



Msunduzi Municipality
MFMA S71 Monthly Report

October 2015 Report
Budget & Treasury Office

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1. PART 1 – IN YEAR REPORT

1.1 Executive Summary

Legislative Requirements

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

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

FINANCIAL PERFORMANCE

Revenue: The Year to Date (YTD) total revenue earned was R 1.39 billion for the period ending 31 October 2015. The YTD Budget was R 1.34 billion, therefore the actual over performed against the budget by R 48.4 million against the revenue projected. The two main contributors, both accounting for 64% of the actual total YTD Revenue earned are Electricity (46%) & Property Rates revenue (17%). These two revenue sources make up more than 64% of the total YTD budget.

Operating Expenditure: The total YTD operating expenditure for the period ending 31 October 2015 amounted to R 1.39 billion while the YTD budget was R 1.34 billion. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 73% of the YTD expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 236.3 million, the actual YTD Capital expenditure incurred amounted to R 118.7 million resulting in underperformance of the capital budget. This is mainly due to the start of the new financial year.

Grant Receipts: The total budgeted operational and capital grant receipts for this financial year is R 929.7 million inclusive of equitable share of R 395.7 million and Capital transfers of R 489.0 million.

Cash & Cash equivalents as at 31 October 2015 was R 844.1 million.

Consumer Debt: Consumer debt at 31 October 2015 was just over R 1.9 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 - M04 October

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	716 603	784 462	-	58 067	252 499	261 487	(8 989)	-3%	784 462
Service charges	2 227 636	2 566 359	-	202 165	863 262	855 453	7 809	1%	2 566 359
Investment revenue	50 973	34 045	-	2 314	14 130	11 348	2 782	25%	34 045
Transfers recognised - operational	519 604	440 652	-	11 380	192 914	146 884	46 030	31%	440 652
Other own revenue	325 520	211 526	-	17 102	71 355	70 509	846	1%	211 526
Total Revenue (excluding capital transfers and contributions)	3 840 338	4 037 044	-	291 028	1 394 159	1 345 681	48 478	4%	4 037 044
Employee costs	832 532	960 606	-	112 641	326 039	320 202	5 837	2%	960 606
Remuneration of Councillors	34 657	42 350	-	3 218	12 905	14 117	(1 212)	-9%	42 350
Depreciation & asset impairment	463 063	485 846	-	39 401	156 266	161 949	(5 683)	-4%	485 846
Finance charges	71 169	69 499	-	205	12 076	23 166	(11 090)	-48%	69 499
Materials and bulk purchases	1 591 553	1 766 912	-	144 791	688 679	588 971	99 708	17%	1 766 912
Transfers and grants	11 572	181	-	1 438	2 916	60	2 856	4733%	181
Other expenditure	1 121 566	708 192	-	53 811	193 195	236 064	(42 869)	-18%	708 192
Total Expenditure	4 126 113	4 033 586	-	355 505	1 392 075	1 344 529	47 546	4%	4 033 586
Surplus/(Deficit)	(285 775)	3 458	-	(64 477)	2 085	1 153	932	81%	3 458
Transfers recognised - capital	356 459	489 060	-	22 249	60 235	163 020	(102 785)	-63%	489 060
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	70 683	492 518	-	(42 228)	62 320	164 173	(101 853)	-62%	492 518
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	70 683	492 518	-	(42 228)	62 320	164 173	(101 853)	-62%	492 518
Capital expenditure & funds sources									
Capital expenditure	528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060
Capital transfers recognised	291 650	489 060	-	29 308	83 773	163 020	(79 247)	-49%	489 060
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	81 881	100 000	-	5 072	5 072	33 333	(28 261)	-85%	100 000
Internally generated funds	155 105	120 000	-	11 746	29 863	40 000	(10 137)	-25%	120 000
Total sources of capital funds	528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060
Financial position									
Total current assets	2 007 658	3 133 299	-	-	1 915 502	-	-	-	3 133 299
Total non current assets	7 548 842	7 568 078	-	-	7 455 083	-	-	-	7 568 078
Total current liabilities	915 372	1 378 122	-	-	692 758	-	-	-	1 378 122
Total non current liabilities	1 197 150	1 261 476	-	-	1 234 835	-	-	-	1 261 476
Community wealth/Equity	7 443 978	8 061 779	-	-	7 442 993	-	-	-	8 061 779
Cash flows									
Net cash from (used) operating	1 199 351	706 264	-	49 640	139 458	235 421	95 964	41%	706 264
Net cash from (used) investing	(1 250 600)	(589 505)	-	(46 126)	(118 708)	(196 502)	(77 793)	40%	(589 505)
Net cash from (used) financing	58 109	55 400	-	(24)	(18 642)	18 467	37 109	201%	55 400
Cash/cash equivalents at the month/year end	834 133	1 123 670	-	-	844 175	1 008 897	164 722	16%	1 014 227
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	324 200	110 990	55 749	59 198	44 369	51 841	39 164	#####	1 903 492
Creditors Age Analysis									
Total Creditors	356 017	1 287	206	132	1 258	2 326	-	-	361 226

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

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 281 199	-	63 815	386 512	536 653	(150 142)	-28%	1 281 199
Executive and council		6 748	1 600	-	29	2 424	533	1 891	355%	1 600
Budget and treasury office		1 422 429	1 276 437	-	64 118	386 232	532 778	(146 547)	-28%	1 276 437
Corporate services		5 993	3 162	-	(332)	(2 144)	3 341	(5 486)	-164%	3 162
<i>Community and public safety</i>		225 653	13 361	-	11 973	33 775	24 362	9 412	39%	13 361
Community and social services		71 074	3 250	-	4 579	13 648	10 474	3 175	30%	3 250
Sport and recreation		24 880	729	-	4 959	10 052	279	9 773	3499%	729
Public safety		111 819	5 827	-	1 380	5 777	8 561	(2 784)	-33%	5 827
Housing		17 809	3 485	-	1 053	4 290	5 037	(747)	-15%	3 485
Health		71	70	-	2	7	11	(4)	-37%	70
<i>Economic and environmental services</i>		235 988	171 598	-	12 213	31 916	157 455	(125 539)	-80%	171 598
Planning and development		63 074	7 972	-	1 317	7 412	23 378	(15 966)	-68%	7 972
Road transport		172 914	163 627	-	10 897	24 504	134 077	(109 572)	-82%	163 627
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 690 243	2 437 047	-	223 577	995 319	1 014 508	(19 190)	-2%	2 437 047
Electricity		1 723 118	1 700 095	-	148 673	671 419	636 936	34 483	5%	1 700 095
Water		660 510	500 521	-	52 669	238 141	292 759	(54 617)	-19%	500 521
Waste water management		191 593	149 071	-	15 026	53 754	50 864	2 891	6%	149 071
Waste management		115 022	87 359	-	7 209	32 004	33 950	(1 946)	-6%	87 359
<i>Other</i>	4	34 298	89 565	-	1 699	6 873	9 336	(2 462)	-26%	89 565
Total Revenue - Standard	2	4 621 352	3 992 771	-	313 277	1 454 395	1 742 315	(287 920)	-17%	3 992 771
Expenditure - Standard										
<i>Governance and administration</i>		874 771	691 420	-	45 620	159 902	310 458	(150 556)	-48%	691 420
Executive and council		7 712	384 298	-	8 181	42 235	39 904	2 331	6%	384 298
Budget and treasury office		859 050	200 157	-	20 553	65 753	199 065	(133 313)	-67%	200 157
Corporate services		8 009	106 965	-	16 886	51 915	71 488	(19 574)	-27%	106 965
<i>Community and public safety</i>		670 660	421 741	-	59 426	174 456	167 430	7 026	4%	421 741
Community and social services		116 571	99 202	-	13 168	44 913	43 036	1 877	4%	99 202
Sport and recreation		145 186	81 358	-	11 890	35 260	35 755	(495)	-1%	81 358
Public safety		316 932	196 317	-	28 738	76 364	69 708	6 656	10%	196 317
Housing		49 923	25 149	-	3 392	11 065	12 130	(1 065)	-9%	25 149
Health		42 048	19 716	-	2 238	6 855	6 802	54	1%	19 716
<i>Economic and environmental services</i>		522 277	462 751	-	38 401	149 360	187 138	(37 778)	-20%	462 751
Planning and development		97 679	128 290	-	9 391	40 134	36 602	3 532	10%	128 290
Road transport		424 597	334 461	-	29 010	109 226	150 536	(41 310)	-27%	334 461
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	1 893 219	-	207 431	893 962	898 873	(4 911)	-1%	1 893 219
Electricity		1 512 417	1 374 091	-	133 688	616 965	522 762	94 203	18%	1 374 091
Water		590 023	406 791	-	48 533	188 342	277 758	(89 416)	-32%	406 791
Waste water management		175 548	9 621	-	14 128	53 180	62 164	(8 985)	-14%	9 621
Waste management		150 620	102 716	-	11 082	35 476	36 190	(714)	-2%	102 716
<i>Other</i>		54 353	31 122	-	4 627	14 394	14 231	162	1%	31 122
Total Expenditure - Standard	3	4 550 669	3 500 253	-	355 505	1 392 075	1 578 132	(186 057)	-12%	3 500 253
Surplus/ (Deficit) for the year		70 683	492 518	-	(42 228)	62 320	164 183	(101 863)	-62%	492 518

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) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - City Manager	1	6 851	1 600	-	29	2 444	533	1 911	358.3%	1 600
Vote 2 - City Finance		1 422 429	1 598 335	-	64 118	386 232	532 778	(146 547)	-27.5%	1 598 335
Vote 3 - Community Services & Social Equity		281 059	155 606	-	14 995	56 845	53 169	3 676	6.9%	155 606
Vote 4 - Corporate Services		5 890	10 026	-	(332)	(2 164)	3 342	(5 506)	-164.8%	10 026
Vote 5 - Infrastructure Services		2 763 949	3 369 093	-	227 595	992 345	1 123 031	(130 687)	-11.6%	3 369 093
Vote 6 - Sustainable Development and City Enterprises		141 174	88 384	-	6 872	18 694	29 461	(10 767)	-36.5%	88 384
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	4 621 352	5 223 044	-	313 277	1 454 395	1 742 315	(287 920)	-16.5%	5 223 044
Expenditure by Vote										
Vote 1 - City Manager	1	12 576	147 876	-	11 195	50 656	49 292	1 363	2.8%	147 876
Vote 2 - City Finance		931 400	672 127	-	28 065	91 255	224 116	(132 861)	-59.3%	672 127
Vote 3 - Community Services & Social Equity		732 073	550 686	-	64 061	189 237	184 897	4 339	2.3%	550 686
Vote 4 - Corporate Services		8 582	195 576	-	14 420	45 156	64 929	(19 773)	-30.5%	195 576
Vote 5 - Infrastructure Services		2 664 812	3 005 436	-	222 131	957 299	1 001 920	(44 621)	-4.5%	3 005 436
Vote 6 - Sustainable Development and City Enterprises		201 227	158 825	-	15 632	58 473	52 987	5 486	10.4%	158 825
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	4 550 669	4 730 526	-	355 505	1 392 075	1 578 142	(186 067)	-11.8%	4 730 526
Surplus/ (Deficit) for the year	2	70 683	492 518	-	(42 228)	62 320	164 173	(101 853)	-62.0%	492 518

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 October 2015.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		686 396	743 113		53 953	241 839	247 704	(5 865)	-2%	743 113
Property rates - penalties & collection charges		30 207	41 349		4 114	10 660	13 783	(3 123)	-23%	41 349
Service charges - electricity revenue		1 566 133	1 863 770		140 507	638 730	621 257	17 473	3%	1 863 770
Service charges - water revenue		452 443	476 831		43 604	159 060	158 944	117	0%	476 831
Service charges - sanitation revenue		127 516	134 917		11 299	39 803	44 972	(5 170)	-11%	134 917
Service charges - refuse revenue		81 544	90 841		6 755	25 669	30 280	(4 611)	-15%	90 841
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		23 477	41 329		1 564	6 360	13 776	(7 417)	-54%	41 329
Interest earned - external investments		50 973	34 045		2 314	14 130	11 348	2 782	25%	34 045
Interest earned - outstanding debtors		69 529	62 593		6 687	16 215	20 864	(4 649)	-22%	62 593
Dividends received		-	-		-	-	-	-		-
Fines		108 634	17 488		965	4 233	5 829	(1 596)	-27%	17 488
Licences and permits		89	87		9	31	29	2	6%	87
Agency services		578	632		26	144	211	(67)	-32%	632
Transfers recognised - operational		519 604	440 652		11 380	192 914	146 884	46 030	31%	440 652
Other revenue		123 214	79 697		7 850	44 372	26 566	17 806	67%	79 697
Gains on disposal of PPE		-	9 700		-	-	3 233	(3 233)	-100%	9 700
Total Revenue (excluding capital transfers and contributions)		3 840 338	4 037 044	-	291 028	1 394 159	1 345 681	48 478	4%	4 037 044
Expenditure By Type										
Employee related costs		832 532	960 606		112 641	326 039	320 202	5 837	2%	960 606
Remuneration of councillors		34 657	42 350		3 218	12 905	14 117	(1 212)	-9%	42 350
Debt impairment		222 110	124 586		-	-	41 529	(41 529)	-100%	124 586
Depreciation & asset impairment		463 063	485 846		39 401	156 266	161 949	(5 683)	-4%	485 846
Finance charges		71 169	69 499		205	12 076	23 166	(11 090)	-48%	69 499
Bulk purchases		1 586 802	1 736 811		144 626	687 583	578 937	108 646	19%	1 736 811
Other materials		4 751	30 101		165	1 096	10 034	(8 938)	-89%	30 101
Contracted services		29 698	18 851		4 806	8 905	6 284	2 621	42%	18 851
Transfers and grants		11 572	181		1 438	2 916	60	2 856	4733%	181
Other expenditure		869 758	564 755		49 006	184 290	188 252	(3 962)	-2%	564 755
Loss on disposal of PPE		-	-		-	-	-	-		-
Total Expenditure		4 126 113	4 033 586	-	355 505	1 392 075	1 344 529	47 546	4%	4 033 586
Surplus/(Deficit)		(285 775)	3 458	-	(64 477)	2 085	1 153	932	0	3 458
Transfers recognised - capital		356 459	489 060		22 249	60 235	163 020	(102 785)	(0)	489 060
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		70 683	492 518	-	(42 228)	62 320	164 173			492 518
Taxation								-		
Surplus/(Deficit) after taxation		70 683	492 518	-	(42 228)	62 320	164 173			492 518
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		70 683	492 518	-	(42 228)	62 320	164 173			492 518
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		70 683	492 518	-	(42 228)	62 320	164 173			492 518

