



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

September 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 Septemberor 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 1.156 billion for the period ending 30 September 2016. The YTD Budget was R 1.118 billion, therefore the actual overperformed against the budget by R 38.1 million against the revenue projected. The two main contributors, both accounting for 62% of the actual total YTD Revenue earned are Electricity (44%) & Property Rates revenue (18%). These two revenue sources make up more than 63% of the total YTD budget.

Operating Expenditure: The total actual YTD operating expenditure for the period ending 30 September 2016 amounted to R 128.7 million while the YTD budget was R 412.1 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 181.5 million, the actual YTD Capital expenditure incurred amounted to R 40.6 million resulting in underperformance of the capital budget. This is mainly due to the slow start of the new financial year.

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

Cash & Cash equivalents as at 30 September 2016 was R 1.02 billion.

Consumer Debt: Consumer debt at 30 September 2016 was just over R 1.86 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 - M03 September

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	717 026	842 558	–	69 731	202 217	210 640	(8 422)	-4%	842 558
Service charges	2 228 636	2 878 830	–	252 225	684 296	719 708	(35 411)	-5%	2 878 830
Investment revenue	50 973	49 270	–	–	37 918	12 318	25 601	208%	49 270
Transfers recognised - operational	519 191	489 491	–	–	180 127	122 373	57 754	47%	489 491
Other own revenue	325 520	212 797	–	5 805	51 871	53 199	(1 328)	-2%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 472 946	–	327 760	1 156 430	1 118 237	38 193	3%	4 472 946
Employee costs	832 495	1 035 660	–	82 570	249 999	258 915	(8 916)	-3%	1 035 660
Remuneration of Councillors	34 657	43 033	–	3 538	10 499	10 758	(259)	-2%	43 033
Depreciation & asset impairment	463 063	506 103	–	37 510	115 055	126 526	(11 471)	-9%	506 103
Finance charges	71 169	65 460	–	–	–	16 365	(16 365)	-100%	65 460
Materials and bulk purchases	1 785 315	2 117 550	–	15	251	529 388	(529 136)	-100%	2 117 550
Transfers and grants	11 995	148 325	–	20	1 770	37 081	(35 311)	-95%	148 325
Other expenditure	951 496	536 243	–	5 047	34 601	134 061	(99 460)	-74%	536 243
Total Expenditure	4 150 192	4 452 374	–	128 701	412 175	1 113 094	(700 918)	-63%	4 452 374
Surplus/(Deficit)	(308 844)	20 572	–	199 059	744 255	5 143	739 112	14371%	20 572
Transfers recognised - capital	356 835	447 414	–	(20)	(40)	111 854	(111 893)	-100%	447 414
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	47 991	467 986	–	199 039	744 215	116 997	627 218	536%	467 986
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	47 991	467 986	–	199 039	744 215	116 997	627 218	536%	467 986
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	–	40 533	40 648	121 040	(80 392)	-66%	726 241
Capital transfers recognised	275 665	447 973	–	32 427	32 427	74 662	(42 235)	-57%	447 973
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	62 181	158 268	–	2 415	2 415	26 378	(23 963)	-91%	158 268
Internally generated funds	123 864	120 000	–	5 691	5 807	20 000	(14 193)	-71%	120 000
Total sources of capital funds	461 711	726 241	–	40 533	40 648	121 040	(80 392)	-66%	726 241
Financial position									
Total current assets	1 984 966	3 134 961	–		1 438 197				3 134 961
Total non current assets	7 548 842	7 628 886	–		7 847 727				7 628 886
Total current liabilities	915 372	1 318 873	–		1 202 016				1 318 873
Total non current liabilities	1 197 150	1 255 546	–		1 235 318				1 255 546
Community wealth/Equity	7 421 286	8 189 428	–		6 848 590				8 189 428
Cash flows									
Net cash from (used) operating	1 180 761	773 696	–	(37 832)	110 701	193 424	82 723	43%	773 696
Net cash from (used) investing	(1 224 532)	(617 305)	–	(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
Net cash from (used) financing	50 631	(17 762)	–	445	(17 018)	(4 441)	12 578	-283%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 338	–	–	1 029 751	947 366	(82 384)	-9%	1 115 346
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	353 434	169 468	63 145	44 625	41 969	44 942	41 673	#####	1 860 134
Creditors Age Analysis									
Total Creditors	625 133	1 658	940	1 050	36	–	–	–	628 816

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

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	77 194	362 355	385 612	(23 258)	-6%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	77 191	362 339	382 067	(19 729)	-5%	1 528 270
Corporate services		5 993	14 180	-	3	16	3 545	(3 529)	-100%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 649	4 511	23 391	(18 881)	-81%	93 565
Community and social services		71 074	52 155	-	372	1 094	13 039	(11 945)	-92%	52 155
Sport and recreation		24 880	885	-	43	220	221	(1)	-1%	885
Public safety		111 819	23 347	-	661	1 448	5 837	(4 389)	-75%	23 347
Housing		17 809	17 144	-	571	1 747	4 286	(2 539)	-59%	17 144
Health		71	34	-	1	1	8	(7)	-88%	34
<i>Economic and environmental services</i>		235 988	435 042	-	1 319	5 468	108 761	(103 293)	-95%	435 042
Planning and development		63 074	53 331	-	1 289	5 376	13 333	(7 957)	-60%	53 331
Road transport		172 914	381 711	-	30	92	95 428	(95 336)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	254 596	786 209	856 529	(70 320)	-8%	3 426 115
Electricity		1 700 426	2 074 912	-	188 261	521 403	518 728	2 675	1%	2 074 912
Water		660 510	1 052 569	-	47 723	190 782	263 142	(72 360)	-27%	1 052 569
Waste water management		191 593	176 288	-	10 638	42 650	44 072	(1 422)	-3%	176 288
Waste management		115 022	122 345	-	7 974	31 373	30 586	787	3%	122 345
<i>Other</i>	4	34 298	31 371	-	2 095	5 615	7 843	(2 227)	-28%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	336 854	1 164 158	1 382 136	(217 978)	-16%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	36 325	110 757	245 306	(134 549)	-55%	995 248
Executive and council		7 712	113 165	-	5 228	15 611	28 291	(12 681)	-45%	113 165
Budget and treasury office		859 050	645 336	-	19 806	60 667	161 462	(100 796)	-62%	645 336
Corporate services		8 009	236 747	-	11 291	34 480	55 553	(21 073)	-38%	236 747
<i>Community and public safety</i>		670 660	551 767	-	36 192	109 203	139 090	(29 887)	-21%	551 767
Community and social services		116 571	140 429	-	8 122	24 674	35 180	(10 505)	-30%	140 429
Sport and recreation		145 186	118 290	-	9 837	30 313	29 817	496	2%	118 290
Public safety		316 932	236 010	-	14 592	43 131	59 834	(16 703)	-28%	236 010
Housing		49 923	32 584	-	2 120	6 370	8 146	(1 776)	-22%	32 584
Health		42 048	24 453	-	1 521	4 714	6 113	(1 399)	-23%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	28 103	86 134	141 935	(55 800)	-39%	567 103
Planning and development		97 679	110 222	-	6 502	19 659	27 556	(7 897)	-29%	110 222
Road transport		424 597	456 881	-	21 602	66 475	114 379	(47 904)	-42%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	34 083	103 846	728 323	(624 477)	-86%	2 904 545
Electricity		1 512 417	1 695 915	-	14 485	43 963	424 931	(380 969)	-90%	1 695 915
Water		590 023	912 149	-	7 833	24 083	228 424	(204 341)	-89%	912 149
Waste water management		175 548	192 253	-	4 865	14 578	48 274	(33 697)	-70%	192 253
Waste management		150 620	104 227	-	6 900	21 223	26 694	(5 470)	-20%	104 227
<i>Other</i>		54 353	41 895	-	3 111	10 003	10 485	(482)	-5%	41 895
Total Expenditure - Standard	3	4 550 669	5 060 558	-	137 815	419 943	1 265 140	(845 196)	-67%	5 060 558
Surplus/ (Deficit) for the year		47 991	467 985	-	199 039	744 215	116 996	627 218	536%	467 985

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

KZN225 Msunduzi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description		Ref	2015/16	Budget Year 2016/17							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Revenue by Vote		1									
Vote 1 - City Manager			6 851	-	-	3	15	-	15	#DIV/0!	-
Vote 2 - City Finance			1 422 429	1 528 270	-	77 191	362 339	382 067	(19 729)	-5.2%	1 528 270
Vote 3 - Community Services & Social Equity			281 059	176 823	-	8 888	33 780	44 206	(10 426)	-23.6%	176 823
Vote 4 - Corporate Services			5 890	14 182	-	0	0	3 545	(3 545)	-100.0%	14 182
Vote 5 - Infrastructure Services			2 763 949	3 712 792	-	247 302	757 296	928 198	(170 902)	-18.4%	3 712 792
Vote 6 - Sustainable Development and City Enterprises			141 174	96 476	-	3 470	10 727	24 119	(13 393)	-55.5%	96 476
Vote 7 - [NAME OF VOTE 7]			-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	4 621 352	5 528 543	-	336 854	1 164 158	1 382 136	(217 978)	-15.8%	5 528 543
Expenditure by Vote		1									
Vote 1 - City Manager			12 576	142 460	-	6 767	20 611	35 682	(15 071)	-42.2%	142 460
Vote 2 - City Finance			942 905	723 311	-	22 828	69 799	181 109	(111 310)	-61.5%	723 311
Vote 3 - Community Services & Social Equity			732 073	605 502	-	39 653	120 166	153 106	(32 941)	-21.5%	605 502
Vote 4 - Corporate Services			8 582	216 740	-	10 118	30 561	50 484	(19 923)	-39.5%	216 740
Vote 5 - Infrastructure Services			2 675 999	3 220 418	-	48 446	148 133	806 715	(658 583)	-81.6%	3 220 418
Vote 6 - Sustainable Development and City Enterprises			201 227	152 126	-	10 004	30 674	38 043	(7 369)	-19.4%	152 126
Vote 7 - [NAME OF VOTE 7]			-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	4 573 361	5 060 558	-	137 815	419 943	1 265 140	(845 196)	-66.8%	5 060 558
Surplus/ (Deficit) for the year		2	47 991	467 985	-	199 039	744 215	116 996	627 218	536.1%	467 985

Statement of financial Performance

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

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		686 819	798 728		67 094	198 388	199 682	(1 294)	-1%	798 728
Property rates - penalties & collection charges		30 207	43 830		2 637	3 829	10 958	(7 128)	-65%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		192 438	512 781	502 062	10 720	2%	2 008 246
Service charges - water revenue		448 064	623 188		43 073	116 414	155 797	(39 383)	-25%	623 188
Service charges - sanitation revenue		139 629	147 839		10 170	34 826	36 960	(2 134)	-6%	147 839
Service charges - refuse revenue		74 810	99 557		6 542	20 275	24 889	(4 614)	-19%	99 557
Service charges - other		-	-		-	-	-	-		-
Rental of facilities and equipment		21 476	43 809		1 732	5 572	10 952	(5 380)	-49%	43 809
Interest earned - external investments		50 973	49 270		-	37 918	12 318	25 601	208%	49 270
Interest earned - outstanding debtors		69 529	66 349		(273)	13 432	16 587	(3 155)	-19%	66 349
Dividends received		-	-		-	-	-	-		-
Fines		108 634	18 538		129	293	4 635	(4 342)	-94%	18 538
Licences and permits		89	92		8	16	23	(7)	-29%	92
Agency services		24 372	670		37	137	168	(31)	-18%	670
Transfers recognised - operational		519 191	489 491		-	180 127	122 373	57 754	47%	489 491
Other revenue		101 001	83 339		4 172	13 228	20 835	(7 607)	-37%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 472 946	-	327 760	1 156 430	1 118 237	38 193	3%	4 472 946
Expenditure By Type										
Employee related costs		832 495	1 035 660		82 570	249 999	258 915	(8 916)	-3%	1 035 660
Remuneration of councillors		34 657	43 033		3 538	10 499	10 758	(259)	-2%	43 033
Debt impairment		222 110	120 815		-	-	30 204	(30 204)	-100%	120 815
Depreciation & asset impairment		463 063	506 103		37 510	115 055	126 526	(11 471)	-9%	506 103
Finance charges		71 169	65 460		-	-	16 365	(16 365)	-100%	65 460
Bulk purchases		1 586 802	1 936 708		-	200	484 177	(483 977)	-100%	1 936 708
Other materials		198 513	180 842		15	51	45 211	(45 160)	-100%	180 842
Contracted services		110 072	35 108		12	49	8 777	(8 728)	-99%	35 108
Transfers and grants		11 995	148 325		20	1 770	37 081	(35 311)	-95%	148 325
Other expenditure		618 857	380 320		5 035	15 359	95 080	(79 721)	-84%	380 320
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 452 374	-	128 701	412 175	1 113 094	(700 918)	-63%	4 452 374
Surplus/(Deficit)		(308 844)	20 572	-	199 059	744 255	5 143	739 112	0	20 572
Transfers recognised - capital		356 835	447 414		(20)	(40)	111 854	(111 893)	(0)	447 414
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		47 991	467 986	-	199 039	744 215	116 997			467 986
Taxation								-		
Surplus/(Deficit) after taxation		47 991	467 986	-	199 039	744 215	116 997			467 986
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		47 991	467 986	-	199 039	744 215	116 997			467 986
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year		47 991	467 986	-	199 039	744 215	116 997			467 986

