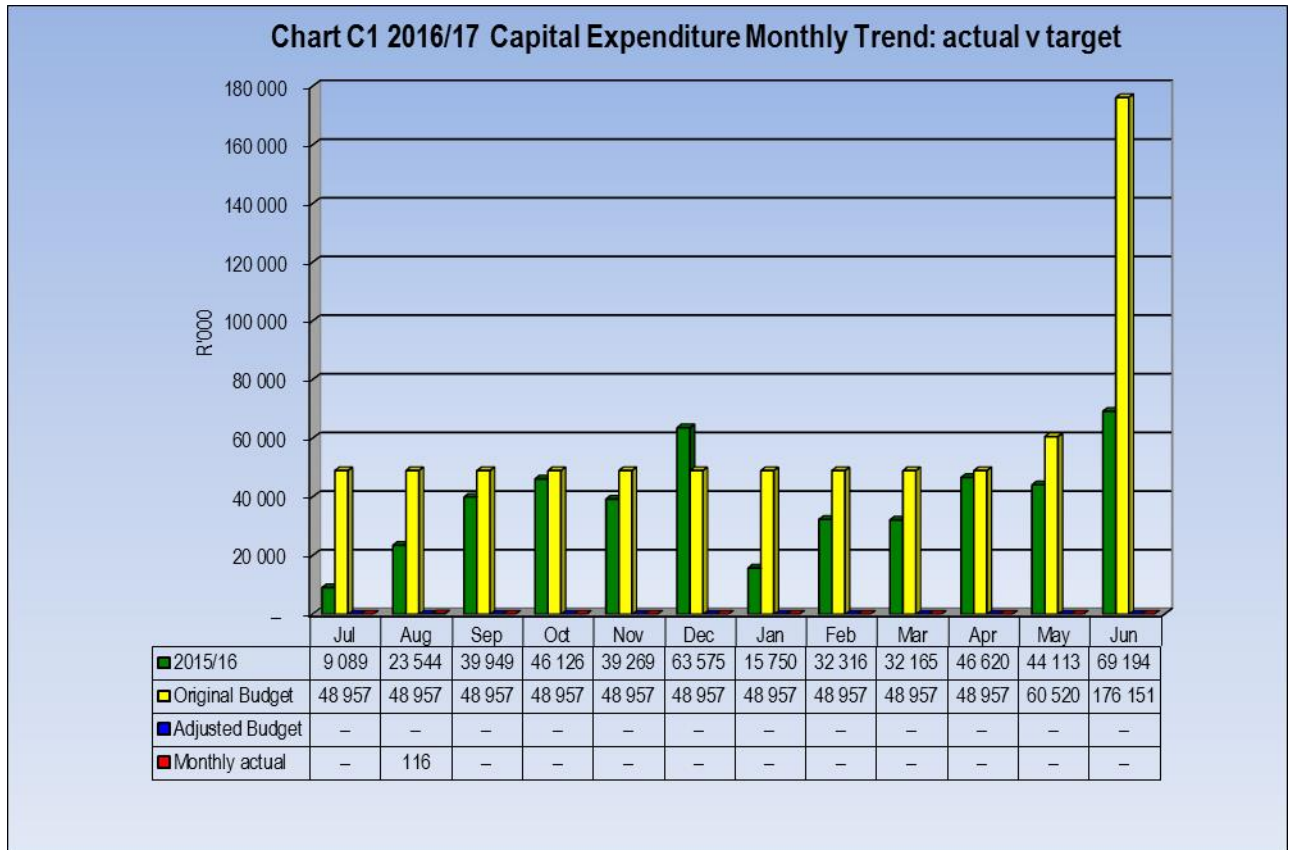
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		38 095	174 021	-	-	-	29 004	29 004	100.0%	174 021
Infrastructure - Road transport		9 987	2 714	-	-	-	452	452	100.0%	2 714
Roads, Pavements & Bridges		9 987	2 714	-	-	-	452	452	100.0%	2 714
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	-	-	-	28 138	28 138	100.0%	168 827
Generation		-	168 827	-	-	-	28 138	28 138	100.0%	168 827
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		17 110	-	-	-	-	-	-	-	-
Dams & Reservoirs		297	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		16 813	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		10 999	980	-	-	-	163	163	100.0%	980
Reticulation		-	980	-	-	-	163	163	100.0%	980
Sewerage purification		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	-	-	-	250	250	100.0%	1 500
Waste Management		-	1 500	-	-	-	250	250	100.0%	1 500
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Community</b>		33 810	20 591	-	-	-	3 432	3 432	100.0%	20 591
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	-	-	-	1 108	1 108	100.0%	6 650
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	607	607	100.0%	3 640
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	372	372	100.0%	2 230
Cemeteries		-	2 000	-	-	-	333	333	100.0%	2 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	1 012	1 012	100.0%	6 071
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		40 021	23 329	-	-	-	3 888	3 888	100.0%	23 329
General vehicles		6 716	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	-	-	-	235	235	100.0%	1 410
Computers - hardware/equipment		3 486	470	-	-	-	78	78	100.0%	470
Furniture and other office equipment		5 981	50	-	-	-	8	8	100.0%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	-	-	-	1 732	1 732	100.0%	10 389
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	-	-	-	1 835	1 835	100.0%	11 010
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	24 468	-	116	116	4 078	3 962	97.2%	24 468
Computers - software & programming		-	24 468	-	116	116	4 078	3 962	97.2%	24 468
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	111 925	242 409	-	116	116	40 401	40 286	99.7%	242 409