A detailed analysis of the anomalies is provided under “2.6 Material Variances in the SDBIP”

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) - M04 October										
Vote Description	Ref	2014/15		Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - City Manager		9 110	5 000	–	396	2 764	1 667	1 097	66%	5 000
Vote 2 - City Finance		15 139	26 500	–	117	117	8 833	(8 717)	-99%	26 500
Vote 3 - Community Services & Social Equity		56 719	32 850	–	3 829	12 884	10 950	1 934	18%	32 850
Vote 4 - Corporate Services		4 119	3 250	–	–	–	1 083	(1 083)	-100%	3 250
Vote 5 - Infrastructure Services		333 861	569 454	–	32 987	76 026	189 818	(113 792)	-60%	569 454
Vote 6 - Sustainable Development and City Enterprises		32 063	45 000	–	2 192	10 960	15 000	(4 040)	-27%	45 000
Total Capital Multi-year expenditure	4,7	451 009	682 054	–	39 521	102 749	227 351	(124 602)	-55%	682 054
Single Year expenditure appropriation	2									
Vote 1 - City Manager		555	750	–	121	121	250	(129)	-52%	750
Vote 2 - City Finance		13 442	710	–	1 759	8 022	237	7 785	3292%	710
Vote 3 - Community Services & Social Equity		13 720	17 619	–	1 109	2 229	5 873	(3 644)	-62%	17 619
Vote 4 - Corporate Services		8 398	3 150	–	2 761	3 792	1 050	2 742	261%	3 150
Vote 5 - Infrastructure Services		15 100	2 980	–	836	1 729	993	736	74%	2 980
Vote 6 - Sustainable Development and City Enterprises		26 412	1 798	–	19	67	599	(532)	-89%	1 798
Total Capital single-year expenditure	4	77 627	27 006	–	6 604	15 959	9 002	6 957	77%	27 006
Total Capital Expenditure		528 636	709 060	–	46 126	118 708	236 353	(117 645)	-50%	709 060
Capital Expenditure - Standard Classification										
Governance and administration		50 762	39 360	–	5 154	14 815	13 120	1 695	13%	59 385
Executive and council		9 665	5 750	–	517	2 885	1 917	968	51%	5 800
Budget and treasury office		28 581	27 210	–	1 875	8 138	9 070	(932)	-10%	53 585
Corporate services		12 517	6 400	–	2 761	3 792	2 133	1 658	78%	–
Community and public safety		68 187	63 824	–	4 765	14 424	21 140	(6 715)	-32%	54 598
Community and social services		17 495	3 446	–	459	475	1 149	(674)	-59%	2 500
Sport and recreation		45 618	33 350	–	4 255	13 881	11 117	2 764	25%	34 400
Public safety		1 883	8 333	–	51	69	2 778	(2 709)	-98%	8 353
Housing		3 191	17 075	–	–	–	5 692	(5 692)	-100%	7 725
Health		–	1 620	–	–	–	405	(405)	-100%	1 620
Economic and environmental services		166 656	347 746	–	16 848	38 207	115 915	(77 708)	-67%	339 647
Planning and development		48 972	28 325	–	2 192	10 726	9 442	1 284	14%	9 590
Road transport		116 686	317 801	–	14 656	27 481	105 934	(78 452)	-74%	330 057
Environmental protection		997	1 620	–	–	–	540	(540)	-100%	–
Trading services		236 720	258 353	–	19 340	50 961	86 118	(35 156)	-41%	254 033
Electricity		136 907	133 000	–	8 610	19 802	44 333	(24 531)	-55%	133 000
Water		53 989	83 133	–	4 230	18 657	27 711	(9 054)	-33%	83 133
Waste water management		33 205	37 500	–	6 021	11 467	12 500	(1 033)	-8%	36 900
Waste management		12 620	4 720	–	479	1 035	1 573	(538)	-34%	1 000
Other		6 311	1 398	–	19	301	466	(165)	-35%	1 398
Total Capital Expenditure - Standard Classification	3	528 636	710 680	–	46 126	118 708	236 758	(118 050)	-50%	709 060
Funded by:										
National Government		224 530	489 060	–	29 286	81 442	163 020	(81 578)	-50%	489 060
Provincial Government		67 121	–	–	22	2 331	–	2 331	#DIV/0!	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		291 650	489 060	–	29 308	83 773	163 020	(79 247)	-49%	489 060
Public contributions & donations	5	–	–	–	–	–	–	–	–	–
Borrowing	6	81 881	100 000	–	5 072	5 072	33 333	(28 261)	-85%	100 000
Internally generated funds		155 105	120 000	–	11 746	29 863	40 000	(10 137)	-25%	120 000
Total Capital Funding		528 636	709 060	–	46 126	118 708	236 353	(117 645)	-50%	709 060

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 October 2015.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M04 October						
Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	45 513		39 281	45 513
Call investment deposits		745 471	1 086 263		743 424	1 086 263
Consumer debtors		728 136	883 147		1 213 872	883 147
Other debtors		390 671	376 440		(136 082)	376 440
Current portion of long-term receivables		46	43		-	43
Inventory		46 737	741 893		55 006	741 893
Total current assets		2 007 658	3 133 299	-	1 915 502	3 133 299
Non current assets						
Long-term receivables		10 482	9 455		10 338	9 455
Investments		-	-		-	-
Investment property		382 805	356 914		-	356 914
Investments in Associate		-	-		-	-
Property, plant and equipment		7 091 843	6 948 898		7 444 745	6 948 898
Agricultural		44 831	-		-	-
Biological assets		-	46 520		-	46 520
Intangible assets		18 880	27 283		-	27 283
Other non-current assets		-	179 008		-	179 008
Total non current assets		7 548 842	7 568 078	-	7 455 083	7 568 078
TOTAL ASSETS		9 556 500	10 701 377	-	9 370 585	10 701 377
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	61 751		1 245	61 751
Consumer deposits		89 479	92 798		91 886	92 798
Trade and other payables		765 335	1 217 489		593 597	1 217 489
Provisions		7 034	6 084		6 029	6 084
Total current liabilities		915 372	1 378 122	-	692 758	1 378 122
Non current liabilities						
Borrowing		543 401	579 761		581 086	579 761
Provisions		653 749	681 715		653 749	681 715
Total non current liabilities		1 197 150	1 261 476	-	1 234 835	1 261 476
TOTAL LIABILITIES		2 112 522	2 639 598	-	1 927 593	2 639 598
NET ASSETS	2	7 443 978	8 061 779	-	7 442 993	8 061 779
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 186 031	7 888 864		7 182 608	7 888 864
Reserves		257 948	172 915		260 385	172 915
TOTAL COMMUNITY WEALTH/EQUITY	2	7 443 978	8 061 779	-	7 442 993	8 061 779

Table C7 below display the Cash Flow Statement for the month ending 31 October 2015.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M04 October										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	701 467		54 954	214 709	233 822	(19 113)	-8%	701 467
Service charges		2 227 636	2 349 116		217 623	873 258	783 039	90 220	12%	2 349 116
Other revenue		18 478	84 318		45 021	150 458	28 106	122 352	435%	84 318
Government - operating		519 604	440 652		36 520	248 465	146 884	101 581	69%	440 652
Government - capital		356 459	489 060		33 787	148 872	163 020	(14 148)	-9%	489 060
Interest		120 502	64 837		1 777	10 137	21 612	(11 475)	-53%	64 837
Dividends							-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 347 843)		(327 837)	(1 480 888)	(1 115 948)	364 940	-33%	(3 347 843)
Finance charges		(71 169)	(69 489)		(205)	(12 076)	(23 163)	(11 087)	48%	(69 489)
Transfers and Grants		(11 572)	(5 854)		(12 000)	(13 478)	(1 951)	11 527	-591%	(5 854)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 199 351	706 264	-	49 640	139 458	235 421	95 964	41%	706 264
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 928)					-	-		-
Payments										
Capital assets		(1 249 093)	(589 505)		(46 126)	(118 708)	(196 502)	(77 793)	40%	(589 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 250 600)	(589 505)	-	(46 126)	(118 708)	(196 502)	(77 793)	40%	(589 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	100 000				33 333	(33 333)	-100%	100 000
Increase (decrease) in consumer deposits		4 370	5 250				1 750	(1 750)	-100%	5 250
Payments										
Repayment of borrowing		(46 261)	(49 850)		(24)	(18 642)	(16 617)	2 025	-12%	(49 850)
NET CASH FROM/(USED) FINANCING ACTIVITIES		58 109	55 400	-	(24)	(18 642)	18 467	37 109	201%	55 400
NET INCREASE/ (DECREASE) IN CASH HELD		6 860	172 159	-	3 490	2 107	57 386			172 159
Cash/cash equivalents at beginning:		827 273	951 511			842 068	951 511			842 068
Cash/cash equivalents at month/year end:		834 133	1 123 670			844 175	1 008 897			1 014 227

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Monthly Budget Statement Summary - M04 October

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	716 603	784 462	-	58 067	252 499	261 487	(8 989)	-3%	784 462
Service charges	2 227 636	2 566 359	-	202 165	863 262	855 453	7 809	1%	2 566 359
Investment revenue	51 027	34 101	-	2 329	14 231	11 367	2 864	25%	34 101
Transfers recognised - operational	519 604	440 652	-	11 380	192 914	146 884	46 030	31%	440 652
Other own revenue	325 520	211 526	-	17 102	71 355	70 509	846	1%	211 526
Total Revenue (excluding capital transfers and contributions)	3 840 392	4 037 100	-	291 043	1 394 260	1 345 700	48 560	4%	4 037 100
Employee costs	836 267	965 405	-	112 935	327 327	321 802	5 525	2%	965 405
Remuneration of Councillors	34 657	42 350	-	3 218	12 905	14 117	(1 212)	-9%	42 350
Depreciation & asset impairment	463 564	487 399	-	39 530	156 784	162 467	(5 683)	-3%	487 399
Finance charges	71 180	69 511	-	206	12 080	23 170	(11 090)	-48%	69 511
Materials and bulk purchases	1 591 765	1 766 912	-	144 810	688 705	589 064	99 641	17%	1 766 912
Transfers and grants	11 572	181	-	1 438	2 916	60	2 856	4733%	181
Other expenditure	1 122 144	716 221	-	53 904	196 762	238 740	(41 978)	-18%	716 221
Total Expenditure	4 131 150	4 047 979	-	356 041	1 397 478	1 349 420	48 058	4%	4 047 979
Surplus/(Deficit)	(290 758)	(10 879)	-	(64 998)	(3 217)	(3 719)	502	-13%	(10 879)
Transfers recognised - capital	356 459	489 060	-	22 249	60 235	163 020	(102 785)	-63%	489 060
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	65 700	478 181	-	(42 749)	57 018	159 301	(102 283)	-64%	478 181
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	65 700	478 181	-	(42 749)	57 018	159 301	(102 283)	-64%	478 181
Capital expenditure & funds sources									
Capital expenditure	528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060
Capital transfers recognised	291 650	489 060	-	29 308	83 773	163 020	(79 247)	-49%	489 060
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	81 881	100 000	-	5 072	5 072	33 333	(28 261)	-85%	100 000
Internally generated funds	155 105	120 000	-	11 746	29 863	40 000	(10 137)	-25%	120 000
Total sources of capital funds	528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060
Financial position									
Total current assets	2 015 881	3 133 752	-	-	1 920 734	-	-	-	3 133 752
Total non current assets	7 549 526	7 574 856	-	-	7 455 767	-	-	-	7 574 856
Total current liabilities	923 142	1 385 104	-	-	697 323	-	-	-	1 385 104
Total non current liabilities	1 197 150	1 261 476	-	-	1 234 835	-	-	-	1 261 476
Community wealth/Equity	7 445 115	8 062 028	-	-	7 444 344	-	-	-	8 062 028
Cash flows									
Net cash from (used) operating	1 194 858	693 202	-	49 248	134 676	231 067	96 392	42%	693 202
Net cash from (used) investing	(1 250 913)	(589 505)	-	(45 943)	(118 708)	(196 502)	(77 793)	40%	(589 505)
Net cash from (used) financing	58 109	55 400	-	(24)	(18 642)	18 467	37 109	201%	55 400
Cash/cash equivalents at the month/year end	829 327	1 110 608	-	-	839 393	1 004 543	165 150	16%	1 001 165
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	324 200	110 990	55 749	59 198	44 369	51 841	39 164	#####	1 903 492
Creditors Age Analysis									
Total Creditors	356 017	1 287	206	132	1 258	2 326	-	-	361 226