Capital Expenditure

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

KZN225 Msunduzi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03 September

Vote Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - City Manager		6 411	5 250	—	—	—	1 313	(1 313)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	—	—	116	6 232	(6 116)	-98%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	—	—	—	12 925	(12 925)	-100%	51 700
Vote 4 - Corporate Services		—	5 985	—	—	—	1 496	(1 496)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	—	31 689	31 689	136 518	(104 829)	-77%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	—	4 673	4 673	15 886	(11 213)	-71%	63 544
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Capital Multi-year expenditure	4,7	384 493	697 480	—	36 362	36 478	174 370	(137 892)	-79%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	—	—	—	125	(125)	-100%	500
Vote 2 - City Finance		31 896	782	—	—	—	196	(196)	-100%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	—	2 249	2 249	4 891	(2 642)	-54%	19 565
Vote 4 - Corporate Services		6 460	527	—	—	—	132	(132)	-100%	527
Vote 5 - Infrastructure Services		17 510	3 590	—	1 921	1 921	898	1 024	114%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	—	—	—	949	(949)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]		—	—	—	—	—	—	—	—	—
Vote 8 - [NAME OF VOTE 8]		—	—	—	—	—	—	—	—	—
Vote 9 - [NAME OF VOTE 9]		—	—	—	—	—	—	—	—	—
Vote 10 - [NAME OF VOTE 10]		—	—	—	—	—	—	—	—	—
Vote 11 - [NAME OF VOTE 11]		—	—	—	—	—	—	—	—	—
Vote 12 - [NAME OF VOTE 12]		—	—	—	—	—	—	—	—	—
Vote 13 - [NAME OF VOTE 13]		—	—	—	—	—	—	—	—	—
Vote 14 - [NAME OF VOTE 14]		—	—	—	—	—	—	—	—	—
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Capital single-year expenditure	4	77 217	28 761	—	4 170	4 170	7 190	(3 020)	-42%	28 761
Total Capital Expenditure		461 711	726 241	—	40 533	40 648	181 560	(140 912)	-78%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	—	—	116	9 493	(9 377)	-99%	37 971
Executive and council		7 174	5 750	—	—	—	1 438	(1 438)	-100%	5 750
Budget and treasury office		36 832	25 710	—	—	116	6 427	(6 312)	-98%	25 710
Corporate services		6 460	6 512	—	—	—	1 628	(1 628)	-100%	6 512
Community and public safety		52 921	103 238	—	2 249	2 249	25 810	(23 561)	-91%	103 238
Community and social services		4 763	32 740	—	1 857	1 857	8 185	(6 328)	-77%	32 740
Sport and recreation		39 271	31 425	—	392	392	7 856	(7 464)	-95%	31 425
Public safety		3 022	3 640	—	—	—	910	(910)	-100%	3 640
Housing		5 864	35 434	—	—	—	8 858	(8 858)	-100%	35 434
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		151 576	293 680	—	29 546	29 546	73 420	(43 874)	-60%	293 680
Planning and development		23 039	31 908	—	4 673	4 673	7 977	(3 304)	-41%	31 908
Road transport		126 943	260 312	—	24 873	24 873	65 078	(40 205)	-62%	260 312
Environmental protection		1 594	1 460	—	—	—	365	(365)	-100%	1 460
Trading services		204 390	291 352	—	8 606	8 606	72 838	(64 232)	-88%	291 352
Electricity		97 937	190 721	—	3 291	3 291	47 680	(44 389)	-93%	190 721
Water		65 591	58 728	—	437	437	14 682	(14 245)	-97%	58 728
Waste water management		37 404	31 403	—	3 075	3 075	7 851	(4 776)	-61%	31 403
Waste management		3 457	10 500	—	1 803	1 803	2 625	(822)	-31%	10 500
Other		2 357	—	—	132	132	—	132	#DIV/0!	—
Total Capital Expenditure - Standard Classification	3	461 711	726 241	—	40 533	40 648	181 560	(140 912)	-78%	726 241
Funded by:										
National Government		260 460	428 074	—	30 178	30 178	107 019	(76 841)	-72%	428 074
Provincial Government		15 205	19 899	—	2 249	2 249	4 975	(2 726)	-55%	19 899
District Municipality		—	—	—	—	—	—	—	—	—
Other transfers and grants		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		275 665	447 973	—	32 427	32 427	111 993	(79 566)	-71%	447 973
Public contributions & donations		—	—	—	—	—	—	—	—	—
Borrowing	5	62 181	158 268	—	2 415	2 415	39 567	(37 152)	-94%	158 268
Internally generated funds	6	123 864	120 000	—	5 691	5 807	30 000	(24 193)	-81%	120 000
Total Capital Funding		461 711	726 241	—	40 533	40 648	181 560	(140 912)	-78%	726 241

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

Table C6 displays the financial position of the municipality as at 30 September 2016.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	100 000		(882 918)	100 000
Call investment deposits		745 471	951 338		895 518	951 338
Consumer debtors		716 949	965 246		1 000 255	965 246
Other debtors		379 166	376 441		369 063	376 441
Current portion of long-term receivables		46	43		-	43
Inventory		46 737	741 893		56 280	741 893
Total current assets		1 984 966	3 134 961	-	1 438 197	3 134 961
Non current assets						
Long-term receivables		10 482	9 455		10 235	9 455
Investments		-	-		-	-
Investment property		382 805	356 914		665 857	356 914
Investments in Associate		-	-		-	-
Property, plant and equipment		6 862 567	7 009 706		7 080 200	7 009 706
Agricultural		230 945	-		54 276	-
Biological assets		44 831	46 520		781	46 520
Intangible assets		17 212	27 283		36 378	27 283
Other non-current assets		-	179 008		-	179 008
Total non current assets		7 548 842	7 628 886	-	7 847 727	7 628 886
TOTAL ASSETS		9 533 808	10 763 847	-	9 285 924	10 763 847
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	67 762		58 505	67 762
Consumer deposits		89 479	92 798		95 027	92 798
Trade and other payables		765 335	1 152 229		1 001 021	1 152 229
Provisions		7 034	6 084		47 465	6 084
Total current liabilities		915 372	1 318 873	-	1 202 016	1 318 873
Non current liabilities						
Borrowing		543 401	511 999		560 616	511 999
Provisions		653 749	743 547		674 703	743 547
Total non current liabilities		1 197 150	1 255 546	-	1 235 318	1 255 546
TOTAL LIABILITIES		2 112 522	2 574 419	-	2 437 335	2 574 419
NET ASSETS	2	7 421 286	8 189 428	-	6 848 590	8 189 428
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 016 514		6 572 246	8 016 514
Reserves		257 948	172 914		276 344	172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 189 428	-	6 848 590	8 189 428

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

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M03 September

TABLE OF MONTHLY BUDGET STATEMENT - CASH FLOW - 100 SEPTEMBER										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	741 451		63 015	173 570	185 363	(11 793)	-6%	741 451
Service charges		2 227 525	2 533 370		218 886	644 007	633 343	10 665	2%	2 533 370
Other revenue		-	138 875		30 374	70 099	34 719	35 380	102%	138 875
Government - operating		519 604	489 491		-	181 752	122 373	59 379	49%	489 491
Government - capital		356 459	447 973		1 920	121 625	111 993	9 632	9%	447 973
Interest		120 502	107 657		2 724	45 522	26 914	18 608	69%	107 657
Dividends							-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 611 671)		(338 501)	(1 107 913)	(902 918)	204 995	-23%	(3 611 671)
Finance charges		(71 169)	(65 460)		(16 251)	(16 252)	(16 365)	(113)	1%	(65 460)
Transfers and Grants		(11 573)	(7 990)			(1 710)	(1 998)	(288)	14%	(7 990)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 696	-	(37 832)	110 701	193 424	82 723	43%	773 696
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
Payments										
Capital assets		#####	(617 305)		(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				12 500	(12 500)	-100%	50 000
Increase (decrease) in consumer deposits		4 370			445	1 728	-	1 728	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)			(18 746)	(16 941)	1 806	-11%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	445	(17 018)	(4 441)	12 578	-283%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD										
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	-		1 029 751	947 366			1 115 346

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M03 September

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	717 026	842 558	–	69 731	202 217	210 640	(8 422)	-4%	842 558
Service charges	2 228 636	2 878 830	–	252 225	684 296	719 708	(35 411)	-5%	2 878 830
Investment revenue	50 973	49 330	–	10	37 942	12 334	25 609	208%	49 330
Transfers recognised - operational	519 191	489 491	–	–	180 127	122 373	57 754	47%	489 491
Other own revenue	325 520	212 797	–	5 805	51 871	53 199	(1 328)	-2%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 473 006	–	327 770	1 156 454	1 118 253	38 201	3%	4 473 006
Employee costs	832 495	1 040 938	–	82 975	251 138	260 234	(9 096)	-3%	1 040 938
Remuneration of Councillors	34 657	43 033	–	3 538	10 499	10 758	(259)	-2%	43 033
Depreciation & asset impairment	463 063	507 298	–	37 579	115 263	126 734	(11 471)	-9%	507 298
Finance charges	71 169	65 474	–	1	3	16 368	(16 365)	-100%	65 474
Materials and bulk purchases	1 785 315	2 118 107	–	60	341	529 488	(529 146)	-100%	2 118 107
Transfers and grants	11 995	140 526	–	20	1 770	37 081	(35 311)	-95%	140 526
Other expenditure	951 496	538 193	–	5 219	34 911	134 489	(99 578)	-74%	538 193
Total Expenditure	4 150 192	4 453 569	–	129 393	413 925	1 115 152	(701 226)	-63%	4 453 569
Surplus/(Deficit)	(308 844)	19 436	–	198 377	742 529	3 101	739 428	23845%	19 436
Transfers recognised - capital	356 835	447 973	–	(20)	(40)	111 854	(111 893)	-100%	447 973
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	47 991	467 410	–	198 357	742 489	114 955	627 534	546%	467 410
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	47 991	467 410	–	198 357	742 489	114 955	627 534	546%	467 410
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	–	40 533	40 648	181 560	(140 912)	-78%	726 241
Capital transfers recognised	275 665	447 973	–	32 427	32 427	111 993	(79 566)	-71%	447 973
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	62 181	158 268	–	2 415	2 415	39 567	(37 152)	-94%	158 268
Internally generated funds	123 864	120 000	–	5 691	5 807	30 000	(24 193)	-81%	120 000
Total sources of capital funds	461 711	726 241	–	40 533	40 648	181 560	(140 912)	-78%	726 241
Financial position									
Total current assets	1 984 966	3 135 284	–		1 439 774				3 135 284
Total non current assets	7 548 842	7 640 388	–		7 853 664				7 640 388
Total current liabilities	915 372	1 319 101	–		1 202 385				1 319 101
Total non current liabilities	1 197 150	1 255 547	–		1 235 318				1 255 547
Community wealth/Equity	7 421 286	8 201 024	–		6 855 735				8 201 024
Cash flows									
Net cash from (used) operating	1 180 761	773 947	–	(38 447)	109 180	193 487	84 307	44%	773 947
Net cash from (used) investing	(1 224 532)	(617 305)	–	(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
Net cash from (used) financing	50 631	(17 762)	–	445	(17 018)	(4 441)	12 578	-283%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 589	–	–	1 028 230	947 429	(80 801)	-9%	1 115 597
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	353 434	169 468	63 145	44 625	41 969	44 942	41 673	#####	1 860 134
Creditors Age Analysis									
Total Creditors	625 133	1 658	940	1 050	36	–	–	–	628 816