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		284 545	367 404	-	-	-	61 234	61 234	100.0%	367 404
Infrastructure - Road transport		125 812	239 143	-	-	-	39 857	39 857	100.0%	239 143
<i>Roads, Pavements &amp; Bridges</i>		125 552	239 143	-	-	-	39 857	39 857	100.0%	239 143
<i>Storm water</i>		260	-	-	-	-	-	-	-	-
Infrastructure - Electricity		66 802	25 520	-	-	-	4 253	4 253	100.0%	25 520
<i>Generation</i>		66 802	25 520	-	-	-	4 253	4 253	100.0%	25 520
<i>Transmission &amp; Reticulation</i>		-	-	-	-	-	-	-	0.0%	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		65 030	55 602	-	-	-	9 267	9 267	100.0%	55 602
<i>Dams &amp; Reservoirs</i>		65 030	55 602	-	-	-	9 267	9 267	100.0%	55 602
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		26 146	47 139	-	-	-	7 857	7 857	100.0%	47 139
<i>Reticulation</i>		-	47 139	-	-	-	7 857	7 857	100.0%	47 139
<i>Sewerage purification</i>		26 146	-	-	-	-	-	-	0.0%	-
Infrastructure - Other		755	-	-	-	-	-	-	-	-
<i>Waste Management</i>		755	-	-	-	-	-	-	-	-
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	0.0%	-
<b>Community</b>		4 551	62 950	-	-	-	10 492	10 492	100.0%	62 950
Parks & gardens		-	500	-	-	-	83	83	100.0%	500
Sportsfields & stadia		121	28 750	-	-	-	4 792	4 792	100.0%	28 750
Swimming pools		-	2 000	-	-	-	333	333	100.0%	2 000
Community halls		-	30 700	-	-	-	5 117	5 117	100.0%	30 700
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		2 823	-	-	-	-	-	-	0.0%	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	1 000	-	-	-	167	167	100.0%	1 000
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		1 607	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		31 275	53 478	-	-	-	8 913	8 913	100.0%	53 478
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	0.0%	-
Computers - hardware/equipment		-	-	-	-	-	-	-	0.0%	-
Furniture and other office equipment		2 019	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		251	-	-	-	-	-	-	-	-
Civic Land and Buildings		14 359	33 569	-	-	-	5 595	5 595	100.0%	33 569
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		14 646	19 910	-	-	-	3 318	3 318	100.0%	19 910
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		29 415	-	-	-	-	-	-	-	-
Computers - software & programming		29 415	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	0.0%	-
<b>Total Capital Expenditure on renewal of existing ass</b>	1	349 785	483 832	-	-	-	80 639	80 639	100.0%	483 832