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 281 199	-	63 815	386 512	536 653	(150 142)	-28%	1 281 199
Executive and council		6 748	1 600	-	29	2 424	533	1 891	355%	1 600
Budget and treasury office		1 422 429	1 276 437	-	64 118	386 232	532 778	(146 547)	-28%	1 276 437
Corporate services		5 993	3 162	-	(332)	(2 144)	3 341	(5 486)	-164%	3 162
<i>Community and public safety</i>		225 653	13 361	-	11 973	33 775	24 362	9 412	39%	13 361
Community and social services		71 074	3 250	-	4 579	13 648	10 474	3 175	30%	3 250
Sport and recreation		24 880	729	-	4 959	10 052	279	9 773	3499%	729
Public safety		111 819	5 827	-	1 380	5 777	8 561	(2 784)	-33%	5 827
Housing		17 809	3 485	-	1 053	4 290	5 037	(747)	-15%	3 485
Health		71	70	-	2	7	11	(4)	-37%	70
<i>Economic and environmental services</i>		235 988	171 598	-	12 213	31 916	157 455	(125 539)	-80%	171 598
Planning and development		63 074	7 972	-	1 317	7 412	23 378	(15 966)	-68%	7 972
Road transport		172 914	163 627	-	10 897	24 504	134 077	(109 572)	-82%	163 627
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 690 243	2 437 047	-	223 577	995 319	1 014 508	(19 190)	-2%	2 437 047
Electricity		1 723 118	1 700 095	-	148 673	671 419	636 936	34 483	5%	1 700 095
Water		660 510	500 521	-	52 669	238 141	292 759	(54 617)	-19%	500 521
Waste water management		191 593	149 071	-	15 026	53 754	50 864	2 891	6%	149 071
Waste management		115 022	87 359	-	7 209	32 004	33 950	(1 946)	-6%	87 359
<i>Other</i>	4	34 298	89 565	-	1 699	6 873	9 336	(2 462)	-26%	89 565
Total Revenue - Standard	2	4 621 352	3 992 771	-	313 277	1 454 395	1 742 315	(287 920)	-17%	3 992 771
Expenditure - Standard										
<i>Governance and administration</i>		874 771	691 420	-	45 620	159 902	310 458	(150 556)	-48%	691 420
Executive and council		7 712	384 298	-	8 181	42 235	39 904	2 331	6%	384 298
Budget and treasury office		859 050	200 157	-	20 553	65 753	199 065	(133 313)	-67%	200 157
Corporate services		8 009	106 965	-	16 886	51 915	71 488	(19 574)	-27%	106 965
<i>Community and public safety</i>		670 660	421 741	-	59 426	174 456	167 430	7 026	4%	421 741
Community and social services		116 571	99 202	-	13 168	44 913	43 036	1 877	4%	99 202
Sport and recreation		145 186	81 358	-	11 890	35 260	35 755	(495)	-1%	81 358
Public safety		316 932	196 317	-	28 738	76 364	69 708	6 656	10%	196 317
Housing		49 923	25 149	-	3 392	11 065	12 130	(1 065)	-9%	25 149
Health		42 048	19 716	-	2 238	6 855	6 802	54	1%	19 716
<i>Economic and environmental services</i>		522 277	462 751	-	38 401	149 360	187 138	(37 778)	-20%	462 751
Planning and development		97 679	128 290	-	9 391	40 134	36 602	3 532	10%	128 290
Road transport		424 597	334 461	-	29 010	109 226	150 536	(41 310)	-27%	334 461
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 433 592	1 907 556	-	207 952	899 264	903 755	(4 491)	0%	1 907 556
Electricity		1 517 400	1 388 428	-	134 209	622 267	527 644	94 623	18%	1 388 428
Water		590 023	406 791	-	48 533	188 342	277 758	(89 416)	-32%	406 791
Waste water management		175 548	9 621	-	14 128	53 180	62 164	(8 985)	-14%	9 621
Waste management		150 620	102 716	-	11 082	35 476	36 190	(714)	-2%	102 716
<i>Other</i>		54 353	31 122	-	4 627	14 394	14 231	162	1%	31 122
Total Expenditure - Standard	3	4 555 652	3 514 590	-	356 026	1 397 377	1 583 014	(185 637)	-12%	3 514 590
Surplus/ (Deficit) for the year		65 700	478 181	-	(42 749)	57 018	159 301	(102 283)	-64%	478 181

KZN225 Msunduzi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - City Manager	1	6 851	1 600	-	29	2 444	533	1 911	358.3%	1 600
Vote 2 - City Finance		1 422 429	1 598 335	-	64 118	386 232	532 778	(146 547)	-27.5%	1 598 335
Vote 3 - Community Services & Social Equity		281 059	155 606	-	14 995	56 845	53 169	3 676	6.9%	155 606
Vote 4 - Corporate Services		5 890	10 026	-	(332)	(2 164)	3 342	(5 506)	-164.8%	10 026
Vote 5 - Infrastructure Services		2 763 949	3 369 093	-	227 595	992 345	1 123 031	(130 687)	-11.6%	3 369 093
Vote 6 - Sustainable Development and City Enterprises		141 174	88 384	-	6 872	18 694	29 461	(10 767)	-36.5%	88 384
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	4 621 352	5 223 044	-	313 277	1 454 395	1 742 315	(287 920)	-16.5%	5 223 044
Expenditure by Vote										
Vote 1 - City Manager	1	12 576	147 876	-	11 195	50 656	49 292	1 363	2.8%	147 876
Vote 2 - City Finance		931 400	672 127	-	28 065	91 255	224 116	(132 861)	-59.3%	672 127
Vote 3 - Community Services & Social Equity		732 073	550 686	-	64 061	189 237	184 897	4 339	2.3%	550 686
Vote 4 - Corporate Services		8 582	195 576	-	14 420	45 156	64 929	(19 773)	-30.5%	195 576
Vote 5 - Infrastructure Services		2 669 795	3 019 773	-	222 652	962 601	1 006 792	(44 191)	-4.4%	3 019 773
Vote 6 - Sustainable Development and City Enterprises		201 227	158 825	-	15 632	58 473	52 987	5 486	10.4%	158 825
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	4 555 652	4 744 863	-	356 026	1 397 377	1 583 014	(185 637)	-11.7%	4 744 863
Surplus/ (Deficit) for the year	2	65 700	478 181	-	(42 749)	57 018	159 301	(102 283)	-64.2%	478 181

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		686 396	743 113		53 953	241 839	247 704	(5 865)	-2%	743 113
Property rates - penalties & collection charges		30 207	41 349		4 114	10 660	13 783	(3 123)	-23%	41 349
Service charges - electricity revenue		1 566 133	1 863 770		140 507	638 730	621 257	17 473	3%	1 863 770
Service charges - water revenue		452 443	476 831		43 604	159 060	158 944	117	0%	476 831
Service charges - sanitation revenue		127 516	134 917		11 299	39 803	44 972	(5 170)	-11%	134 917
Service charges - refuse revenue		81 544	90 841		6 755	25 669	30 280	(4 611)	-15%	90 841
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		23 477	41 329		1 564	6 360	13 776	(7 417)	-54%	41 329
Interest earned - external investments		51 027	34 101		2 329	14 231	11 367	2 864	25%	34 101
Interest earned - outstanding debtors		69 529	62 593		6 687	16 215	20 864	(4 649)	-22%	62 593
Dividends received		-	-		-	-	-	-		-
Fines		108 634	17 488		965	4 233	5 829	(1 596)	-27%	17 488
Licences and permits		89	87		9	31	29	2	6%	87
Agency services		578	632		26	144	211	(67)	-32%	632
Transfers recognised - operational		519 604	440 652		11 380	192 914	146 884	46 030	31%	440 652
Other revenue		123 214	79 697		7 850	44 372	26 566	17 806	67%	79 697
Gains on disposal of PPE			9 700				3 233	(3 233)	-100%	9 700
Total Revenue (excluding capital transfers and contributions)		3 840 392	4 037 100	-	291 043	1 394 260	1 345 700	48 560	4%	4 037 100
Expenditure By Type										
Employee related costs		836 267	965 405		112 935	327 327	321 802	5 525	2%	965 405
Remuneration of councillors		34 657	42 350		3 218	12 905	14 117	(1 212)	-9%	42 350
Debt impairment		222 110	124 586		-	-	41 529	(41 529)	-100%	124 586
Depreciation & asset impairment		463 564	487 399		39 530	156 784	162 467	(5 683)	-3%	487 399
Finance charges		71 180	69 511		206	12 080	23 170	(11 090)	-48%	69 511
Bulk purchases		1 587 014	1 736 811		144 626	687 583	578 937	108 646	19%	1 736 811
Other materials		4 751	30 101		184	1 122	10 127	(9 005)	-89%	30 101
Contracted services		29 698	18 851		4 806	8 905	6 284	2 621	42%	18 851
Transfers and grants		11 572	181		1 438	2 916	60	2 856	4733%	181
Other expenditure		870 336	572 784		49 099	187 857	190 928	(3 071)	-2%	572 784
Loss on disposal of PPE			-				-	-		-
Total Expenditure		4 131 150	4 047 979	-	356 041	1 397 478	1 349 420	48 058	4%	4 047 979
Surplus/(Deficit)		(290 758)	(10 879)	-	(64 998)	(3 217)	(3 719)	502	(0)	(10 879)
Transfers recognised - capital		356 459	489 060		22 249	60 235	163 020	(102 785)	(0)	489 060
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		65 700	478 181	-	(42 749)	57 018	159 301			478 181
Taxation								-		
Surplus/(Deficit) after taxation		65 700	478 181	-	(42 749)	57 018	159 301			478 181
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		65 700	478 181	-	(42 749)	57 018	159 301			478 181
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		65 700	478 181	-	(42 749)	57 018	159 301			478 181

KZN225 Msunduzi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M04 October										
Vote Description	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - City Manager		9 110	5 000	-	396	2 764	1 667	1 097	66%	5 000
Vote 2 - City Finance		15 139	26 500	-	117	117	8 833	(8 717)	-99%	26 500
Vote 3 - Community Services & Social Equity		56 719	32 850	-	3 829	12 884	10 950	1 934	18%	32 850
Vote 4 - Corporate Services		4 119	3 250	-	-	-	1 083	(1 083)	-100%	3 250
Vote 5 - Infrastructure Services		333 861	569 454	-	32 987	76 026	189 818	(113 792)	-60%	569 454
Vote 6 - Sustainable Development and City Enterprises		32 063	45 000	-	2 192	10 960	15 000	(4 040)	-27%	45 000
Total Capital Multi-year expenditure	4,7	451 009	682 054	-	39 521	102 749	227 351	(124 602)	-55%	682 054
Single Year expenditure appropriation	2									
Vote 1 - City Manager		555	750	-	121	121	250	(129)	-52%	750
Vote 2 - City Finance		13 442	710	-	1 759	8 022	237	7 785	3292%	710
Vote 3 - Community Services & Social Equity		13 720	17 619	-	1 109	2 229	5 873	(3 644)	-62%	17 619
Vote 4 - Corporate Services		8 398	3 150	-	2 761	3 792	1 050	2 742	261%	3 150
Vote 5 - Infrastructure Services		15 100	2 980	-	836	1 729	993	736	74%	2 980
Vote 6 - Sustainable Development and City Enterprises		26 412	1 798	-	19	67	599	(532)	-89%	1 798
Total Capital single-year expenditure	4	77 627	27 006	-	6 604	15 959	9 002	6 957	77%	27 006
Total Capital Expenditure		528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060
Capital Expenditure - Standard Classification										
Governance and administration		50 762	39 360	-	5 154	14 815	13 120	1 695	13%	59 385
Executive and council		9 665	5 750	-	517	2 885	1 917	968	51%	5 800
Budget and treasury office		28 581	27 210	-	1 875	8 138	9 070	(932)	-10%	53 585
Corporate services		12 517	6 400	-	2 761	3 792	2 133	1 658	78%	-
Community and public safety		68 187	63 824	-	4 765	14 424	21 140	(6 715)	-32%	54 598
Community and social services		17 495	3 446	-	459	475	1 149	(674)	-59%	2 500
Sport and recreation		45 618	33 350	-	4 255	13 881	11 117	2 764	25%	34 400
Public safety		1 883	8 333	-	51	69	2 778	(2 709)	-98%	8 353
Housing		3 191	17 075	-	-	-	5 692	(5 692)	-100%	7 725
Health		-	1 620	-	-	-	405	(405)	-100%	1 620
Economic and environmental services		166 656	347 746	-	16 848	38 207	115 915	(77 708)	-67%	339 647
Planning and development		48 972	28 325	-	2 192	10 726	9 442	1 284	14%	9 590
Road transport		116 686	317 801	-	14 656	27 481	105 934	(78 452)	-74%	330 057
Environmental protection		997	1 620	-	-	-	540	(540)	-100%	-
Trading services		236 720	258 353	-	19 340	50 961	86 118	(35 156)	-41%	254 033
Electricity		136 907	133 000	-	8 610	19 802	44 333	(24 531)	-55%	133 000
Water		53 989	83 133	-	4 230	18 657	27 711	(9 054)	-33%	83 133
Waste water management		33 205	37 500	-	6 021	11 467	12 500	(1 033)	-8%	36 900
Waste management		12 620	4 720	-	479	1 035	1 573	(538)	-34%	1 000
Other		6 311	1 398	-	19	301	466	(165)	-35%	1 398
Total Capital Expenditure - Standard Classification	3	528 636	710 680	-	46 126	118 708	236 758	(118 050)	-50%	709 060
Funded by:										
National Government		224 530	489 060	-	29 286	81 442	163 020	(81 578)	-50%	489 060
Provincial Government		67 121	-	-	22	2 331	-	2 331	#DIV/0!	
District Municipality		-	-	-	-	-	-	-		
Other transfers and grants		-	-	-	-	-	-	-		
Transfers recognised - capital		291 650	489 060	-	29 308	83 773	163 020	(79 247)	-49%	489 060
Public contributions & donations	5	-	-	-	-	-	-	-		
Borrowing	6	81 881	100 000	-	5 072	5 072	33 333	(28 261)	-85%	100 000
Internally generated funds		155 105	120 000	-	11 746	29 863	40 000	(10 137)	-25%	120 000
Total Capital Funding		528 636	709 060	-	46 126	118 708	236 353	(117 645)	-50%	709 060