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	77 194	362 355	385 612	(23 258)	-6%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	77 191	362 339	382 067	(19 729)	-5%	1 528 270
Corporate services		5 993	14 180	-	3	16	3 545	(3 529)	-100%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 649	4 511	23 391	(18 881)	-81%	93 565
Community and social services		71 074	52 155	-	372	1 094	13 039	(11 945)	-92%	52 155
Sport and recreation		24 880	885	-	43	220	221	(1)	-1%	885
Public safety		111 819	23 347	-	661	1 448	5 837	(4 389)	-75%	23 347
Housing		17 809	17 144	-	571	1 747	4 286	(2 539)	-59%	17 144
Health		71	34	-	1	1	8	(7)	-88%	34
<i>Economic and environmental services</i>		235 988	435 042	-	1 319	5 468	108 761	(103 293)	-95%	435 042
Planning and development		63 074	53 331	-	1 289	5 376	13 333	(7 957)	-60%	53 331
Road transport		172 914	381 711	-	30	92	95 428	(95 336)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	254 596	786 209	856 529	(70 320)	-8%	3 426 115
Electricity		1 700 426	2 074 912	-	188 261	521 403	518 728	2 675	1%	2 074 912
Water		660 510	1 052 569	-	47 723	190 782	263 142	(72 360)	-27%	1 052 569
Waste water management		191 593	176 288	-	10 638	42 650	44 072	(1 422)	-3%	176 288
Waste management		115 022	122 345	-	7 974	31 373	30 586	787	3%	122 345
<i>Other</i>	4	34 298	31 371	-	2 095	5 615	7 843	(2 227)	-28%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	336 854	1 164 158	1 382 136	(217 978)	-16%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	36 325	110 757	245 306	(134 549)	-55%	995 248
Executive and council		7 712	113 165	-	5 228	15 611	28 291	(12 681)	-45%	113 165
Budget and treasury office		859 050	645 336	-	19 806	60 667	161 462	(100 796)	-62%	645 336
Corporate services		8 009	236 747	-	11 291	34 480	55 553	(21 073)	-38%	236 747
<i>Community and public safety</i>		670 660	552 342	-	36 874	110 929	141 131	(30 202)	-21%	552 342
Community and social services		116 571	141 004	-	8 122	24 674	35 180	(10 505)	-30%	141 004
Sport and recreation		145 186	118 290	-	9 837	30 313	29 817	496	2%	118 290
Public safety		316 932	236 010	-	15 274	44 857	61 875	(17 018)	-28%	236 010
Housing		49 923	32 584	-	2 120	6 370	8 146	(1 776)	-22%	32 584
Health		42 048	24 453	-	1 521	4 714	6 113	(1 399)	-23%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	28 103	86 134	141 935	(55 800)	-39%	567 103
Planning and development		97 679	110 222	-	6 502	19 659	27 556	(7 897)	-29%	110 222
Road transport		424 597	456 881	-	21 602	66 475	114 379	(47 904)	-42%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	34 083	103 846	728 323	(624 477)	-86%	2 904 545
Electricity		1 512 417	1 695 915	-	14 485	43 963	424 931	(380 969)	-90%	1 695 915
Water		590 023	912 149	-	7 833	24 083	228 424	(204 341)	-89%	912 149
Waste water management		175 548	192 253	-	4 865	14 578	48 274	(33 697)	-70%	192 253
Waste management		150 620	104 227	-	6 900	21 223	26 694	(5 470)	-20%	104 227
<i>Other</i>		54 353	41 895	-	3 111	10 003	10 485	(482)	-5%	41 895
Total Expenditure - Standard	3	4 550 669	5 061 133	-	138 497	421 669	1 267 181	(845 511)	-67%	5 061 133
Surplus/ (Deficit) for the year		47 991	467 410	-	198 357	742 489	114 955	627 533	546%	467 410

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - City Manager		6 851	–	–	3	15	–	15	#DIV/0!	–
Vote 2 - City Finance		1 422 429	1 528 270	–	77 191	362 339	382 067	(19 729)	-5.2%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	–	8 888	33 780	44 206	(10 426)	-23.6%	176 823
Vote 4 - Corporate Services		5 890	14 182	–	0	0	3 545	(3 545)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	–	247 302	757 296	928 198	(170 902)	-18.4%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	–	3 470	10 727	24 119	(13 393)	-55.5%	96 476
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	4 621 352	5 528 543	–	336 854	1 164 158	1 382 136	(217 978)	-15.8%	5 528 543
Expenditure by Vote	1									
Vote 1 - City Manager		12 576	142 460	–	6 767	20 611	35 682	(15 071)	-42.2%	142 460
Vote 2 - City Finance		942 905	723 311	–	22 828	69 799	181 109	(111 310)	-61.5%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	–	40 335	121 892	155 147	(33 256)	-21.4%	605 502
Vote 4 - Corporate Services		8 582	216 740	–	10 118	30 561	50 484	(19 923)	-39.5%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	–	48 446	148 133	806 715	(658 583)	-81.6%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 701	–	10 004	30 674	38 043	(7 369)	-19.4%	152 701
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	4 573 361	5 061 133	–	138 497	421 669	1 267 181	(845 511)	-66.7%	5 061 133
Surplus/ (Deficit) for the year	2	47 991	467 410	–	198 357	742 489	114 955	627 533	545.9%	467 410

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

KZN222-12-2022-12-										
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KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M03 September

Vote Description		Ref	2015/16	Budget Year 2016/17							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		1									
Multi-Year expenditure appropriation		2									
Vote 1 - City Manager			6 411	5 250	-	-	-	1 313	(1 313)	-100%	5 250
Vote 2 - City Finance			4 936	24 928	-	-	116	6 232	(6 116)	-98%	24 928
Vote 3 - Community Services & Social Equity			34 870	51 700	-	-	-	12 925	(12 925)	-100%	51 700
Vote 4 - Corporate Services			-	5 985	-	-	-	1 496	(1 496)	-100%	5 985
Vote 5 - Infrastructure Services			311 425	546 074	-	31 689	31 689	136 518	(104 829)	-77%	546 074
Vote 6 - Sustainable Development and City Enterprises			26 852	63 544	-	4 673	4 673	15 886	(11 213)	-71%	63 544
Vote 7 - [NAME OF VOTE 7]			-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure		4,7	384 493	697 480	-	36 362	36 478	174 370	(137 892)	-79%	697 480
Single Year expenditure appropriation		2									
Vote 1 - City Manager			763	500	-	-	-	125	(125)	-100%	500
Vote 2 - City Finance			31 896	782	-	-	-	196	(196)	-100%	782
Vote 3 - Community Services & Social Equity			16 180	19 565	-	2 249	2 249	4 891	(2 642)	-54%	19 565
Vote 4 - Corporate Services			6 460	527	-	-	-	132	(132)	-100%	527
Vote 5 - Infrastructure Services			17 510	3 590	-	1 921	1 921	898	1 024	114%	3 590
Vote 6 - Sustainable Development and City Enterprises			4 409	3 798	-	-	-	949	(949)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]			-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]			-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]			-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]			-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]			-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]			-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure		4	77 217	28 761	-	4 170	4 170	7 190	(3 020)	-42%	28 761
Total Capital Expenditure			461 711	726 241	-	40 533	40 648	181 560	(140 912)	-78%	726 241
Capital Expenditure - Standard Classification											
Governance and administration			50 466	37 971	-	-	116	9 493	(9 377)	-99%	37 971
Executive and council			7 174	5 750	-	-	-	1 438	(1 438)	-100%	5 750
Budget and treasury office			36 832	25 710	-	-	116	6 427	(6 312)	-98%	25 710
Corporate services			6 460	6 512	-	-	-	1 628	(1 628)	-100%	6 512
Community and public safety			52 921	103 238	-	2 249	2 249	25 810	(23 561)	-91%	103 238
Community and social services			4 763	32 740	-	1 857	1 857	8 185	(6 328)	-77%	32 740
Sport and recreation			39 271	31 425	-	392	392	7 856	(7 464)	-95%	31 425
Public safety			3 022	3 640	-	-	-	910	(910)	-100%	3 640
Housing			5 864	35 434	-	-	-	8 858	(8 858)	-100%	35 434
Health			-	-	-	-	-	-	-	-	-
Economic and environmental services			151 576	293 680	-	29 546	29 546	73 420	(43 874)	-60%	293 680
Planning and development			23 039	31 908	-	4 673	4 673	7 977	(3 304)	-41%	31 908
Road transport			126 943	260 312	-	24 873	24 873	65 078	(40 205)	-62%	260 312
Environmental protection			1 594	1 460	-	-	-	365	(365)	-100%	1 460
Trading services			204 390	291 352	-	8 606	8 606	72 838	(64 232)	-88%	291 352
Electricity			97 937	190 721	-	3 291	3 291	47 680	(44 389)	-93%	190 721
Water			65 591	58 728	-	437	437	14 682	(14 245)	-97%	58 728
Waste water management			37 404	31 403	-	3 075	3 075	7 851	(4 776)	-61%	31 403
Waste management			3 457	10 500	-	1 803	1 803	2 625	(822)	-31%	10 500
Other			2 357	-	-	132	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification		3	461 711	726 241	-	40 533	40 648	181 560	(140 912)	-78%	726 241
Funded by:											
National Government			260 460	428 074	-	30 178	30 178	107 019	(76 841)	-72%	428 074
Provincial Government			15 205	19 899	-	2 249	2 249	4 975	(2 726)	-55%	19 899
District Municipality			-	-	-	-	-	-	-	-	-
Other transfers and grants			-	-	-	-	-	-	-	-	-
Transfers recognised - capital			275 665	447 973	-	32 427	32 427	111 993	(79 566)	-71%	447 973
Public contributions & donations		5	-	-	-	-	-	-	-	-	-
Borrowing		6	62 181	158 268	-	2 415	2 415	39 567	(37 152)	-94%	158 268
Internally generated funds			123 864	120 000	-	5 691	5 807	30 000	(24 193)	-81%	120 000
Total Capital Funding			461 711	726 241	-	40 533	40 648	181 560	(140 912)	-78%	726 241

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		96 597	100 068		(882 647)	100 068
Call investment deposits		745 471	951 589		896 817	951 589
Consumer debtors		716 949	965 246		1 000 255	965 246
Other debtors		379 166	376 444		369 070	376 444
Current portion of long-term receivables		46	43		–	43
Inventory		46 737	741 893		56 280	741 893
Total current assets		1 984 966	3 135 284	–	1 439 774	3 135 284
Non current assets						
Long-term receivables		10 482	9 455		10 235	9 455
Investments		–			–	–
Investment property		382 805	356 914		665 857	356 914
Investments in Associate		–			–	–
Property, plant and equipment		6 862 567	7 021 207		7 086 137	7 021 207
Agricultural		230 945	46 520		54 276	46 520
Biological assets		44 831			781	–
Intangible assets		17 212	27 283		36 378	27 283
Other non-current assets		–	179 008		–	179 008
Total non current assets		7 548 842	7 640 388	–	7 853 664	7 640 388
TOTAL ASSETS		9 533 808	10 775 671	–	9 293 438	10 775 671
LIABILITIES						
Current liabilities						
Bank overdraft						–
Borrowing		53 524	67 762		58 505	67 762
Consumer deposits		89 479	92 798		95 027	92 798
Trade and other payables		765 335	1 152 457		1 001 390	1 152 457
Provisions		7 034	6 084		47 465	6 084
Total current liabilities		915 372	1 319 101	–	1 202 385	1 319 101
Non current liabilities						
Borrowing		543 401	511 999		560 616	511 999
Provisions		653 749	743 548		674 703	743 548
Total non current liabilities		1 197 150	1 255 547	–	1 235 318	1 255 547
TOTAL LIABILITIES		2 112 522	2 574 648	–	2 437 704	2 574 648
NET ASSETS	2	7 421 286	8 201 024	–	6 855 735	8 201 024
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 028 109		6 579 391	8 028 109
Reserves		257 948	172 914		276 344	172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 201 024	–	6 855 735	8 201 024