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

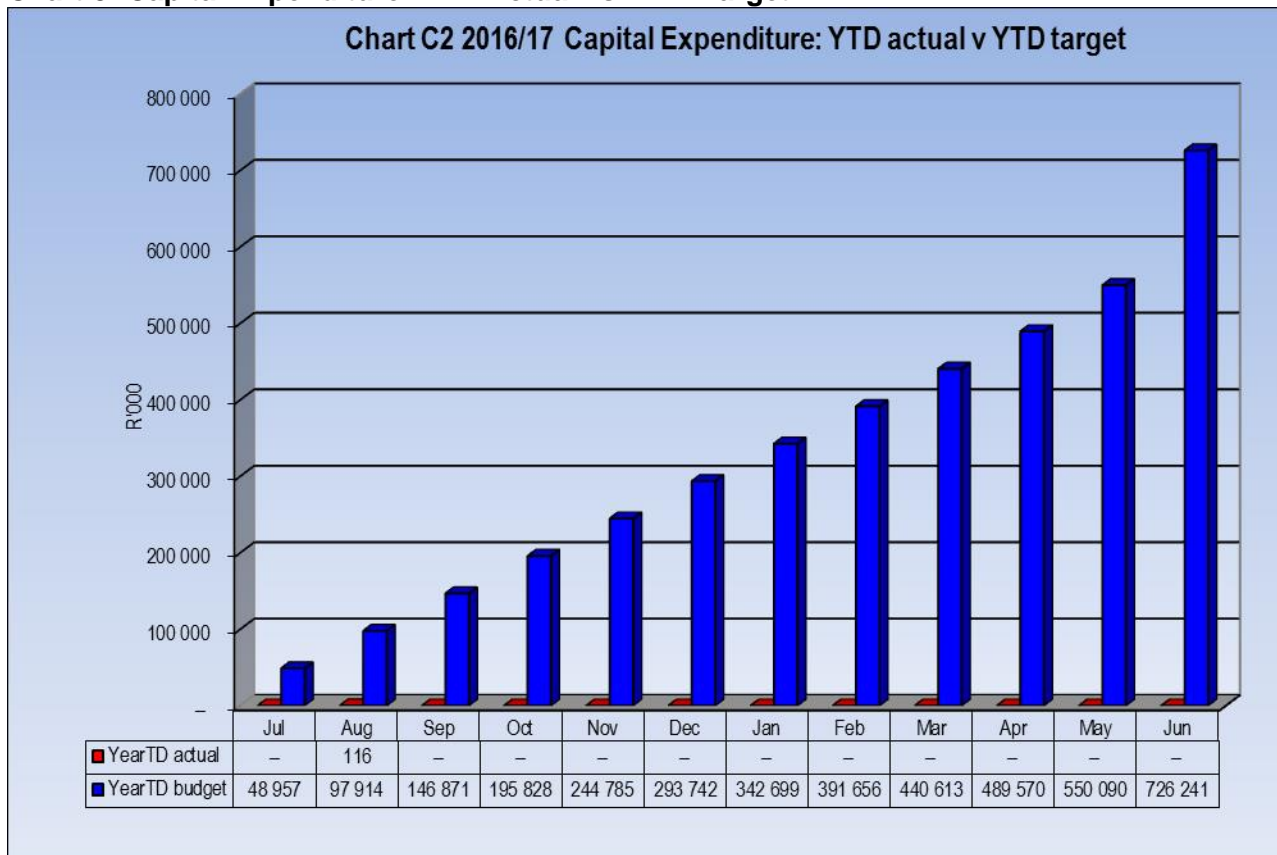
**Chart 7: Capital Expenditure Monthly Trend**