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 599	45 578		39 385	45 578
Call investment deposits		753 689	1 086 648		748 438	1 086 648
Consumer debtors		728 136	883 147		1 213 872	883 147
Other debtors		390 671	376 443		(135 968)	376 443
Current portion of long-term receivables		49	43		-	43
Inventory		46 737	741 893		55 006	741 893
Total current assets		2 015 881	3 133 752	-	1 920 734	3 133 752
Non current assets						
Long-term receivables		10 482	9 455		10 338	9 455
Investments		-	-		-	-
Investment property		382 805	356 914		-	356 914
Investments in Associate		-	-		-	-
Property, plant and equipment		7 092 527	6 955 676		7 445 429	6 955 676
Agricultural		44 831	-		-	-
Biological assets		-	46 520		-	46 520
Intangible assets		18 880	27 283		-	27 283
Other non-current assets		-	179 008		-	179 008
Total non current assets		7 549 526	7 574 856	-	7 455 767	7 574 856
TOTAL ASSETS		9 565 407	10 708 608	-	9 376 501	10 708 608
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	61 751		1 245	61 751
Consumer deposits		89 479	92 798		91 886	92 798
Trade and other payables		773 105	1 224 471		598 162	1 224 471
Provisions		7 034	6 084		6 029	6 084
Total current liabilities		923 142	1 385 104	-	697 323	1 385 104
Non current liabilities						
Borrowing		543 401	579 761		581 086	579 761
Provisions		653 749	681 715		653 749	681 715
Total non current liabilities		1 197 150	1 261 476	-	1 234 835	1 261 476
TOTAL LIABILITIES		2 120 292	2 646 580	-	1 932 158	2 646 580
NET ASSETS	2	7 445 115	8 062 028	-	7 444 344	8 062 028
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 186 031	7 888 864		7 183 959	7 888 864
Reserves		259 085	173 164		260 385	173 164
TOTAL COMMUNITY WEALTH/EQUITY	2	7 445 115	8 062 028	-	7 444 344	8 062 028

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	701 468		54 954	214 710	233 823	(19 112)	-8%	701 468
Service charges		2 227 636	2 349 116		217 623	873 258	783 039	90 220	12%	2 349 116
Other revenue		18 478	84 318		45 021	150 458	28 106	122 352	435%	84 318
Government - operating		519 604	440 652		36 520	248 465	146 884	101 581	69%	440 652
Government - capital		356 459	489 060		33 787	148 872	163 020	(14 148)	-9%	489 060
Interest		120 556	64 893		1 792	10 238	21 631	(11 393)	-53%	64 893
Dividends							-	-		-
Payments										
Suppliers and employees		(2 681 727)	(3 360 950)		(328 243)	(1 485 768)	(1 120 317)	365 451	-33%	(3 360 950)
Finance charges		(71 180)	(69 501)		(206)	(12 080)	(23 167)	(11 087)	48%	(69 501)
Transfers and Grants		(11 572)	(5 854)		(12 000)	(13 478)	(1 951)	11 527	-591%	(5 854)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 194 858	693 202	-	49 248	134 676	231 067	96 392	42%	693 202
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors					183		-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 928)					-	-		-
Payments										
Capital assets		(1 249 406)	(589 505)		(46 126)	(118 708)	(196 502)	(77 793)	40%	(589 505)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 250 913)	(589 505)	-	(45 943)	(118 708)	(196 502)	(77 793)	40%	(589 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	100 000				33 333	(33 333)	-100%	100 000
Increase (decrease) in consumer deposits		4 370	5 250				1 750	(1 750)	-100%	5 250
Payments										
Repayment of borrowing		(46 261)	(49 850)		(24)	(18 642)	(16 617)	2 025	-12%	(49 850)
NET CASH FROM/(USED) FINANCING ACTIVITIES		58 109	55 400	-	(24)	(18 642)	18 467	37 109	201%	55 400
NET INCREASE/ (DECREASE) IN CASH HELD		2 054	159 097	-	3 281	(2 675)	53 032			159 097
Cash/cash equivalents at beginning:		827 273	951 511			842 068	951 511			842 068
Cash/cash equivalents at month/year end:		829 327	1 110 608			839 393	1 004 543			1 001 165

1 PART 2 – SUPPORTING DOCUMENTATION

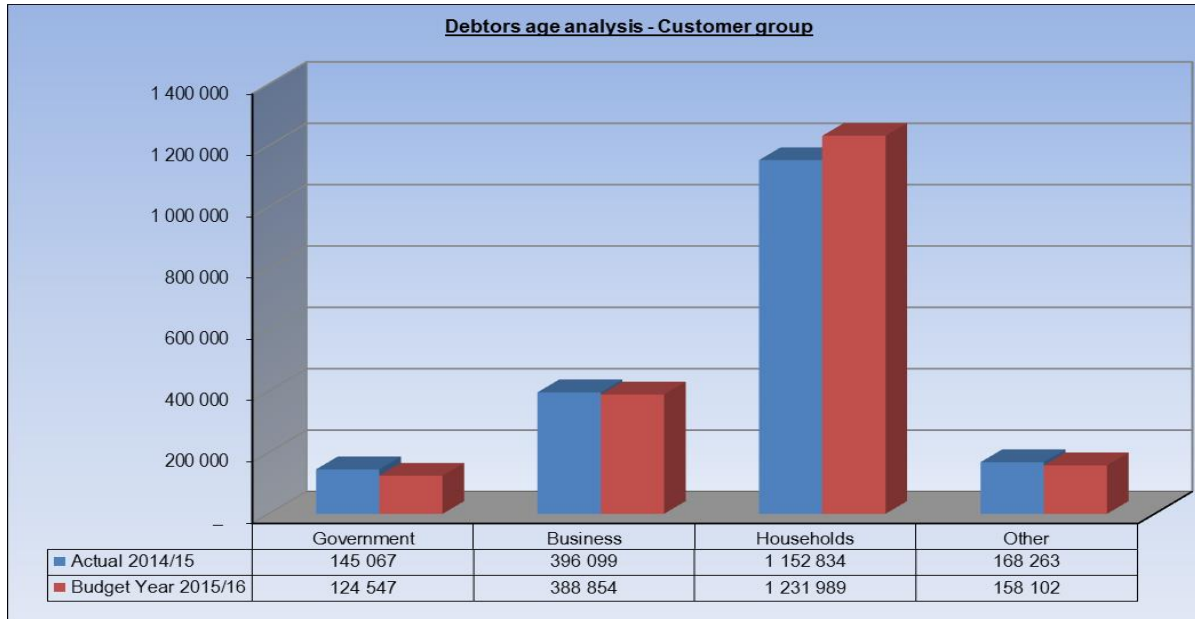
2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 October 2015.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors										M04 October 2015			
Description	NT Code	Budget Year 2015/16								Total	Impairment of Bad debt to Council	>90 days	>90 Day Os %
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Revenue Source													
Water	1200	52 197 617	25 663 845	21 127 721	19 588 323	18 245 951	16 783 887	14 969 633	377 511 825	546 088 802	182 590 095	447 099 619	82%
Electricity	1300	162 366 885	47 465 319	9 183 699	6 801 108	4 223 321	4 270 820	3 585 592	73 947 167	311 843 911	35 578 209	92 828 008	30%
Rates	1400	66 498 790	24 822 113	14 614 184	17 884 067	8 108 278	7 583 904	6 979 200	217 456 377	363 946 913	123 125 250	258 011 826	71%
Sewerage / Sanitation	1500	11 970 154	4 410 634	3 507 510	3 379 598	2 955 211	2 907 394	2 693 220	87 191 413	119 015 134	48 903 170	99 126 836	83%
Refuse Removal	1600	6 898 195	2 792 408	1 778 189	1 681 612	1 505 883	1 452 312	1 415 407	46 945 391	64 469 397	27 279 142	53 000 605	82%
Housing (Rental Revenue)	1700	669 335	593 816	580 346	566 755	491 204	488 625	490 189	27 000 697	30 880 967	19 388 434	29 037 470	94%
Interest on arrear Drts	1810	9 186 441	8 596 285	8 379 430	8 090 184	7 622 996	8 044 152	7 276 678	258 969 559	316 165 725	169 223 599	290 003 569	92%
Recoverable unauthorised, irregular or fruitless & wasteful Expenditure	1820	0	0	0	0	0	0	0	0	0	0	0	0%
Other	1900	14 412 356	-3 354 224	-3 421 802	1 206 137	1 215 903	10 309 625	1 754 159	128 958 547	151 080 701	31 668 950	143 444 371	95%
Total By Revenue Source	2000	324 200	110 990	55 749	59 198	44 369	51 841	39 164	1 217 981	1 903 492	637 757	1 412 552	
Prior Year	2014/15	280 203	156 369	71 977	53 536	51 472	40 275	38 696	1 169 735	1 862 262	602 904	1 145 727	
Debtors Age Analysis By Customer Category													% Drts
Government	2200	27 157 808	7 197 809	-984 477	5 065 116	1 220 246	11 043 289	2 456 979	71 389 882	124 546 652	46 489 932		7%
Business	2300	148 808 785	45 983 221	17 481 165	16 086 843	6 332 773	6 659 592	4 792 568	142 709 515	388 854 462	75 458 618		20%
Households	2400	138 821 767	53 702 966	35 876 788	33 430 863	33 213 700	31 392 638	29 182 619	876 367 183	1 231 988 524	435 621 981		65%
Other	2500	9 411 413	4 106 200	3 375 801	4 614 962	3 602 028	2 745 200	2 731 912	127 514 396	158 101 912	80 186 318		8%
Total By Customer Category	2600	324 200	110 990	55 749	59 198	44 369	51 841	39 164	1 217 981	1 903 492	637 757		
Notes	%	17.03	5.83	2.93	3.11	2.33	2.72	2.06	63.99				

Chart 1: Debtors Age Analysis By Customer Group

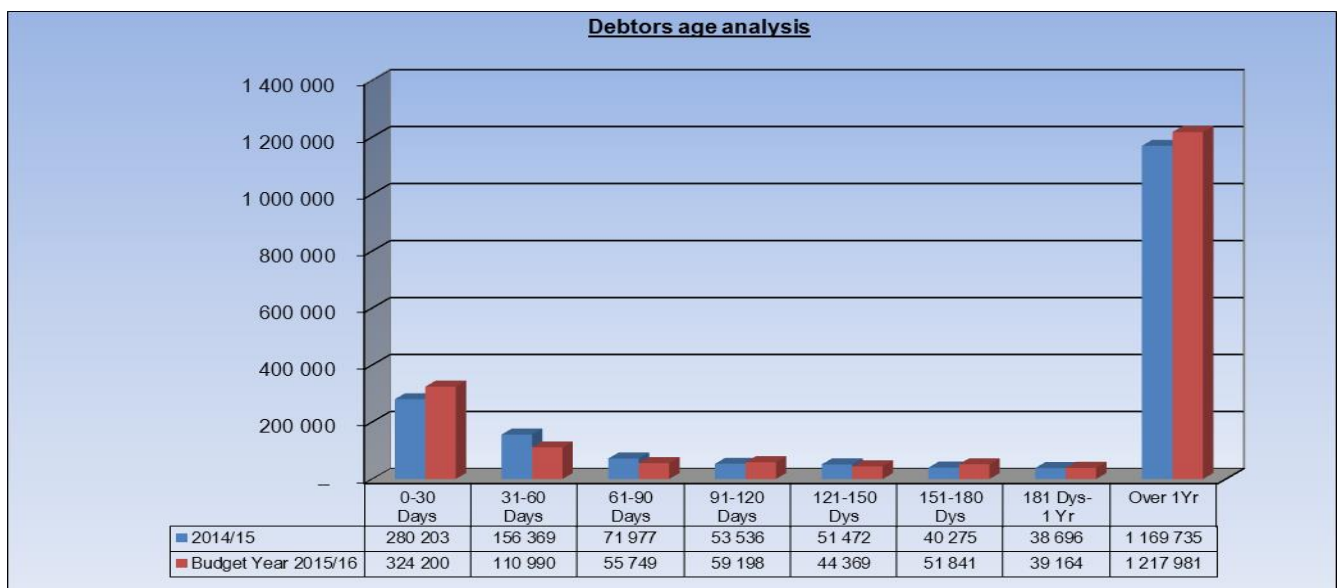


The information presented in the chart above reflects a slight increase in the outstanding debtor's balances as at 31 October 2015 of R 2.7 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 9 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 65% of the total municipal debt as detailed below:

- ✓ Households 65%
- ✓ Commercial 20%
- ✓ Other 8%
- ✓ Organs of State 7%

Chart 2: Year on Year Debtors Age Analysis



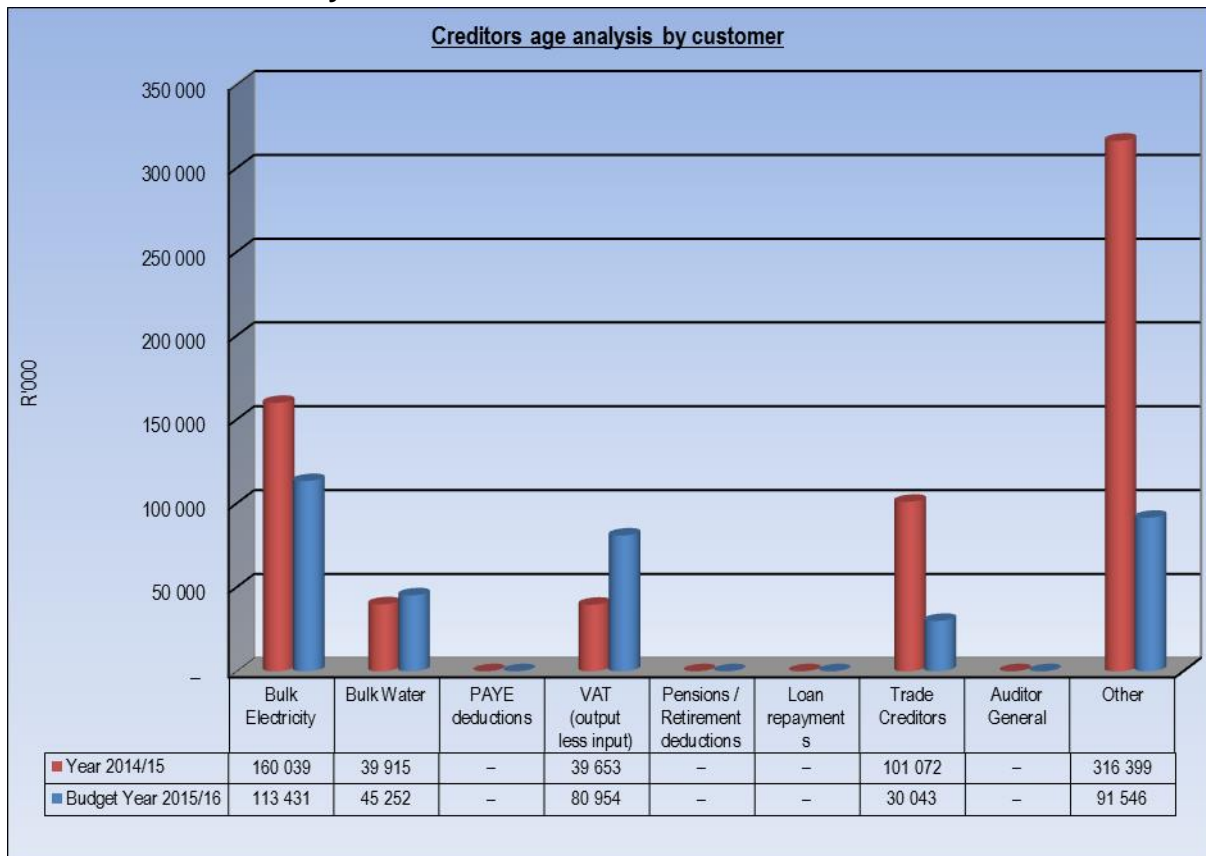
2.2 Creditors Analysis

Table SC 4 below presents the aged creditors as at 31 October 2015

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors										M04 October 2015	
Description	NT Code	Budget Year 2015/16								Total	Year 2014/15
		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		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	113 431	-	-	-	-	-	-	-	113 431	160 039
Bulk Water	0200	45 252	-	-	-	-	-	-	-	45 252	39 915
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	80 954	-	-	-	-	-	-	-	80 954	39 653
Pensions / Retirement deduction	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	24 834	1 287	206	132	1 258	2 326	-	-	30 043	101 072
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	91 546	-	-	-	-	-	-	-	91 546	316 399
Total By Customer Type	2600	356 017	1 287	206	132	1 258	2 326	-	-	361 226	657 078

The chart below presents a comparison of the age creditors between the current and prior year and for October 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 October 2015.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October									
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		Yrs/Months							
Municipality									
Fixed - ABSA - Call		Call	Call	on call					25 777
Fixed - ABSA - 12 months (WCA)		12 months							7 935
Fixed - ABSA - Various		Various							200 000
Fixed - FNB - Various		Various							328 094
Fixed - Investec - Call		various	Call						30 000
Fixed - Investec - 3 months		various							151 936
Municipality sub-total					-		-	-	743 742

The total consolidated investment balances as at 31 October 2015 was R 743.3 million.

2.4 Allocation and Grant receipts and Expenditure

Grant Receipts: The total operational and capital grant receipts for the year is R 929.7 million which is inclusive of the equitable share of R 395.7 million and Capital allocation of R 489.0 million.

KZN225 Msunduzi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts							M03 October 2015		
Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		487 405	407 948	-	166 510	135 983	30 527	22.4%	407 948
Local Government Equitable Share		373 541	395 786		164 910	131 929	32 981	25.0%	395 786
Finance Management		1 600	1 600		1 600	533	1 067	200.0%	1 600
Municipal Systems Improvement		-	930		-	310	(310)	-100.0%	930
EPWP Incentive		2 784	4 032		-	1 344	(1 344)	-100.0%	4 032
Energy Efficiency and Demand Management		-	-		-	-	-	-	-
Water Services Operating Subsidy	3	-	-		-	-	-	-	-
Public Transport and Systems		109 480	-		-	-	-	-	-
Operating costs-MIG		-	5 000		-	1 667	(1 667)	-100.0%	5 000
Neighbourhood Development Partnership Technical ass		-	600		-	200	(200)	-100.0%	600
Other transfers and grants [insert description]		-	-		-	-	-	-	-
Provincial Government:		41 449	32 704	-	12 976	10 901	2 074	19.0%	32 704
Expanded Public Works Grant		3	-		-	-	-	-	-
Health		-	-		-	-	-	-	-
Human Settlements		10 148	8 715		12 976	2 905	10 071	346.7%	8 715
Arts and Culture - Subsidies		-	380		-	127	(127)	-100.0%	380
Arts and Culture - Comm Library		-	552		-	184	(184)	-100.0%	552
Arts and Culture - Provincialisat		-	23 057		-	7 686	(7 686)	-100.0%	23 057
Sanitation Bucket eradication		-	-		-	-	-	-	-
GEDI		31 298	-		-	-	-	-	-
Total Operating Transfers and Grants	5	528 854	440 652	-	179 486	146 884	32 602	22.2%	440 652
Capital Transfers and Grants									
National Government:		316 544	489 060	-	182 505	163 020	19 485	12.0%	489 060
Municipal Infrastructure Grant (MIG)		163 157	187 456		72 825	62 485	10 340	16.5%	187 456
Public Transport and Systems		-	213 271		65 000	71 090	(6 090)	-8.6%	213 271
Neighbourhood Development Partnership		20 195	20 000		-	6 667	(6 667)	-100.0%	20 000
Dept of Mineral/Electricity		-	-		-	-	-	-	-
Intergrated National Electrification Pogramme		95 989	10 000		-	3 333	(3 333)	-100.0%	10 000
Mnicipal Water infrastrucure Grant		11 389	58 333		44 680	19 444	25 236	129.8%	58 333
MSIG		1 226	-		-	-	-	-	-
Library		24 586	-		-	-	-	-	-
Other capital transfers [insert description]		-	-		-	-	-	-	-
Provincial Government:		19 870	-	-	31 946	-	31 946	0.0%	-
Airport Development Project		-	-		-	-	-	-	-
Sport and Recreation		140	-		29 953	-	29 953	0.0%	-
Publicity House Renovation		1 977	-		-	-	-	-	-
Housing Accreditation		-	-		-	-	-	-	-
COGTA - URBAN RENEWAL		-	-		380	-	380	0.0%	-
COGTA - SANITATION BUCKET ERADICATION		4	-		-	-	-	-	-
COGTA - MASSIFICATION		4 375	-		-	-	-	-	-
COGTA		5 810	-		1 613	-	1 613	0.0%	-
Operation Dlusumlando-Agriculture		500	-		-	-	-	-	-
Art and Culture		988	-		-	-	-	-	-
Market		6 077	-		-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-
Other grant providers:		37	-	-	-	-	-	-	-
Youth Advisory Council		35	-		-	-	-	-	-
COMMUNITY COMMUNICATION INITIATIVE		1	-		-	-	-	-	-
Q Dot Pharma For Ward 3,4,6		-	-		-	-	-	-	-
Total Capital Transfers and Grants	5	336 450	489 060	-	214 451	163 020	51 431	31.5%	489 060
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	865 304	929 712	-	393 936	309 904	84 032	27.1%	929 712

Capital and Operating grants: While the full year grant expenditure budget is R 929.7 million, the actual YTD grant expenditure incurred amounted to R 100.9 million resulting in underperformance of 67% of the YTD capital grants budget.

KZN225 Msunduzi - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure								M03 October 2015	
Description	Ref	2014/15	Budget Year 2015/16						Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		487 405	407 948	-	4 275	135 983	(131 708)	-96.9%	407 948
Local Government Equitable Share		373 541	395 786	-	-	131 929	(131 929)	-100.0%	395 786
Finance Management		1 600	1 600	-	293	533	(240)	-45.1%	1 600
Municipal Systems Improvement		-	930	-	-	310	(310)	-100.0%	930
EPWP Incentive		2 784	4 032	-	3 982	1 344	2 638	196.3%	4 032
Public Transport and Systems		109 480	-	-	-	-	-	-	-
Operating costs-MIG		-	5 000	-	-	1 667	(1 667)	-100.0%	5 000
Neighbourhood Development Partnership Technical ass		-	600	-	-	200	(200)	-100.0%	600
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-
Provincial Government:		41 449	32 704	-	4 806	10 901	(6 095)	-55.9%	32 704
Expanded Public Works Grant		3	-	-	-	-	-	-	-
Human Settlements		10 148	8 715	-	4 806	2 905	1 901	65.4%	8 715
Arts and Culture - Subsidies		-	380	-	-	127	(127)	-100.0%	380
Arts and Culture - Comm Library		-	552	-	-	184	(184)	-100.0%	552
Arts and Culture - Provincialisiation		-	23 057	-	-	7 686	(7 686)	-100.0%	23 057
GEDI		31 298	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		528 854	440 652	-	9 081	146 884	(137 803)	-93.8%	440 652
Capital expenditure of Transfers and Grants									
National Government:		316 544	489 060	-	74 671	163 020	(88 349)	-54.2%	489 060
Municipal Infrastructure Grant (MIG)		163 157	187 456	-	56 247	62 485	(6 238)	-10.0%	187 456
Public Transport and Systems		-	213 271	-	9 715	71 090	(61 375)	-86.3%	213 271
Neighbourhood Development Partnership		20 195	20 000	-	-	6 667	(6 667)	-100.0%	20 000
Intergrated National Electrification Programme		95 989	10 000	-	-	3 333	(3 333)	-100.0%	10 000
Municipal Water infrastructure Grant		11 389	58 333	-	8 504	19 444	(10 940)	-56.3%	58 333
MSIG		1 226	-	-	205	-	205	0.0%	-
Library		24 586	-	-	-	-	-	-	-
Provincial Government:		19 870	-	-	17 206	-	17 206	0.0%	-
Airport Development Project		-	-	-	-	-	-	-	-
Sport and Recreation		140	-	-	14 662	-	14 662	0.0%	-
Publicity House Renovation		1 977	-	-	2 190	-	2 190	0.0%	-
COGTA - Art Gallery		-	-	-	77	-	77	0.0%	-
COGTA - SANITATION BUCKET ERADICATION		4	-	-	-	-	-	-	-
COGTA - MASSIFICATION		4 375	-	-	-	-	-	-	-
COGTA - Market		5 810	-	-	251	-	251	0.0%	-
Operation Dlusumlando-Agriculture		500	-	-	26	-	26	0.0%	-
Art and Culture		988	-	-	-	-	-	-	-
Market		6 077	-	-	-	-	-	-	-
Other grant providers:		37	-	-	-	-	-	-	-
Youth Advisory Council		35	-	-	-	-	-	-	-
COMMUNITY COMMUNICATION INITIATIVE		1	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		336 450	489 060	-	91 877	163 020	(71 143)	-43.6%	489 060
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		865 304	929 712	-	100 958	309 904	(208 946)	-67.4%	929 712