KZN225 Msunduzi - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		716 603	741 451		63 015	173 570	185 363	(11 793)	-6%	741 451
Service charges		2 227 525	2 533 370		218 886	644 007	633 343	10 665	2%	2 533 370
Other revenue		-	138 875		30 374	70 099	34 719	35 380	102%	138 875
Government - operating		519 604	489 491		-	181 752	122 373	59 379	49%	489 491
Government - capital		356 459	447 973		1 920	121 625	111 993	9 632	9%	447 973
Interest		120 502	107 717		2 734	45 546	26 929	18 617	69%	107 717
Dividends			-				-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 619 264)		(339 125)	(1 109 455)	(904 816)	204 639	-23%	(3 619 264)
Finance charges		(71 169)	(65 474)		(16 252)	(16 255)	(16 369)	(114)	1%	(65 474)
Transfers and Grants		(11 573)	(191)			(1 710)	(48)	1 662	-3473%	(191)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 947	-	(38 447)	109 180	193 487	84 307	44%	773 947
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		421					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables							-	-		-
Decrease (increase) in non-current investments		(1 033)					-	-		-
Payments										
Capital assets		#####	(617 305)		(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(40 533)	(40 649)	(154 326)	(113 677)	74%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				12 500	(12 500)	-100%	50 000
Increase (decrease) in consumer deposits		4 370			445	1 728	-	1 728	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)			(18 746)	(16 941)	1 806	-11%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	445	(17 018)	(4 441)	12 578	-283%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD		6 860	138 880	-	(78 535)	51 513	34 720			138 880
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	-		1 028 230	947 429			1 115 597

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

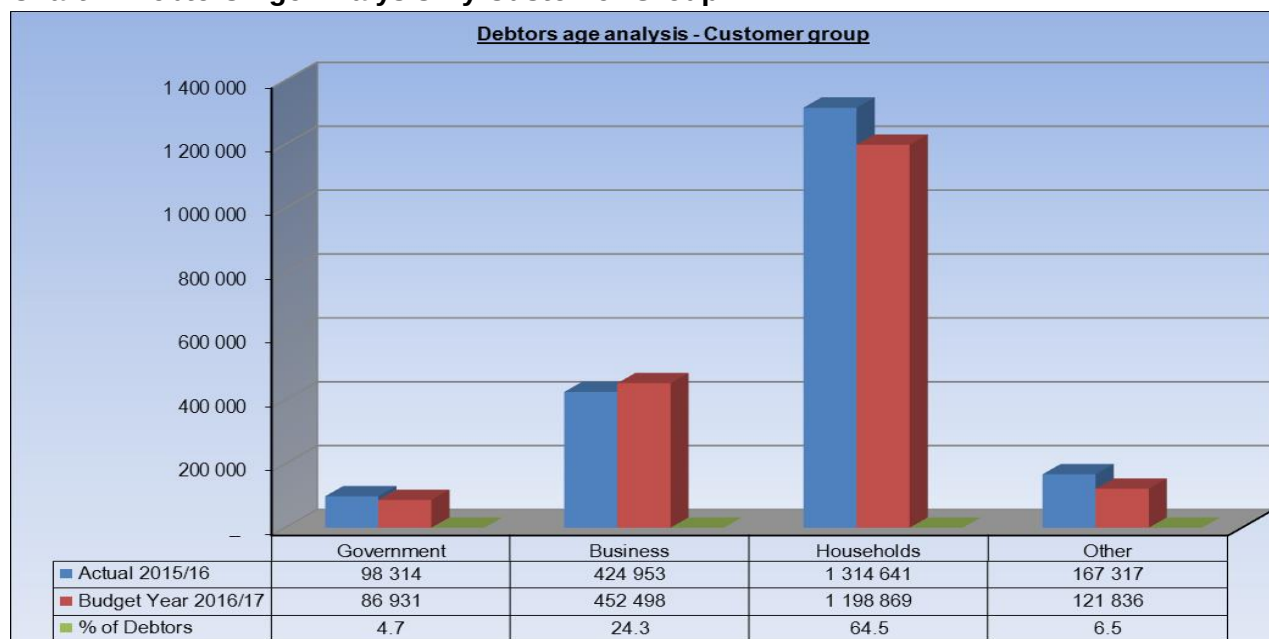
The table presented below summarises the Debtors Age Analysis as at 30 September 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description		NT Code	Budget Year 2016/17										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total				
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	54 418	28 748	16 516	15 820	16 520	16 554	16 547	365 915	531 038	431 356		145 650		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	213 874	102 329	17 870	5 879	4 374	3 667	3 525	51 720	403 238	69 166		18 995		
Receivables from Non-exchange Transactions - Property Rates	1400	61 812	31 344	13 233	8 522	8 160	8 853	6 956	222 991	361 872	255 483		126 362		
Receivables from Exchange Transactions - Waste Water Management	1500	11 770	6 029	3 477	3 403	2 551	2 916	2 886	68 632	101 665	80 389		30 730		
Receivables from Exchange Transactions - Waste Management	1600	7 487	3 652	1 862	1 562	1 532	1 474	1 453	35 422	54 443	41 443		15 467		
Receivables from Exchange Transactions - Property Rental Debtors	1700	632	566	538	533	523	518	508	20 968	24 785	23 050		13 881		
Interest on Arrear Debtor Accounts	1810	9 235	8 864	9 733	8 639	8 680	8 456	8 278	222 517	284 402	256 570		118 462		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-		
Other	1900	(5 792)	(12 064)	(84)	267	(371)	2 504	1 519	112 714	98 692	116 632		49 116		
Total By Income Source	2000	353 434	169 468	63 145	44 625	41 969	44 942	41 673	1 100 879	1 860 134	1 274 087	-	518 663		
2015/16 - totals only		280 203	156 369	71 977	53 536	51 472	40 275	38 696	1 169 735	1 862 262	1 353 713		725 491		
Debtors Age Analysis By Customer Group															
Organs of State	2200	27 675	1 715	4 883	2 173	1 619	1 864	1 856	45 146	86 931	52 658		34 262		
Commercial	2300	193 828	94 324	18 637	7 001	5 792	6 945	5 123	120 848	452 498	145 709		56 378		
Households	2400	124 659	69 019	35 971	33 143	32 136	33 587	32 121	838 234	1 198 869	969 220		374 726		
Other	2500	7 272	4 411	3 654	2 308	2 423	2 546	2 572	96 650	121 836	106 499		53 297		
Total By Customer Group	2600	353 434	169 468	63 145	44 625	41 969	44 942	41 673	1 100 879	1 860 134	1 274 087	-	518 663		

Chart 1: Debtors Age Analysis By Customer Group

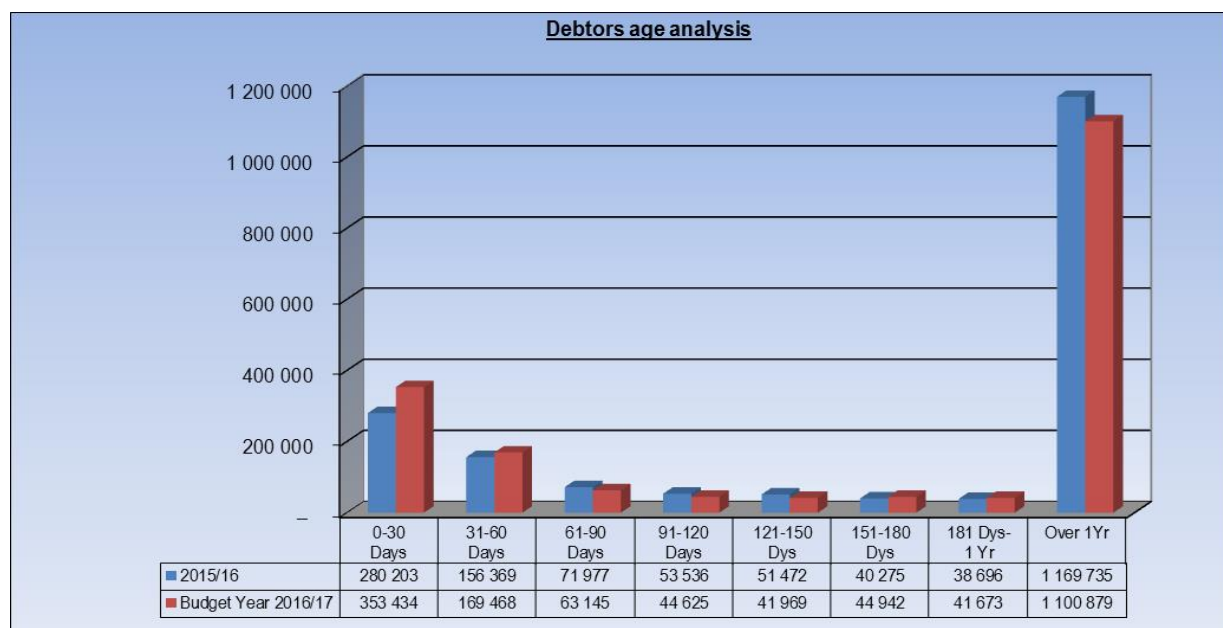


The information presented in the chart above reflects an increase in the outstanding debtor's balances as at 30 September 2016 of R 124.9 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 86 billion.

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

- ✓ Households 64%
- ✓ Commercial 24%
- ✓ Other 7%
- ✓ Organs of State 5%

Chart 2: Year on Year Debtors Age Analysis



2.2 Creditors Analysis

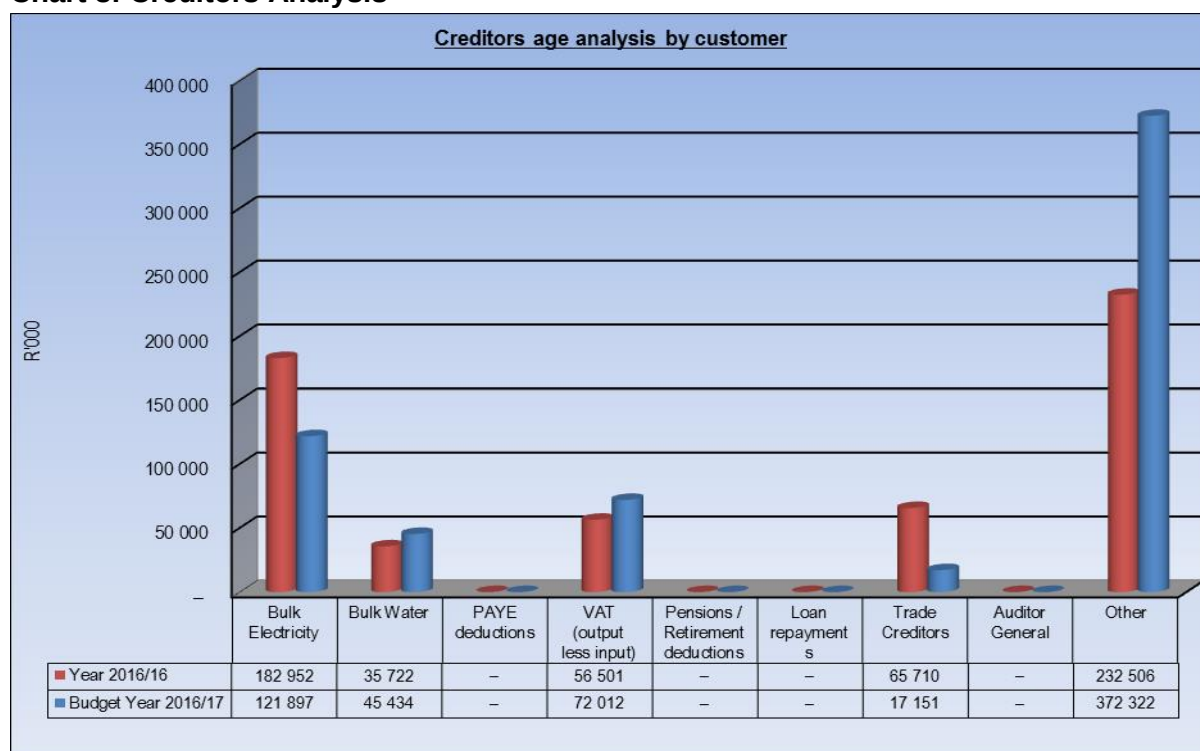
Table SC 4 below presents the aged creditors as at 30 September 2016