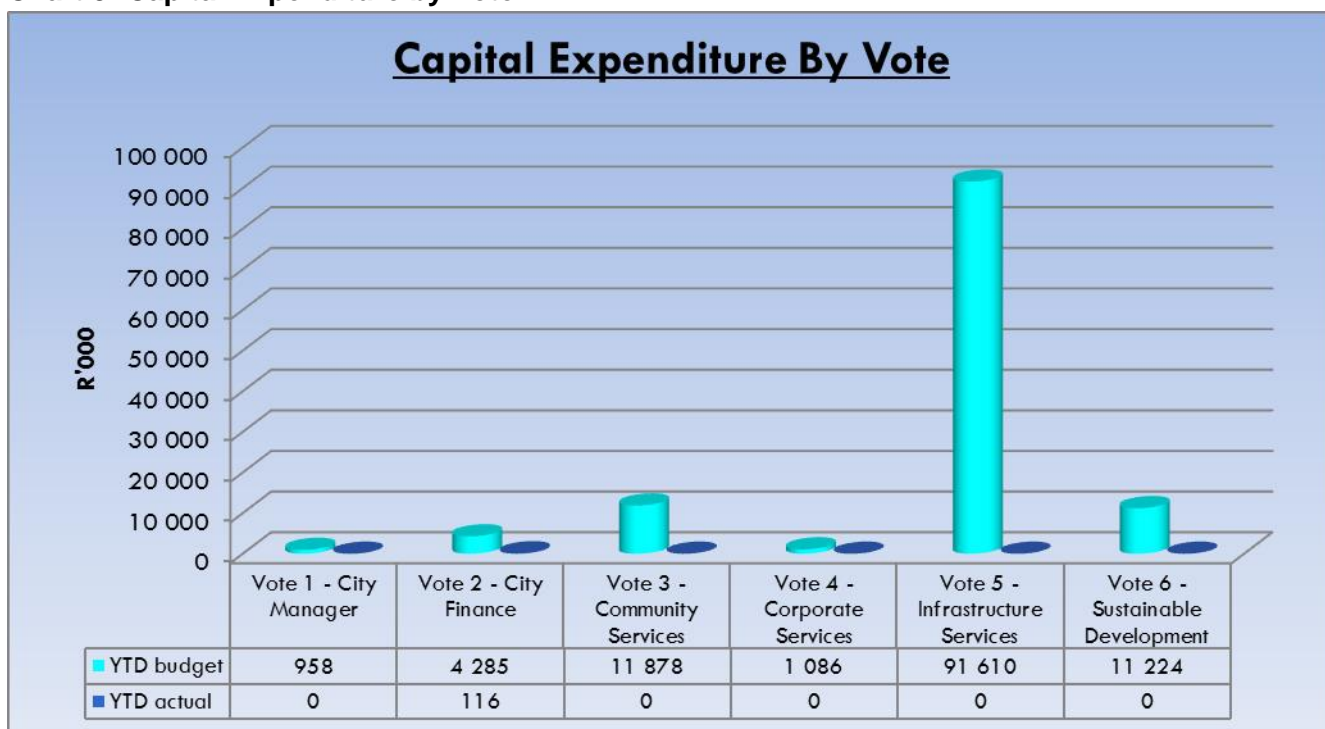
The monthly 2015/16 trend presents monthly actual expenditure figures for prior year. Original Budget stipulates the budget for the year. The monthly actual figures stipulates a monthly trend, there has been a slow start to spending in the financial year.

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

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



**Chart 9: Capital Expenditure by Vote**



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

The municipal entity's report for the month ending August 2016 is attached.



## 2.10 Municipal Manager's Quality's Certification

### Quality Certificate

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

- the monthly budget statement

for the month of **August 2016** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **Sizwe Hadebe**

Municipal manager of: **MSUNDUZI MUNICIPALITY**

Signature: \_\_\_\_\_

Date: \_\_\_\_\_