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		31 389	29 522		2 146	8 559	9 841	(1 282)	-13%	29 522
Pension and UIF Contributions		253	3 496		271	1 079	1 165	(86)	-7%	3 496
Medical Aid Contributions		2 287	1 296		106	423	432	(9)	-2%	1 296
Motor Vehicle Allowance		528	6 333		557	2 232	2 111	121	6%	6 333
Cellphone Allowance		133	1 565		132	529	522	7	1%	1 565
Housing Allowances		10	137		6	32	46	(14)	-30%	137
Other benefits and allowances		58	-		0	0	-	0	0%	-
Sub Total - Councillors		34 657	42 350	-	3 218	12 854	14 117	(1 263)	-9%	42 350
% increase	4		22.2%							22.2%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	5 651	6 744		538	1 975	2 248	(273)	-12%	6 744
Pension and UIF Contributions		798	870		60	259	290	(31)	-11%	870
Medical Aid Contributions		-	20		5	16	7	9	134%	20
Performance Bonus		210	360			11	120	(109)	-91%	360
Motor Vehicle Allowance		762	756		64	255	252	3	1%	756
Cellphone Allowance		-	90		8	31	30	1	4%	90
Housing Allowances		98	64			41	21	20	95%	64
Other benefits and allowances		38	-				-	-	-	-
Sub Total - Senior Managers of Municipality		7 558	8 904	-	674	2 588	2 968	(380)	-13%	8 904
% increase	4		17.8%							17.8%
Other Municipal Staff										
Basic Salaries and Wages		504 910	741 800		47 066	181 949	247 267	(65 318)	-26%	741 800
Pension and UIF Contributions		112 428	16 945		10 285	39 783	5 648	34 135	604%	16 945
Medical Aid Contributions		40 020	110 158		3 381	13 530	36 719	(23 190)	-63%	110 158
Overtime		38 448	32 271		3 746	13 879	10 757	3 122	29%	32 271
Motor Vehicle Allowance		12 324	52 435		1 114	4 516	17 478	(12 963)	-74%	52 435
Cellphone Allowance		2 340	-		216	862	-	862	0%	-
Housing Allowances		3 108	9 351		337	1 143	3 117	(1 974)	-63%	9 351
Other benefits and allowances		96 672	-		43 425	57 313	-	57 313	0%	-
Payments in lieu of leave		2 280	-		440	1 204	-	1 204	0%	-
Long service awards		12 444	3 461		475	2 032	1 154	878	76%	3 461
Sub Total - Other Municipal Staff		824 974	966 420	-	110 485	316 211	322 140	(5 929)	-2%	966 420
% increase	4		17.1%							17.1%
Total Parent Municipality		867 189	1 017 674	-	114 377	331 653	339 225	(7 572)	-2%	1 017 674
			17.4%							17.4%
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Board Fees		-	11				4	(4)	-100%	11
Sub Total - Board Members of Entities	2	-	11	-	-	-	3 667	(4)	-100%	11
% increase	4		0.0%							0.0%
Senior Managers of Entities										
Basic Salaries and Wages		329	409		30	120	136	(16)	-12%	409
Pension and UIF Contributions		-	-				-	-	-	-
Medical Aid Contributions		12	14		1	4	5	(1)	-11%	14
Overtime		18	-				-	-	-	-
Performance Bonus		6	6			6	2	4	200%	6
Motor Vehicle Allowance		-	18		2	6	6	-	-	18
Cellphone Allowance		4	4		-	1	1	(0)	-17%	4
Sub Total - Senior Managers of Entities		369	450	-	33	137	150 048	(13)	-9%	450
% increase	4		22.0%							22.0%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 794		155	694	931	(237)	-25%	2 794
Pension and UIF Contributions		154	194		13	55	65	(10)	-15%	194
Medical Aid Contributions		389	533		27	108	178	(70)	-39%	533
Overtime		416	457		38	136	152	(16)	-11%	457
Performance Bonus		22	25		-	25	8	17	200%	25
Motor Vehicle Allowance		56	72		5	21	24	(3)	-13%	72
Cellphone Allowance		11	14		1	5	5	0	7%	14
Housing Allowances		-	-				-	-	-	-
Other benefits and allowances		219	250		23	106	83	23	27%	250
Sub Total - Other Staff of Entities		3 526	4 339	-	262	1 150	1 446	(296)	-20%	4 339
% increase	4		23.1%							23.1%
Total Municipal Entities		3 895	4 800	-	295	1 287	1 600	(313)	-20%	4 800
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 022 474	-	114 672	332 940	340 825	(7 885)	-2%	1 022 474
% increase	4		17.4%							17.4%
TOTAL MANAGERS AND STAFF		836 427	980 114	-	111 454	320 086	326 705	(6 619)	-2%	980 114

Councillor Allowances

The expenditure on councillor allowances as at 31 October 2015 was under spent by 9%. The year to date budget for Remuneration of Councillor's is R 14.1 million while the actual expenditure incurred was R 12.9 million resulting in 91% YTD expenditure performance.

Employee Benefits

The total salaries expenditure for 31 October 2015 was R 326.0 million, against the budget of R 320.2 million, resulting in a 2% overperformance.

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 October 2015 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													M03 October 2015			
Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
Cash Receipts By Source																
Property rates		54 136	51 550	50 506	53 308	50 547	51 515	46 064	49 401	61 469	49 683	56 548	68 305	668 801	706 022	741 323
Property rates - penalties & collection charges		1 198	1 407	957	1 646	2 683	-	1 878	3 252	2 988	3 242	3 691	2 796	32 666	34 430	36 289
Service charges - electricity revenue		155 985	169 554	187 831	166 499	135 758	129 384	135 408	134 736	138 548	121 054	137 783	194 702	1 751 944	1 923 703	2 154 547
Service charges - water revenue		32 607	29 258	33 019	34 690	31 975	32 058	30 145	37 580	36 714	31 674	36 051	44 981	405 277	414 729	435 465
Service charges - sanitation revenue		10 881	8 749	10 474	10 307	9 501	9 940	7 917	10 564	9 941	8 675	9 874	12 205	114 680	120 204	126 695
Service charges - refuse		6 192	4 996	6 092	6 127	5 704	6 217	6 658	5 443	6 880	5 736	6 529	7 649	77 215	80 862	85 229
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 480	1 097	1 125	1 361	2 388	2 259	2 423	2 142	2 967	2 448	2 773	5 065	33 063	32 234	33 974
Interest earned - external investments		2 684	1 909	913	867	2 267	2 173	2 456	2 456	2 461	2 165	5 094	4 000	32 289	34 033	35 871
Interest earned - outstanding debtors		838	1 107	910	910	2 223	4 645	1 783	5 982	1 658	2 312	2 312	2 477	32 549	34 510	36 374
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		1 134	1 121	1 050	963	1 061	913	830	605	627	608	776	838	9 094	8 505	8 964
Licences and permits		7	7	8	9	6	2	6	2	9	11	10	5	87	92	97
Agency services		0	0	0	-	-	-	29	143	57	86	-	60	632	668	704
Transfer receipts - operating		197 440	10 800	3 705	36 520	82 367	-	-	735	183 264	-	149	-	440 652	463 799	502 985
Other revenue		27 939	23 190	46 154	41 902	1 922	4 886	3 838	1 801	2 444	1 641	626	2 781	41 442	42 502	44 798
Cash Receipts by Source		492 520	304 746	342 741	355 109	328 403	243 992	239 434	254 842	450 027	229 335	262 215	345 864	3 640 390	3 896 292	4 243 314
Other Cash Flows by Source																
Transfer receipts - capital		87 408	20 445	7 232	33 787	129 591	19 177	73 563	17 324	110 550	-	-	-	489 060	466 372	480 820
Increase in consumer deposits		552	417	156	787	1 602	165	108	254	126	336	186	467	5 250	6 150	5 250
Total Cash Receipts by Source		580 481	325 608	350 129	389 683	459 596	263 334	413 104	272 420	560 703	229 670	262 401	346 331	4 234 700	4 418 814	4 729 384

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts													M03 October 2015			
Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
Cash Payments by Type																
Employee related costs		70 097	69 777	82 066	114 438	80 208	74 854	76 038	76 762	75 796	78 667	77 887	77 738	956 536	1 009 506	1 073 538
Remuneration of councillors		3 213	3 263	3 212	3 208	3 312	3 312	3 312	3 312	5 255	3 537	3 537	3 454	42 350	45 659	48 124
Interest paid		118	40	11 714	205	-	21 326	769	-	435	443	481	26 122	69 489	68 312	61 719
Bulk purchases - Electricity		160 039	194 248	177 735	111 831	95 769	91 940	77 218	94 813	85 806	90 204	86 192	92 547	1 270 801	1 397 881	1 537 670
Bulk purchases - Water & Sewer		40 030	45 376	46 460	43 918	37 991	38 545	39 597	38 662	37 559	40 616	39 226	41 518	466 010	509 352	556 286
Other materials		-	-	-	14 804	552	560	576	562	546	590	570	603	6 773	9 269	9 770
Contracted services		-	-	-	12 956	1 513	1 661	1 634	1 463	1 697	1 555	1 709	1 483	18 556	19 483	20 535
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		1 438	20	20	12 000	24	24	1 415	24	24	1 415	24	26	5 854	6 599	6 999
General expenses		138 681	58 702	60 150	26 683	67 543	80 593	24 832	22 102	173 625	22 791	28 254	25 802	586 817	713 254	813 675
Cash Payments by Type		413 617	371 425	381 358	340 042	286 912	312 815	225 390	237 699	380 741	239 820	237 880	269 293	3 423 186	3 779 317	4 128 316
Other Cash Flows/Payments by Type																
Capital assets		9 089	23 544	39 949	46 126	38 709	22 571	59 870	20 650	21 306	70 560	67 043	193 753	589 505	555 584	537 677
Repayment of borrowing		23	24	18 571	24	55	11 776	33	33	33	22 566	33	6 059	49 850	53 628	53 757
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		422 730	394 993	439 878	386 192	325 676	347 162	285 293	258 382	402 080	332 946	304 957	469 106	4 062 541	4 388 529	4 719 749
NET INCREASE/(DECREASE) IN CASH HELD		157 751	(69 386)	(89 749)	3 491	133 921	(83 828)	127 811	14 038	158 623	(103 276)	(42 556)	(122 775)	172 159	30 286	9 635
Cash/cash equivalents at the month/year beginning:		842 068	999 819	930 434	840 684	844 175	978 096	894 268	1 022 080	1 036 118	1 194 741	1 091 465	1 048 910	842 068	1 014 227	1 044 513
Cash/cash equivalents at the month/year end:		999 819	930 434	840 684	844 175	978 096	894 268	1 022 080	1 036 118	1 194 741	1 091 465	1 048 910	926 135	1 014 227	1 044 513	1 054 148

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations			M04 October 2015	
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue By Source			
	Agency services	-32%	This is based on the customer usage fgor fire services to the District municipality	
	Other rev enue	67%	There has been an incorect jurnal posting, w ill be corrected in November 2015	
	Rental of facilities and equipment	-54%	This is a user driven resource	
	Licences and permits	6%		
	Interest earned - external investments	25%	This is would smooth out during the year	
	Transfers recognised - operational	31%	This is would smooth out during the year	
	Interest earned - outstanding debtors	-22%	This is would smooth out during the year	
2	Expenditure By Type			
	Debt impairment	100%	This is an annulised year end entry	
	Other materials	89%	This is a seasonal category and will smooth out during the year	
	Contracted services	-42%	This first quarter over-performance would smooth out during the year	
	Transfers and grants	-4733%	These are quarterly payments, the over-performance would smooth out during the year	
	Finance charges	48%	This under-performance would smooth out during the	
	Bulk purchases	-19%	This is would smooth out during the year	
	Depreciation & asset impairment	4%		
	Other ex penditure	2%		