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2016/17									Prior year
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	totals for chart (same period)
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	121 897	-	-	-	-	-	-	-	121 897	182 952
Bulk Water	0200	45 434	-	-	-	-	-	-	-	45 434	35 722
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	72 012	-	-	-	-	-	-	-	72 012	56 501
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	13 467	1 658	940	1 050	36	-	-	-	17 151	65 710
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	372 322	-	-	-	-	-	-	-	372 322	232 506
Total By Customer Type	1000	625 133	1 658	940	1 050	36	-	-	-	628 816	573 392

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

Chart 3: Creditors Analysis



2.3 Investment Portfolio Analysis

The following information presents the short term investments balances broken down per investment type as at 30 September 2016.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio							M03 September 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							
Municipality									
Fixed - ABSA - Call		Call	Call	on call					27 565
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Fixed - FNB - Various		Various							540 169
Standard Bank		3 months							210 000
Municipality sub-total					-		-	-	936 052

The total consolidated investment balances as at 30 September 2016 was R 936.0 million.

2.4 Allocation and Grant receipts and Expenditure

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

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

M03 September 2016

Supporting Table 006 Monthly Budget Statement – transfers and grant receipts									
Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		475 432	455 827	–	1 625	113 957	(112 332)	-98.6%	455 827
Local Government Equitable Share		373 541	432 307			108 077	(108 077)	-100.0%	432 307
Finance Management		1 600	1 625		1 625	406	1 219	300.0%	1 625
Municipal Systems Improvement		808	–			–	–		–
EPWP Incentive		2 784	6 809			1 702	(1 702)	-100.0%	6 809
Energy Efficiency and Demand Management		–	8 000			2 000	(2 000)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758				–	–		–
Public Transport Infrastructure		88 849				–	–		–
Operating costs-MIG		6 092	7 086			1 772	(1 772)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass			–			–	–		–
						–	–		
Provincial Government:		43 759	10 786	–	–	2 697	(2 697)	-100.0%	10 786
Health subsidy						–	–		–
Provincial Government:	3					–	–		–
Expanded Public Works Grant						–	–		–
Sport and Recreation	60					–	–		–
Health						–	–		–
Human Settlements	16 413					–	–		–
Public Works		–				–	–		–
Arts and Culture- Community Library Services	10 347	581				145	(145)	-100.0%	581
Arts and Culture- Provincialisation	16 201	9 805	–	–	2 451	(2 451)	-100.0%	9 805	
Arts and Culture-Museum Subsidies	478	400	–	–	100	(100)	-100.0%	400	
COGTA	257		–	–	–	–	–		–
Other transfers and grants [insert description]						–	–		–
District Municipality:		–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–		–
[insert description]						–	–		–
Total Operating Transfers and Grants	5	519 191	466 613	–	1 625	116 653	(115 028)	-98.6%	466 613
Capital Transfers and Grants									
National Government:		289 651	450 393	–	121 625	112 598	9 027	8.0%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		49 000	45 883	3 117	6.8%	183 531
Public Transport and Systems		20 634	200 031		37 349	50 008	(12 659)	-25.3%	200 031
Neighbourhood Development Partnership		20 195	22 110		18 300	5 528	12 773	231.1%	22 110
Dept of Mineral/Electricity		9 188			5 960	–	5 960	#DIV/0!	–
Intergrated National Electrification Programme		82 151	8 000			2 000	(2 000)	-100.0%	8 000
Municipal Systems Improvement		417				–	–		–
Municipal Water Infrastructure Grant			36 721		11 016	9 180	1 836	0.0%	36 721
						–	–	0.0%	
						–	–		
Provincial Government:		66 807	19 899	–	–	4 975	(4 975)	0.0%	19 899
Airport Development Project		–		–		–	–	0.0%	–
Sport and Recreation	80			–	–	–	–	0.0%	–
Corridor Development				–	–	–	–		–
KZNPA	5 182	9 510		–	–	2 378	(2 378)	-100.0%	9 510
Arts and Culture-Museum Subsidies	8 865			–	–	–	–	0.0%	–
COGTA	18 016	10 389	–	–	2 597	(2 597)	-100.0%	10 389	
Human Settlement	25 032		–	–	–	–	–		–
Municipal Water Infrastructure	9 631	–		–	–	–	–	0.0%	–
District Municipality:		–	–	–	–	–	–		–
Other grant providers:		413	–	–	–	–	–		–
Developer Contribution		413	–	–	–	–	–		–
Total Capital Transfers and Grants	5	356 872	470 292	–	121 625	117 573	4 052	3.4%	470 292
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	–	123 250	234 226	(110 976)	-47.4%	936 905

Capital and Operating grants: While the budgeted full year grant expenditure budget is R 936.9 million, the actual YTD Capital grant expenditure incurred amounted to R 34.3 million resulting in underperformance of the YTD capital grants budget of R 83.2 million.

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

M03 September 2016

M21223 Insinduzi - Supporting Table SC7: Monthly Budget Statement - transfers and grant expenditure									
Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		475 432	455 827	-	-	113 957	(113 957)	-100.0%	455 827
Local Government Equitable Share		373 541	432 307			108 077	(108 077)	-100.0%	432 307
Finance Management		1 600	1 625			406	(406)	-100.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809			1 702	(1 702)	-100.0%	6 809
Energy Efficiency and Demand Management		-	8 000			2 000	(2 000)	-100.0%	8 000
Water Services Operating Subsidy		1 758				-	-		-
Public Transport Infrastructure		88 849				-	-		-
Operating costs-MIG		6 092	7 086			1 772	(1 772)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass			-			-	-		-
Other transfers and grants [insert description]		-				-	-		-
Provincial Government:		43 759	10 786	-	-	2 697	(2 697)	-100.0%	10 786
Health subsidy						-	-		-
Provincial Government:	3					-	-		-
Expanded Public Works Grant						-	-		-
Sport and Recreation	60					-	-		-
Health						-	-		-
Human Settlements	16 413					-	-		-
Public Works	-					-	-		-
Arts and Culture- Community Library Services	10 347	581				145	(145)	-100.0%	581
DWAF	16 201	9 805	-			2 451	(2 451)	-100.0%	9 805
Cogta	478	400	-			100	(100)	-100.0%	400
Sport And Recreation	257					-	-		-
District Municipality:		-	-	-	-	-	-		-
[insert description]									
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	-	116 653	(116 653)	-100.0%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	34 356	112 598	(78 242)	-69.5%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		6 981	45 883	(38 901)	-84.8%	183 531
Public Transport and Systems		20 634	200 031		22 271	50 008	(27 737)	-55.5%	200 031
Neighbourhood Development Partnership		20 195	22 110			5 528	(5 528)	-100.0%	22 110
Dept of Mineral/Electricity		9 188				-	-		-
Intergrated National Electrification Programme		82 151	8 000			2 000	(2 000)	-100.0%	8 000
Municipal Systems Improvement		417				-	-		-
Municipal Water Infrastructure Grant			36 721		1 803	9 180	(7 377)		36 721
Library					3 301		3 301	#DIV/0!	
Provincial Government:		66 807	19 899	-	-	4 975	(4 975)		19 899
Airport Development Project		-		-	-	-	-		-
Sport and Recreation	80			-		-	-		-
Corridor Development				-		-	-		-
Arts and Culture-Museum Subsidies	8 865			-		-	-		-
COGTA	18 016	10 389		-		2 597	(2 597)	-100.0%	10 389
Human Settlement	25 032			-		-	-		-
Municipal Water Infrastructure	9 631	-		-		-	-		-
Other grant providers:		413	-	-		-	-		-
Developer Contribution		413	-	-	-	-	-		-
		-		-		-	-		-
Total capital expenditure of Transfers and Grants		356 872	470 292	-	34 356	117 573	(83 217)	-70.8%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	34 356	234 226	(199 870)	-85.3%	936 905

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September									
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 %
R thousands		A	B	C					
	1								
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		31 389	28 637		2 546	7 684	7 159	525	7%
Pension and UIF Contributions		253	3 614		319	920	904	17	2%
Medical Aid Contributions		2 287	1 416		53	269	354	(85)	-24%
Motor Vehicle Allowance		528	7 292		458	1 532	1 823	(291)	-16%
Cellphone Allowance		133	2 034		159	428	509	(81)	-16%
Housing Allowances		10	41		4	12	10	2	22%
Other benefits and allowances		58				72		72	#DIV/0!
Sub Total - Councillors		34 657	43 034	-	3 538	10 917	10 759	159	1%
% increase	4		24.2%						
Senior Managers of the Municipality	3								
Basic Salaries and Wages		5 651	6 102		630	2 139	1 526	614	40%
Pension and UIF Contributions		798	511		78	393	128	266	208%
Medical Aid Contributions		-	60		7	32	15	17	113%
Overtime		-			-	-	-	-	-
Performance Bonus		210	382		-	-	96	(96)	-100%
Motor Vehicle Allowance		762	818		87	278	205	73	36%
Cellphone Allowance		-	100		8	27	25	2	10%
Housing Allowances		98	142		59	224	36	189	532%
Other benefits and allowances		38	509		-	0	127	(127)	-100%
Payments in lieu of leave		-			-	-	-	-	-
Long service awards		-			-	-	-	-	-
Post-retirement benefit obligations		-			-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 558	8 624	-	869	3 095	2 156	939	44%
% increase	4		14.1%						
Other Municipal Staff									
Basic Salaries and Wages		504 910	698 784		51 655	170 642	174 696	(4 054)	-2%
Pension and UIF Contributions		112 428	134 410		11 640	26 510	33 603	(7 093)	-21%
Medical Aid Contributions		40 020	46 584		3 785	11 046	11 646	(600)	-5%
Overtime		38 448	51 413		5 027	9 015	12 853	(3 838)	-30%
Performance Bonus		-			-	111	-	111	#DIV/0!
Motor Vehicle Allowance		12 324	14 308		1 114	3 524	3 577	(53)	-1%
Cellphone Allowance		2 340	2 843		228	683	711	(28)	-4%
Housing Allowances		3 108	4 323		350	1 191	1 081	110	10%
Other benefits and allowances		96 672	49 944		4 292	19 045	12 486	6 559	53%
Payments in lieu of leave		2 280			851	1 709	-	1 709	#DIV/0!
Long service awards		12 444	18 100		276	3 010	4 525	(1 515)	-33%
Post-retirement benefit obligations		-			-	-	-	-	-
Sub Total - Other Municipal Staff		824 974	1 020 709	-	79 218	246 486	255 177	(8 691)	-3%
% increase	4		23.7%						
Total Parent Municipality		867 189	1 072 367	-	83 625	260 498	268 092	(7 594)	-3%
Unpaid salary, allowances & benefits in arrears:									
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-	-
% increase	4								
Senior Managers of Entities									
Basic Salaries and Wages		329	442		33	99	111	(12)	-10%
Pension and UIF Contributions		-			-	-	-	-	-
Medical Aid Contributions		12	15		2	5	4	1	28%
Overtime		18			2	5	-	5	#DIV/0!
Performance Bonus		6	6		0	1	2	(1)	-40%
Motor Vehicle Allowance		-	19		-	-	5	(5)	-100%
Cellphone Allowance		4	4		-	-	1	(1)	-100%
Housing Allowances		-			-	-	-	-	-
Other benefits and allowances		-			-	-	-	-	-
Payments in lieu of leave		-			-	-	-	-	-
Long service awards		-			-	-	-	-	-
Post-retirement benefit obligations		-			-	-	-	-	-
Sub Total - Senior Managers of Entities		369	486	-	36	109	122	(12)	-10%
% increase	4		31.7%						
Other Staff of Entities									
Basic Salaries and Wages		2 259	2 969		252	685	2 331	(1 646)	-71%
Pension and UIF Contributions		154	209		17	53	52	1	2%
Medical Aid Contributions		389	586		28	83	147	(64)	-44%
Overtime		416	597		6	17	149	(133)	-89%
Performance Bonus		22	27		1	3	7	(4)	-60%
Motor Vehicle Allowance		56	69		-	-	17	(17)	-100%
Cellphone Allowance		11	12		44	124	3	121	4024%
Housing Allowances		-			-	-	-	-	-
Other benefits and allowances		219	288		21	67	72	(5)	-7%
Payments in lieu of leave		-			-	-	-	-	-
Long service awards		-			-	-	-	-	-
Post-retirement benefit obligations		-			-	-	-	-	-
Sub Total - Other Staff of Entities		3 526	4 757	-	369	1 030	2 778	(1 748)	-63%
% increase	4		34.9%						
Total Municipal Entities		3 895	5 243	-	405	1 140	2 900	(1 760)	-61%
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610	-	84 030	261 637	270 992	(9 354)	-3%
% increase	4		23.7%						
TOTAL MANAGERS AND STAFF		836 427	1 034 576	-	80 492	250 720	260 233	(9 513)	-4%