2.7 Parent Municipality Financial Performance

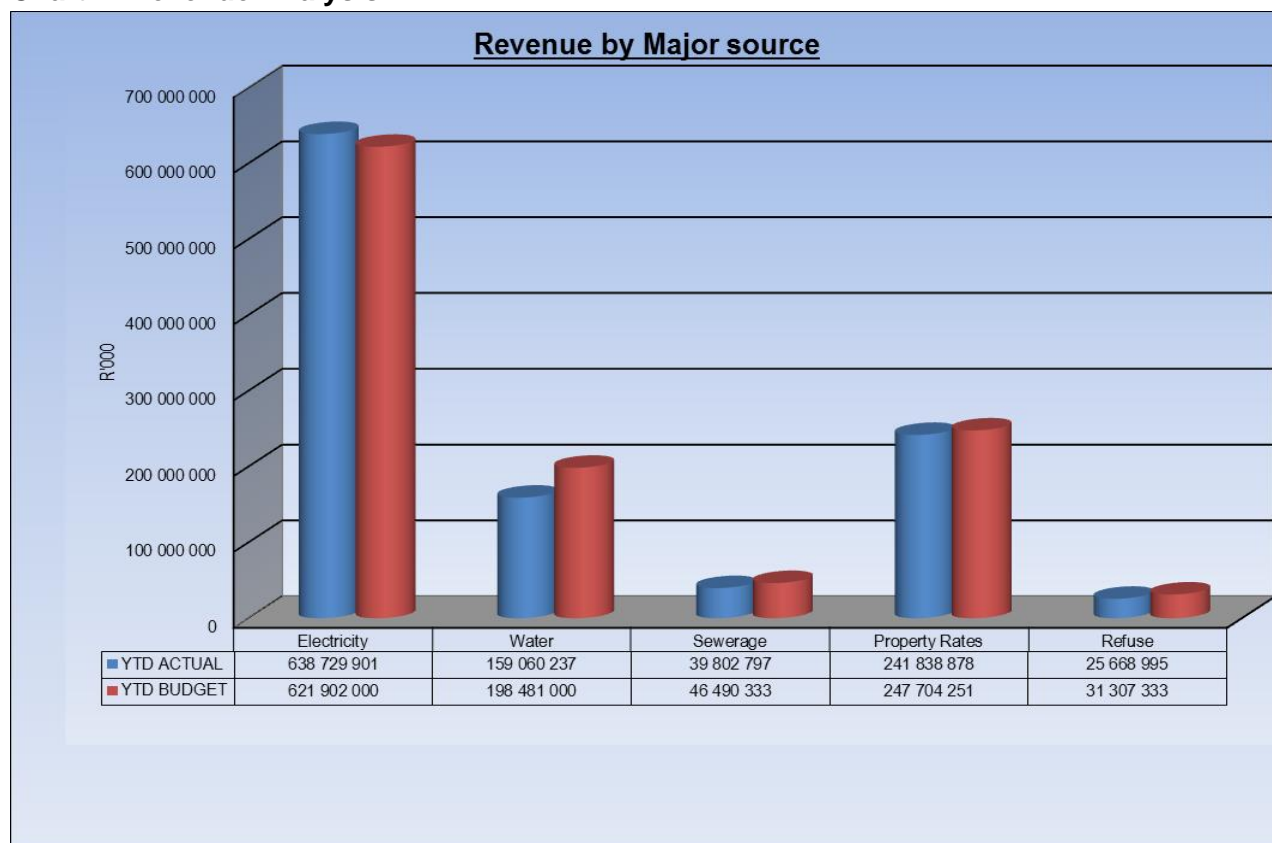
REVENUE ANALYSIS

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
- ✓ Operational Expenditure by Type, and

2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 46% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges over performed by (R17.4 million) when compared to the Year Budget.

Property Rates is the second largest contributor to the operating revenue basket making up 17% of the total operating revenue. When comparing YTD Actual revenue earned to YTD Budget, there is a 2% under performance existed as at 31 October 2015.

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 12% of the budgeted revenue basket and 11% of YTD actual revenue, this is in line against the budget causing a 0% variance when comparing YTD actual to YTD Budget.

Service Charges - sanitation revenue: reflects a 11% under performance when comparing the YTD actual revenue to the YTD budget.

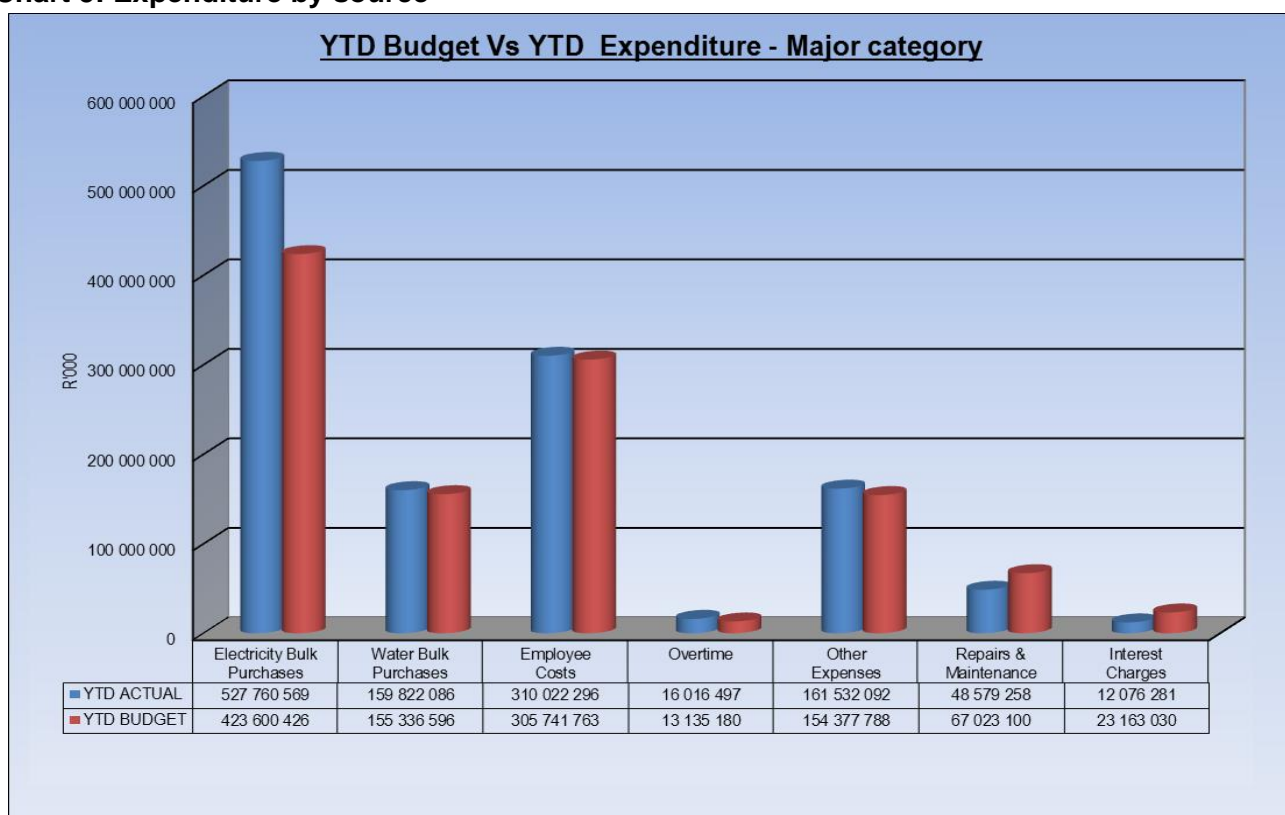
Service Charges - refuse revenue reflects an under performance of 15% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 4.3% to the total operating revenue received as at 31 October 2015.

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: The YTD expenditure budget for Bulk Purchases was R 687.5 million with a slight overperformance against the budget. Bulk Purchases is made up of Bulk Electricity Purchases and Water Purchases as broken down below;

✓ Bulk Purchases – Electricity	R 527 761	77%
✓ Bulk Purchases- Water	<u>R 159 822</u>	<u>23%</u>
Total	<u>R 687 583</u>	<u>100%</u>

Employee Related Costs: There is a slight over 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 188.2 million while the actual costs incurred was R 184.2 million resulting in under performance against the budget of R 3.9 million. The table below provides a detailed listing of the top 20 cash drainers during the month of October 2015.

Table 3: Top 20 Cash Drainers – October 2015

No:	Description	YTD Actual	October - 2015	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	6 549 651	3 859 287	169.7%
2	Marketing & Promotion	14 031 501	21 491 911	65.3%
3	Printing And Stationery	2 972 604	5 185 127	57.3%
4	IDP Expenses	2 127 658	4 000 400	53.2%
5	Interview Costs	10 474	20 000	52.4%
6	Uniforms	2 472 153	4 787 490	51.6%
7	Motor Vehicle Licences	1 072 855	2 114 668	50.7%
8	Contracted Services	8 905 097	18 055 560	49.3%
9	Postage And Stamps	1 437 310	3 340 944	43.0%
10	Bank Charges	1 993 836	4 992 879	39.9%
11	Ward Committee Costs	1 658 383	4 172 413	39.7%
12	Telephones	2 793 411	7 252 891	38.5%
13	Hire Charges	5 899 583	18 520 752	31.9%
14	Petrol & Lubricants	9 130 839	29 567 141	30.9%
15	Stores & Materials	1 096 009	4 207 911	26.0%
16	Entertainment	86 472	332 725	26.0%
17	External Services	13 833 287	66 937 186	20.7%
18	Valuation Roll	93 903	500 000	18.8%
19	Plant Hire	582 120	3 553 510	16.4%
20	Audit Fees	745 866	5 414 822	13.8%

Depreciation & Asset Impairment: The full year depreciation & asset impairment figure is R 485.8 million. The actual YTD is R 156.2 million whilst the YTD budget is R 161.9 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 23.1 million and the Actual figure was R 12.0 million pointing to a positive variance in this line item.

Contracted Services: YTD Budget for contracted services was R 6.2 million, whilst the actual YTD is R 8.9 million, resulting in a negative variance in this line item.

Remuneration of councillors budget was R 14.1 million and the actual expenditure incurred was R 12.9 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M04 October

Description	2014/15	Current Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	54	56	-	15	101	19	0	439%	56
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	4 534	12 474	-	1 419	2 838	1 418	1	100%	12 474
Total Revenue (excluding capital transfers and contributions)	4 588	12 530	-	1 434	2 939	1 437	1 501	0	12 530
Employee costs	3 735	4 799	-	294	1 288	1 600	(312)	(0)	4 799
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	501	1 553	-	129	518	518	-	-	1 553
Finance charges	11	12	-	1	4	4	0	0	12
Materials and bulk purchases	212	279	-	19	26	93	(67)	(0)	279
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	578	8 029	-	93	3 567	2 676	890	0	8 029
Total Expenditure	5 037	14 672	-	536	5 402	4 891	511	0	14 672
Surplus/(Deficit)	(449)	(2 142)	-	897	(2 463)	(3 453)	990	(0)	(2 142)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(449)	(2 142)	-	897	(2 463)	(3 453)	990	(0)	(2 142)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(449)	(2 142)	-	897	(2 463)	(3 453)	990	(0)	(2 142)
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	8 222	453	-	-	5 232	-	-	-	453
Total non current assets	684	6 778	-	-	684	-	-	-	6 778
Total current liabilities	7 770	6 982	-	-	4 565	-	-	-	6 982
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	1 136	0	-	-	(1 351)	-	-	-	0
Cash flows									
Net cash from (used) operating	7 852	(589)	-	1 027	(1 945)	(2 935)	989	(0)	(589)
Net cash from (used) investing	(313)	-	-	183	-	-	-	-	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	8 209	80	669	1 210	(1 945)	(2 935)	989	(0)	80
Debtors & creditors analysis	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Debtors Age Analysis	-	-	-	-	-	-	-	-	-
Total By Revenue Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis	-	-	-	-	-	-	-	-	-
Total Creditors	-	-	-	-	-	-	-	-	-

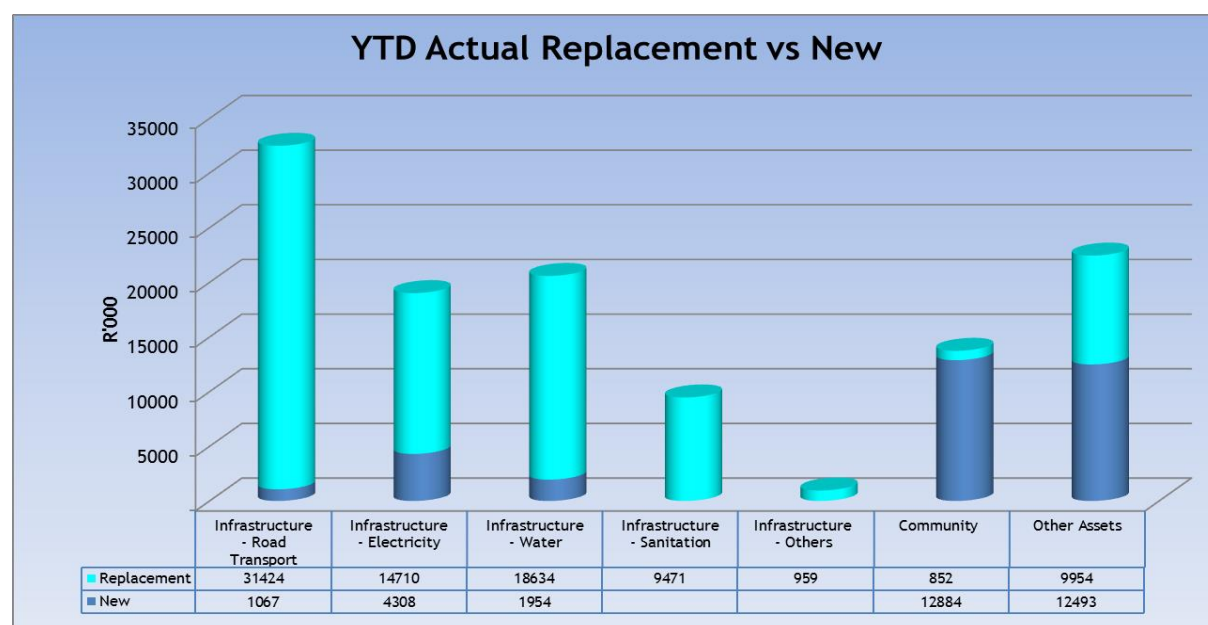
2.9 Capital Programme Performance

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

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend									M04 October 2015
Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	1 459	19 856	-	9 089	9 089	19 856	10 767	54.2%	1%
August	15 964	60 407	-	23 544	32 633	80 263	47 630	59.3%	5%
September	29 556	58 688	-	39 949	72 583	138 951	66 369	47.8%	10%
October	55 143	55 535	-	46 126	118 709	194 487	75 778	39.0%	17%
November	28 042	66 844	-	-	-	261 331	-		
December	36 204	92 393	-	-	-	353 723	-		
January	59 425	12 874	-	-	-	366 597	-		
February	62 127	69 412	-	-	-	436 009	-		
March	51 888	62 204	-	-	-	498 213	-		
April	42 741	70 535	-	-	-	568 749	-		
May	40 445	73 060	-	-	-	641 809	-		
June	105 643	67 251	-	-	-	709 060	-		
Total Capital expenditure	528 635	709 060	-	118 709					