Councillor Allowances

The expenditure on councillor allowances as at 30 September 2016 was under spent by 2%. The year to date budget for Remuneration of Councillor's is R 10.8 million while the actual expenditure incurred was R 10.5 million resulting in 98% YTD expenditure performance.

Employee Benefits

The total consolidated salaries expenditure for 30 September 2016 was R 261.6 million, against the budget of R 270.9 million, resulting in a slight underperformance.

Board Member Fees – Safe City

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

The detailed staff benefits report is contained in the s66 report

2.6 Material Variances to the SDBIP

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

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

2.6.1 Monthly Cash Projections

Table SC9 presents the actual cash flows for the period ending 30 September 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														M03 September 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			
Cash Receipts By Source																
Property rates		51 006	57 401	61 601	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	1 415	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	168 410	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	33 777	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	10 159	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	6 540	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	899	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	1 989	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	735	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	274	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	0	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	40 791	59 856	489 491	530 153	579 871
Other revenue		2 929	33 405	29 193	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 945	13 036	83 339	87 417	91 776
Cash Receipts by Source		498 087	301 865	315 000	329 925	329 925	329 925	329 925	329 925	329 925	329 925	334 237	377 361	4 010 844	4 316 107	4 653 617
Other Cash Flows by Source																
Transfer receipts - capital		99 385	20 320	1 920	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	445	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		598 483	322 456	317 365	368 881	368 881	368 881	418 881	368 881	368 881	368 881	371 568	398 437	4 508 817	4 896 330	5 295 606

KZN225 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash payments																
Description	Ref	Budget Year 2016/17												Medium Term Revenue and Expenditure 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			
Cash Payments by Type																
Employee related costs		83 964	83 807	82 755	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	3 610	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	205 271	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	43 979	127 269	527 753	586 597	652 003
Other materials		1 140	137	600	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	43 732	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	666	825	7 990	8 603	9 265
General expenses		79 450	26 976	2 534	22 883	22 883	22 883	22 883	22 883	22 883	22 883	31 693	119 794	380 320	345 821	284 450
Cash Payments by Type		389 146	381 977	354 752	285 924	285 924	303 601	285 924	285 924	300 880	285 924	301 638	475 362	3 685 121	3 910 336	4 105 563
Other Cash Flows/Payments by Type																
Capital assets		116	-	40 533	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	18 698	-	-	14 397	-	-	19 607	-	-	15 083	67 762	73 307	77 156
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		389 285	382 001	413 984	325 115	325 115	357 189	325 115	325 115	359 678	325 115	353 081	664 398	4 370 188	4 851 279	5 165 874
NET INCREASE/(DECREASE) IN CASH HELD		209 198	(59 545)	(96 619)	43 767	43 767	11 692	93 767	43 767	9 203	43 767	18 488	(265 961)	138 629	45 051	129 732
Cash/cash equivalents at the month/year beginning:		976 717	1 185 914	1 126 370	1 029 751	1 073 518	1 117 284	1 128 977	1 222 743	1 266 510	1 275 713	1 319 480	1 337 968	976 717	1 115 346	1 160 397
Cash/cash equivalents at the month/year end:		1 185 914	1 126 370	1 029 751	1 073 518	1 117 284	1 128 977	1 222 743	1 266 510	1 275 713	1 319 480	1 337 968	1 072 007	1 115 346	1 160 397	1 290 129

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations			
Ref	Description	Variance	Reasons for material deviations
	R thousands		
1	<u>Revenue By Source</u>		
	Agency services	-18%	This is based on the customer usage for fire services to the District municipality
	Other revenue	-37%	This is a user driven resource
	Rental of facilities and equipment	-49%	This is a user driven resource
	Licences and permits	-29%	This is a user driven resource
	Interest earned - external investments	208%	This is would smooth out during the year
	Transfers recognised - operational	47%	This is would smooth out during the year
	Interest earned - outstanding debtors	-19%	This is would smooth out during the year
2	<u>Expenditure By Type</u>		
	Debt impairment	100%	This is an annulised year end entry
	Other materials	100%	This is a seasonal category and will smooth out during the year
	Contracted services	99%	This is a seasonal category and will smooth out during the year
	Transfers and grants	95%	These are quarterly payments, the under-performance would smooth out during the year
	Finance charges	100%	This over-performance would smooth out during the year
	Bulk purchases	100%	This is would smooth out during the year
	Depreciation & asset impairment	9%	This is an annulised year end entry
	Other expenditure	84%	This is would smooth out during the year

2.7 Parent Municipality Financial Performance

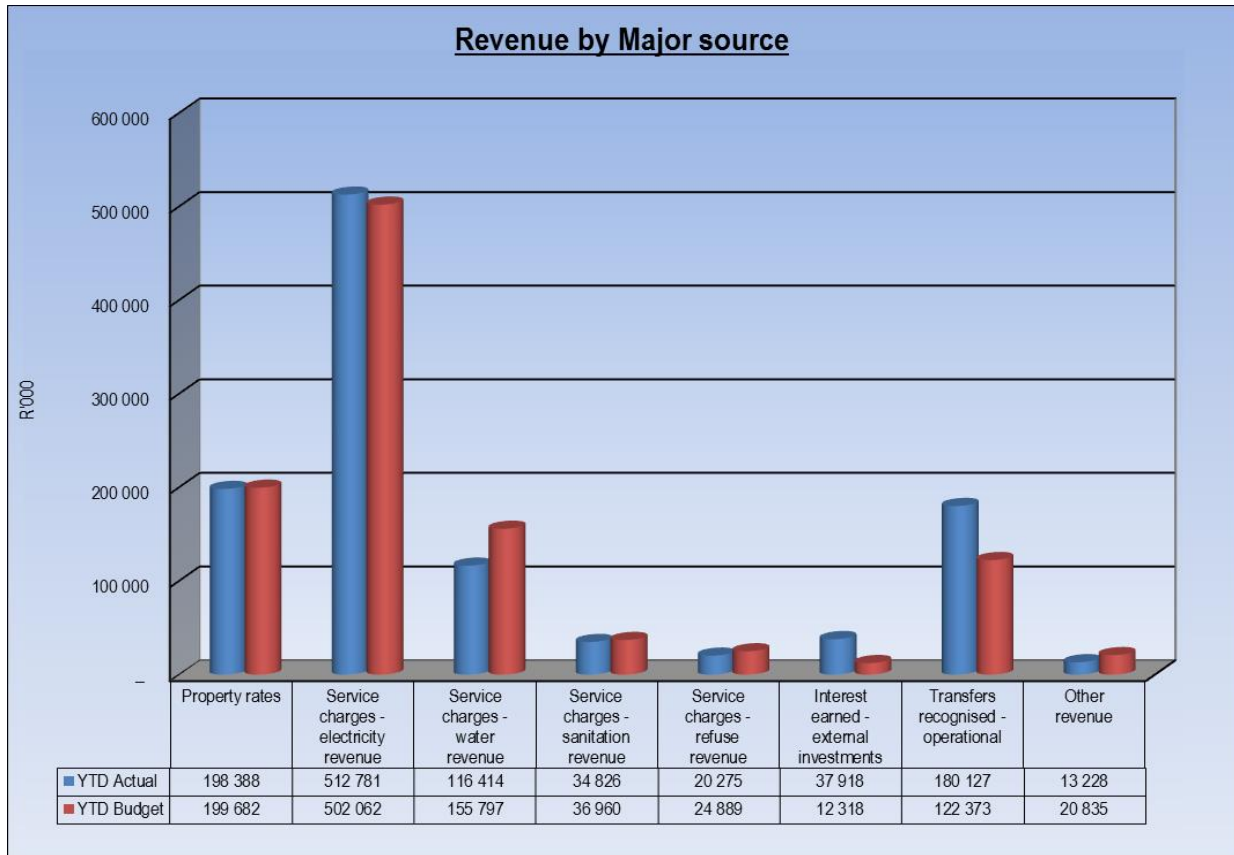
REVENUE ANALYSIS

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 44% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges slightly under performed by (R 10.7 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 30 September 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 10% of YTD actual revenue, there is an underperformance against the budget causing a 25% variance when comparing YTD actual to YTD Budget.

Service Charges - sanitation revenue: reflects a under performance of 6% variance and is line when comparing the YTD actual revenue to the YTD budget.

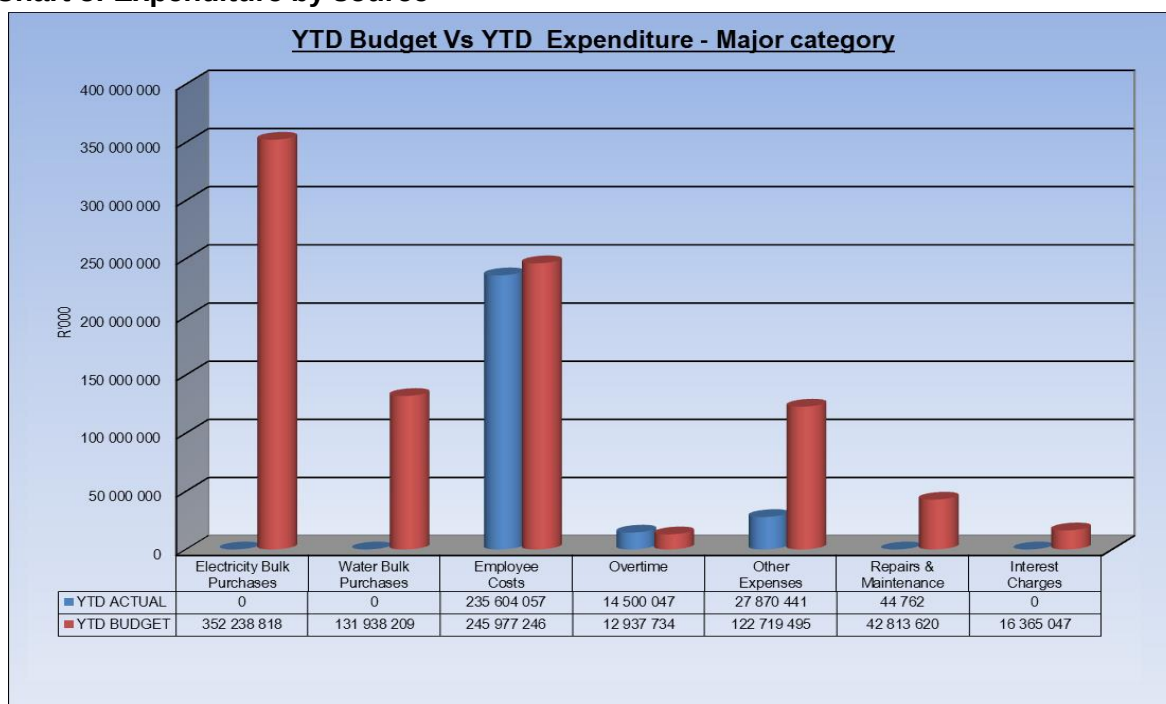
Service Charges - refuse revenue reflects an under performance of 19% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 2.3% to the total operating revenue received as at 30 September 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 95.0 million while the actual costs incurred was R 15.3 million resulting in under performance against the budget of R 79.7 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 September 2016.

Table 3: Top 20 Cash Drainers – September 2016

No:	Description	YTD Actual	September - 2016	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	50 612	4 578 337	1.1%
2	Motor Vehicle Licences	0	1 800 000	0.0%
3	Bank Charges	94 478	6 411 878	1.5%
4	Kwanalogo Subscriptions	0	8 649 000	0.0%
5	IDP Expenses	0	2 733 669	0.0%
6	Interview Costs	0	13 667	0.0%
7	Plant Hire	0	2 209 816	0.0%
8	Extraordinary Items	0	951 303	0.0%
9	Stores & Materials	0	9 388 841	0.0%
10	Marketing & Promotion	0	6 807 472	0.0%
11	Security Services	0	35 107 801	0.0%
12	Uniforms	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	28 476	49 441 205	0.1%
17	Hire Charges	0	15 540 905	0.0%
18	Telephones	754 760	8 052 855	9.4%
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 115.0 million whilst the YTD budget is R 126.5 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 16.3 million and the Actual figure was R 0.0 million pointing to a positive variance in this line item.

Contracted Services: YTD Budget for contracted services was R 8.77 million, whilst the actual YTD is R 0.49 million, resulting in a positive variance in this line item.

Remuneration of councillors: the YTD budget was R 10.7 million and the actual expenditure incurred was R 10.5 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M03 September

Description	2015/16	Current Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-		-
Service charges	-	-	-	-	-	-	-		-
Investment revenue	192	65	-	10	24	16	0	50%	65
Transfers recognised - operational	-	-	-	-	-	-	-		-
Other own revenue	12 284	6 841	-	-	1 710	1 710	-		6 841
Total Revenue (excluding capital transfers and contributions)	12 476	6 906	-	10	1 735	1 727	8	0	6 906
Employee costs	4 227	5 278	-	405	1 139	1 319	(181)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-		-
Depreciation and asset impairment	830	830	-	69	208	208	-		830
Finance charges	12	12	-	1	3	3	0	0	12
Materials and bulk purchases	167	489	-	45	90	100	(10)	(0)	489
Transfers and grants	-	-	-	-	-	-	-		-
Other expenditure	729	1 711	-	172	310	428	(118)	(0)	1 711
Total Expenditure	5 965	8 319	-	693	1 749	2 058	(309)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	(683)	(14)	(331)	317	(0)	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-		-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	(683)	(14)	(331)	317	(0)	(1 413)
Taxation	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	(683)	(14)	(331)	317	(0)	(1 413)
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised - capital	6 610	-	-	-	-	-	-		-
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	-	-	-	-	-	-		-
Total sources of capital funds	6 610	-	-	-	-	-	-		-
Financial position									
Total current assets	1 406	1 128	-		1 578				1 128
Total non current assets	6 138	5 785	-		5 937				5 785
Total current liabilities	222	250	-		369				250
Total non current liabilities	-	-	-		-				-
Community wealth/Equity	7 322	6 663	-		7 146				6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	(615)	190	(149)	338	(0)	(1 072)
Net cash from (used) investing	(6 610)	-	-	-	-	-	-		-
Net cash from (used) financing	(6 800)	-	-	-	-	-	-		-
Cash/cash equivalents at the year end	1 382	7 147	8 219	(615)	190	(149)	338	(0)	7 147
Debtors & creditors analysis	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Debtors Age Analysis									
Total By Revenue Source	-	-	-	-	-	-	-	-	-
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

2.9 Capital Programme Performance

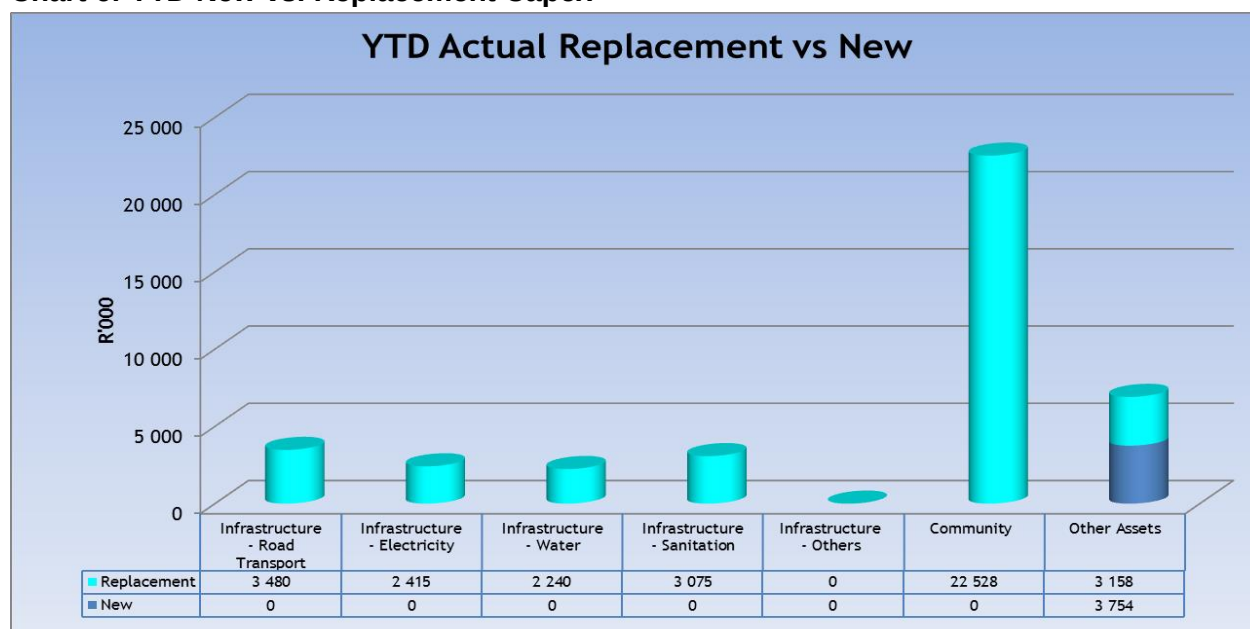
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	9 089	48 957		–		48 957	–		
August	23 544	48 957		116	116	97 914	97 798	99.9%	0%
September	39 949	48 957		40 533	40 533	146 871	106 338	72.4%	6%
October	46 126	48 957				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	–		
Total Capital expenditure	461 711	726 241	–	40 648					

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 September 2016.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 40.6 million, R 3.7 million (9%) was new assets and R 36.8 million (91%) was Replacement assets.

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

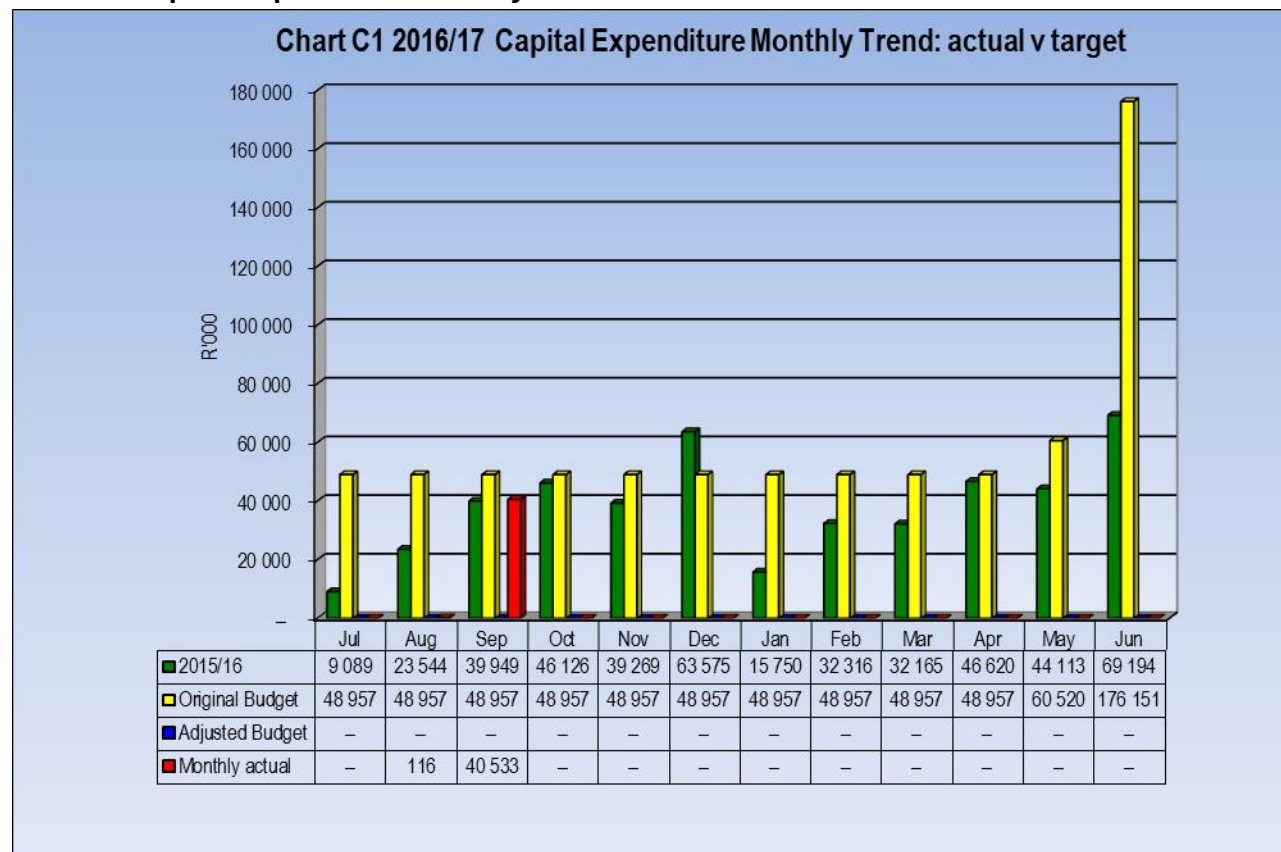
Description		Ref	2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2016/17 YearTD actual YearTD budget YTD variance YTD variance % Full Year Forecast				
R thousands		1									
Capital expenditure on new assets by Asset Class/Sub-class											
Infrastructure			38 095	174 021	-	-	-	43 505	43 505	100.0%	174 021
Infrastructure - Road transport			9 987	2 714	-	-	-	679	679	100.0%	2 714
Roads, Pavements & Bridges			9 987	2 714	-	-	-	679	679	100.0%	2 714
Storm water			-	-	-	-	-	-	-	-	-
Infrastructure - Electricity			-	168 827	-	-	-	42 207	42 207	100.0%	168 827
Generation			-	168 827	-	-	-	42 207	42 207	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	-	-	-	245	245	100.0%	980
Reticulation			-	980	-	-	-	245	245	100.0%	980
Sewerage purification			10 999	-	-	-	-	-	-	-	-
Infrastructure - Other			-	1 500	-	-	-	375	375	100.0%	1 500
Waste Management			-	1 500	-	-	-	375	375	100.0%	1 500
Transportation			-	-	-	-	-	-	-	-	-
Gas			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
Community			33 810	20 591	-	-	-	5 148	5 148	100.0%	20 591
Parks & gardens			169	-	-	-	-	-	-	-	-
Sportsfields & stadia			30 452	6 650	-	-	-	1 663	1 663	100.0%	6 650
Swimming pools			-	-	-	-	-	-	-	-	-
Community halls			-	-	-	-	-	-	-	-	-
Libraries			-	-	-	-	-	-	-	-	-
Recreational facilities			3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency			-	-	-	-	-	-	-	-	-
Security and policing			-	3 640	-	-	-	910	910	100.0%	3 640
Buses			-	-	-	-	-	-	-	-	-
Clinics			-	-	-	-	-	-	-	-	-
Museums & Art Galleries			-	2 230	-	-	-	558	558	100.0%	2 230
Cemeteries			-	2 000	-	-	-	500	500	100.0%	2 000
Social rental housing			-	-	-	-	-	-	-	-	-
Other			-	6 071	-	-	-	1 518	1 518	100.0%	6 071
Heritage assets			-	-	-	-	-	-	-	-	-
Buildings			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Housing development			-	-	-	-	-	-	-	-	-
Other			-	-	-	-	-	-	-	-	-
Other assets			40 021	23 329	-	3 638	3 638	5 832	2 194	37.6%	23 329
General vehicles			6 716	-	-	-	-	-	-	-	-
Specialised vehicles			-	-	-	-	-	-	-	-	-
Plant & equipment			10 682	1 410	-	876	876	353	(524)	-148.6%	1 410
Computers - hardware/equipment			3 486	470	-	-	-	118	118	100.0%	470
Furniture and other office equipment			5 981	50	-	-	-	13	13	100.0%	50
Abattoirs			-	-	-	-	-	-	-	-	-
Markets			9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings			868	10 389	-	-	-	2 597	2 597	100.0%	10 389
Other Buildings			-	-	-	2 762	2 762	-	(2 762)	#DIV/0!	-
Other Land			-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-	-	-	-
Other			2 386	11 010	-	-	-	2 753	2 753	100.0%	11 010
Agricultural assets			-	-	-	-	-	-	-	-	-
List sub-class			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
List sub-class			-	-	-	-	-	-	-	-	-
Intangibles			-	24 468	-	-	116	6 117	6 001	98.1%	24 468
Computers - software & programming			-	24 468	-	-	116	6 117	6 001	98.1%	24 468
Other			-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets		1	111 925	242 409	-	3 638	3 754	60 602	56 849	93.8%	242 409