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 October 2015.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 118.7 million, R 32.7 million (27%) was new assets and R 86.0 million (73%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04

Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		69 056	46 075	-	2 198	7 329	15 358	8 030	52.3%	46 075
Infrastructure - Road transport		-	2 230	-	716	1 067	743	(323)	-43.5%	2 230
Roads, Pavements & Bridges		-	2 230	-	716	1 067	743	(323)	-43.5%	2 230
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		25 692	18 000	-	1 000	4 308	6 000	1 692	28.2%	18 000
Generation		25 692	10 000	-	1 000	4 308	3 333	(975)	-29.2%	10 000
Street Lighting		-	8 000	-	-	-	2 667	2 667	100.0%	8 000
Infrastructure - Water		1 660	25 445	-	-	-	8 482	8 482	100.0%	25 445
Reticulation		1 660	25 445	-	-	-	8 482	8 482	100.0%	25 445
Infrastructure - Sanitation		41 674	-	-	482	1 954	-	(1 954)	0.0%	-
Reticulation		14 953	-	-	-	-	-	-	-	-
Sewerage purification		26 721	-	-	482	1 954	-	(1 954)	0.0%	-
Infrastructure - Other		30	400	-	-	-	133	133	100.0%	400
Waste Management		30	400	-	-	-	133	133	100.0%	400
Community		27 505	10 288	-	3 829	12 884	3 429	(9 454)	-275.7%	10 288
Parks & gardens		243	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	3 829	12 884	-	(12 884)	0.0%	-
Swimming pools		-	3 200	-	-	-	1 067	1 067	100.0%	3 200
Fire, safety & emergency		-	618	-	-	-	206	206	100.0%	618
Security and policing		-	1 200	-	-	-	400	400	100.0%	1 200
Museums & Art Galleries		94	-	-	-	-	-	-	-	-
Cemeteries		-	2 000	-	-	-	667	667	100.0%	2 000
Other		27 168	3 270	-	-	-	1 090	1 090	100.0%	3 270
Heritage assets		-	5 350	-	-	-	1 783	1 783	100.0%	5 350
Buildings		-	5 350	-	-	-	1 783	1 783	100.0%	5 350
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		39 968	10 712	-	5 026	12 493	3 571	(8 922)	-249.9%	10 712
General vehicles		2 343	-	-	588	595	-	(595)	0.0%	-
Specialised vehicles		-	3 500	-	-	-	1 167	1 167	100.0%	3 500
Plant & equipment		28 413	3 347	-	575	1 112	1 116	4	0.3%	3 347
Computers - hardware/equipment		573	2 995	-	2 733	8 961	998	(7 962)	-797.6%	2 995
Furniture and other office equipment		7 964	600	-	669	1 035	200	(835)	-417.7%	600
Markets		-	-	-	459	784	-	(784)	0.0%	-
Other		676	270	-	3	6	90	84	93.6%	270
Agricultural assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		10 062	-	-	-	-	-	-	-	-
Computers - software & programming		586	-	-	-	-	-	-	-	-
Other		9 476	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	146 592	72 424	-	11 053	32 705	24 141	(8 564)	-35.5%	72 424
Specialised vehicles		-	3 500	-	-	-	1 167	1 167	0	3 500
Fire		-	3 500	-	-	-	1 167	1 167	0	3 500
Ambulances		-	-	-	-	-	-	-	-	-

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M04 October

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		114 268	553 466	-	33 816	75 197	184 489	109 291	59.2%	553 466
Infrastructure - Road transport		76 131	343 277	-	16 232	31 424	114 426	83 002	72.5%	343 277
<i>Roads, Pavements & Bridges</i>		76 016	343 277		16 232	31 424	114 426	83 002	72.5%	343 277
<i>Storm water</i>		115								
Infrastructure - Electricity		-	115 000	-	7 151	14 710	38 333	23 623	61.6%	115 000
<i>Generation</i>		-	115 000		7 151	14 710	38 333	23 623	61.6%	115 000
Infrastructure - Water		31 683	64 689	-	4 230	18 634	21 563	2 929	13.6%	64 689
<i>Dams & Reservoirs</i>		-	64 689		-		21 563	21 563	100.0%	64 689
<i>Water purification</i>		31 683			-		-	-		
<i>Reticulation</i>		-			4 230	18 634	-	(18 634)	0.0%	-
Infrastructure - Sanitation		-	29 500	-	5 539	9 471	9 833	363	3.7%	29 500
<i>Reticulation</i>		-	29 500		-		9 833	9 833	100.0%	29 500
<i>Sewerage purification</i>		-	-		5 539	9 471	-	(9 471)	0.0%	-
Infrastructure - Other		6 454	1 000	-	664	959	333	(625)	-187.6%	1 000
<i>Waste Management</i>		-	1 000		306	347	333	(14)	-4.2%	1 000
<i>Transportation</i>		6 454	-				-	-		
<i>Other</i>		-			358	611	-	(611)	0.0%	-
Community		22 013	31 250	-	281	852	10 417	9 565	91.8%	31 250
Parks & gardens		-	1 000				333	333	100.0%	1 000
Sportsfields & stadia		13 919	21 500				7 167	7 167	100.0%	21 500
Swimming pools		-	2 000				667	667	100.0%	2 000
Community halls		4 458					-	-		
Recreational facilities		-			281	852	-	(852)	0.0%	-
Fire, safety & emergency		2 766					-	-		
Cemeteries		870					-	-		
Other		-	6 750				2 250	2 250	100.0%	6 750
Heritage assets		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Other assets		48 690	26 920	-	975	9 954	8 973	(981)	-10.9%	26 920
Plant & equipment		-				292	-	(292)	0.0%	-
Computers - hardware/equipment		-	3 750				1 250	1 250	100.0%	3 750
Furniture and other office equipment		-	-		927	1 700	-	(1 700)	0.0%	-
Markets		1 973	-			251	-	(251)	0.0%	-
Civic Land and Buildings		43 678	10 170		48	7 713	3 390	(4 323)	-127.5%	10 170
Other Buildings		301	-				-	-		
Surplus Assets - (Investment or Inventory)		-					-	-		
Other		2 738	13 000				4 333	4 333	100.0%	13 000
Agricultural assets		-	-	-	-	-	-	-		-
Biological assets		-	-	-	-	-	-	-		-
Intangibles		19	25 000	-	-	-	8 333	8 333	100.0%	25 000
Computers - software & programming		-	25 000				8 333	8 333	100.0%	25 000
Other		19	-				-	-		
Total Capital Expenditure on renewal of existing assets	1	184 990	636 636	-	35 072	86 003	212 212	126 208	59.5%	636 636

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 2014/15 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 slight increase when compared to the previous month.

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

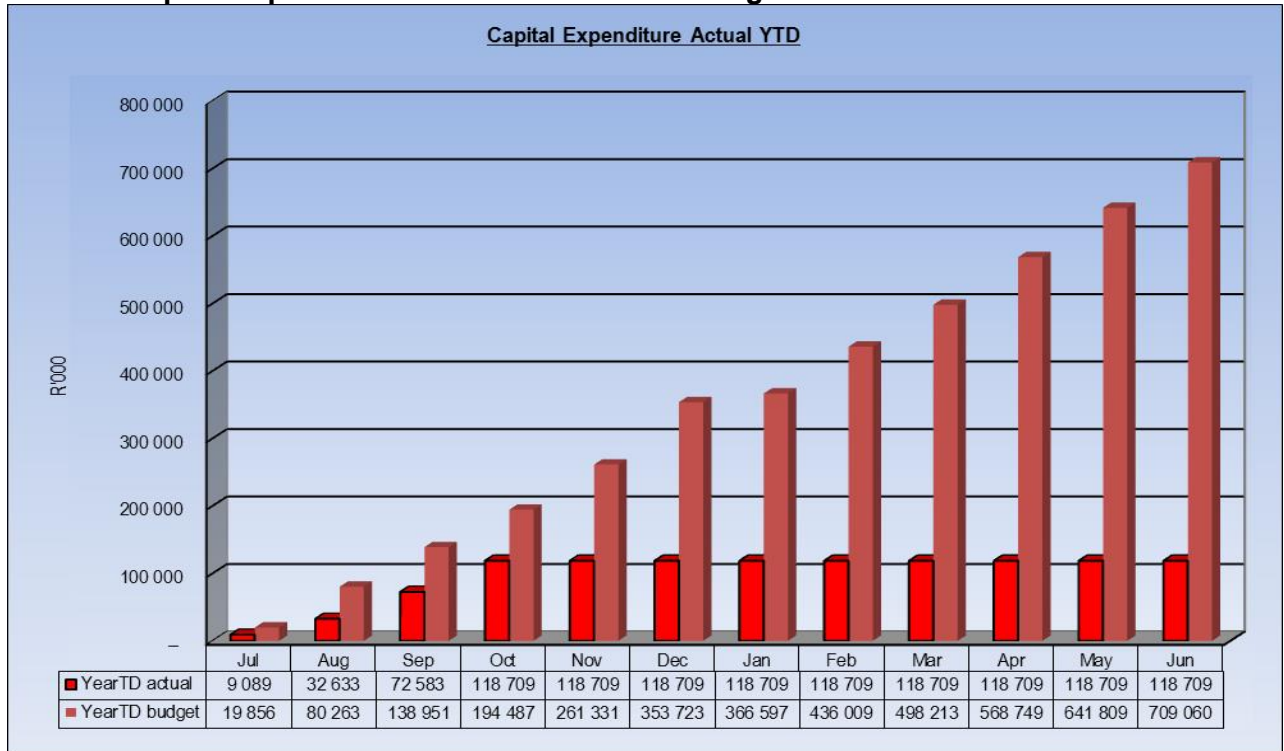
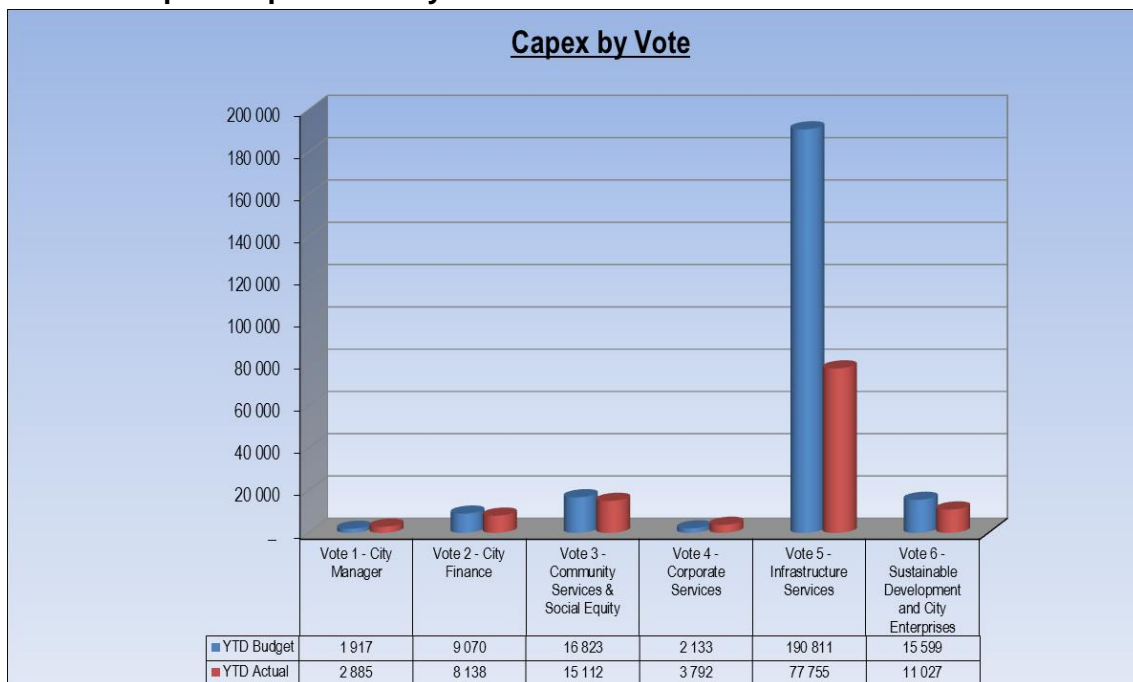


Chart 9: Capital Expenditure by Vote



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

The municipal entity's report for the month ending October 2015 has been attached.

2.10 Municipal Manager's Quality's Certification

Quality Certificate

I, **MXOLISI NKOSI**, the municipal manager of **MSUNDUZI LOCAL MUNICIPALITY**, hereby certify that –

- the monthly budget statement

for the month of **October 2015** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: **MXOLISI NKOSI**

Municipal manager of: **MSUNDUZI MUNICIPALITY**

Signature: _____

Date: _____