KZN225 Msunduzi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		284 545	367 404	–	11 209	11 209	91 851	80 642	87.8%	367 404
Infrastructure - Road transport		125 812	239 143	–	3 480	3 480	59 786	56 306	94.2%	239 143
Roads, Pavements & Bridges		125 552	239 143		3 480	3 480	59 786	56 306	94.2%	239 143
Storm water		260					–	–		–
Infrastructure - Electricity		66 802	25 520	–	2 415	2 415	6 380	3 965	62.2%	25 520
Generation		66 802	25 520		2 415	2 415	6 380	3 965	62.2%	25 520
Transmission & Reticulation							–	–	0.0%	–
Street Lighting			–				–	–		–
Infrastructure - Water		65 030	55 602	–	2 240	2 240	13 901	11 660	83.9%	55 602
Dams & Reservoirs		65 030	55 602		2 240	2 240	13 901	11 660	83.9%	55 602
Water purification							–	–		–
Reticulation		–			–	–	–	–		–
Infrastructure - Sanitation		26 146	47 139	–	3 075	3 075	11 785	8 710	73.9%	47 139
Reticulation			47 139		3 075	3 075	11 785	8 710	73.9%	47 139
Sewerage purification		26 146					–	–	0.0%	–
Infrastructure - Other		755	–	–	–	–	–	–		–
Waste Management		755	–	–	–		–	–		–
Transportation				–			–	–		–
Gas			–	–			–	–		–
Other				–			–	–	0.0%	–
Community		4 551	62 950	–	22 528	22 528	15 738	(6 790)	-43.1%	62 950
Parks & gardens			500				125	125	100.0%	500
Sportsfields & stadia		121	28 750		–		7 188	7 188	100.0%	28 750
Swimming pools			2 000		392	392	500	108	21.5%	2 000
Community halls			30 700				7 675	7 675	100.0%	30 700
Libraries					611	611	–	(611)	#DIV/0!	–
Recreational facilities		2 823					–	–	0.0%	–
Fire, safety & emergency							–	–		–
Security and policing							–	–		–
Buses					21 525	21 525	–	(21 525)	#DIV/0!	–
Clinics							–	–		–
Museums & Art Galleries			1 000				250	250	100.0%	1 000
Cemeteries							–	–		–
Social rental housing							–	–		–
Other		1 607					–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Buildings		–	–	–			–	–		–
Other		–	–	–			–	–		–
Investment properties		–	–	–	–	–	–	–		–
Housing development		–	–	–			–	–		–
Other		–	–	–			–	–		–
Other assets		31 275	53 478	–	3 158	3 158	13 370	10 212	76.4%	53 478
General vehicles		–	–				–	–		–
Specialised vehicles		–	–	–	–	–	–	–		–
Plant & equipment							–	–	0.0%	–
Computers - hardware/equipment							–	–		–
Furniture and other office equipment		2 019					–	–	0.0%	–
Abattoirs							–	–		–
Markets		251					–	–		–
Civic Land and Buildings		14 359	33 569		1 246	1 246	8 392	7 146	85.2%	33 569
Other Buildings					1 912	1 912	–	(1 912)	#DIV/0!	–
Other Land							–	–		–
Surplus Assets - (Investment or Inventory)							–	–		–
Other		14 646	19 910				4 977	4 977	100.0%	19 910
Agricultural assets		–	–	–	–	–	–	–		–
List sub-class		–	–				–	–		–
		–	–				–	–		–
Biological assets		–	–	–	–	–	–	–		–
List sub-class							–	–		–
							–	–		–
Intangibles		29 415	–	–	–	–	–	–		–
Computers - software & programming		29 415		–			–	–		–
Other				–			–	–	0.0%	–
Total Capital Expenditure on renewal of existing ass	1	349 785	483 832	–	36 895	36 895	120 958	84 063	69.5%	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

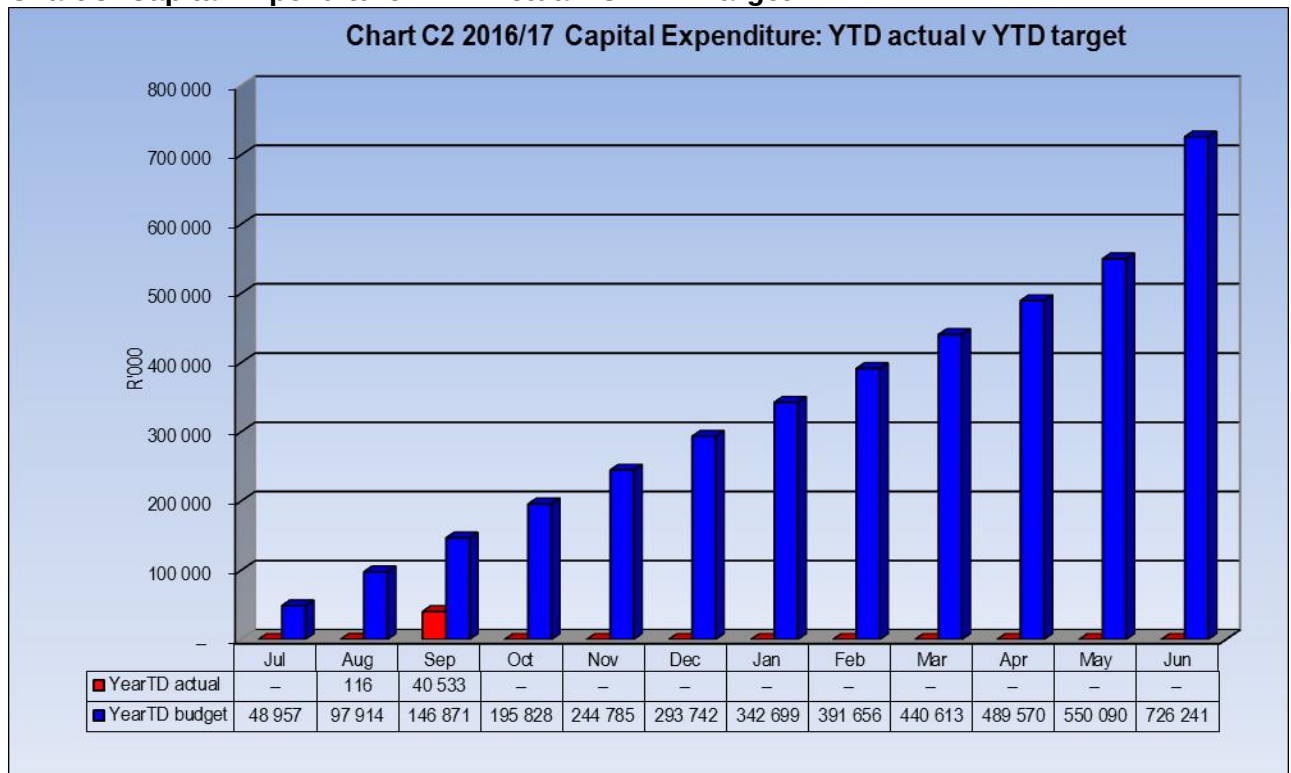
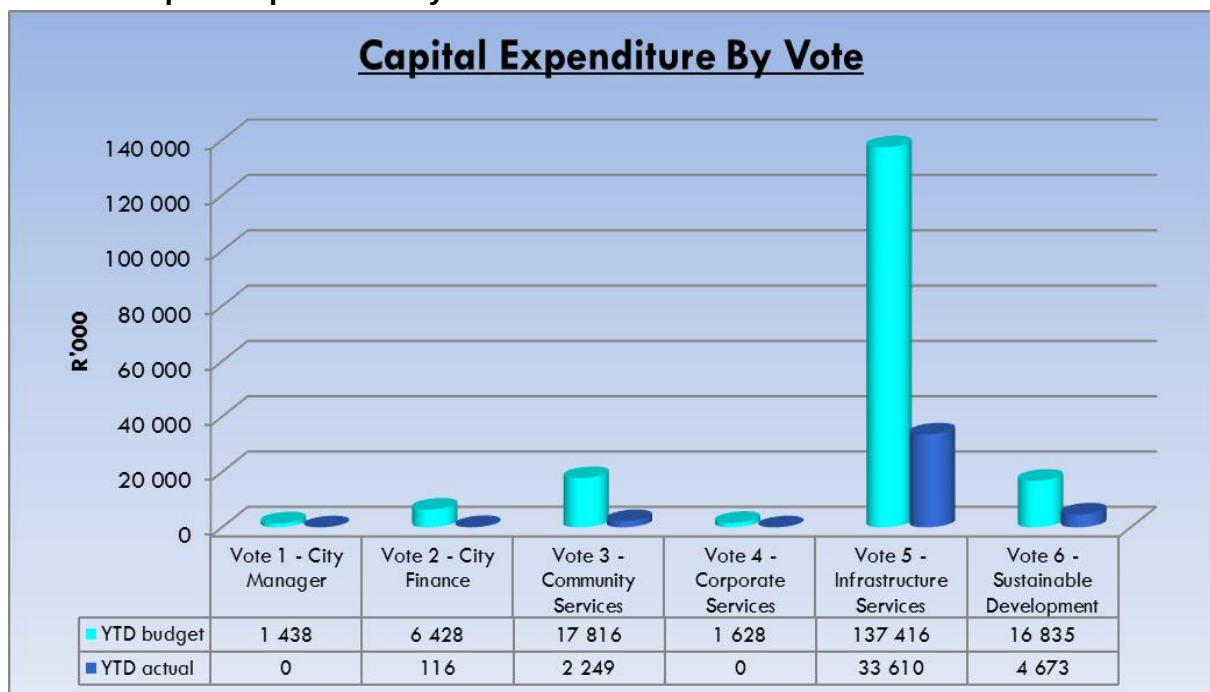


Chart 9: Capital Expenditure by Vote



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

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