



Msunduzi Municipality
MFMA s71 Monthly Report

October 2016 Report
Budget & Treasury Office

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1. PART 1 – IN YEAR REPORT

1.1 Executive Summary

Legislative Requirements

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

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

FINANCIAL PERFORMANCE

Revenue: The Year to Date (YTD) total revenue earned was R 1.452 billion for the period ending 31 October 2016. The YTD Budget was R 1.490 billion, therefore the actual underperformed against the budget by R 38.7 million against the revenue projected. The two main contributors, both accounting for 64% of the actual total YTD Revenue earned are Electricity (46%) & Property Rates revenue (18%). These two revenue sources make up more than 63% of the total YTD budget.

Operating Expenditure: The total actual YTD operating expenditure for the period ending 31 October 2016 amounted to R 543.8 million while the YTD budget was R 1.484 billion. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 67% of the annual budget expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 242.0 million, the actual YTD Capital expenditure incurred amounted to R 123.1 million resulting in underperformance of the capital budget. This is mainly due to the slow start of the new financial year.

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

Cash & Cash equivalents as at 31 October 2016 was R 1.04 billion.

Consumer Debt: Consumer debt at 31 October 2016 was just over R 1.80 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	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	-	78 238	280 455	280 853	(397)	-0%	842 558
Service charges	2 228 636	2 878 830	-	205 302	889 598	959 610	(70 012)	-7%	2 878 830
Investment revenue	50 973	49 270	-	-	37 918	16 423	21 495	131%	49 270
Transfers recognised - operational	519 191	489 491	-	-	180 127	163 164	16 963	10%	489 491
Other own revenue	325 520	212 797	-	12 303	64 174	70 932	(6 758)	-10%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 472 946	-	295 843	1 452 273	1 490 982	(38 709)	-3%	4 472 946
Employee costs	832 495	1 035 660	-	122 260	372 259	372 720	(461)	-0%	1 035 660
Remuneration of Councillors	34 657	43 033	-	3 558	14 057	14 344	(287)	-2%	43 033
Depreciation & asset impairment	463 063	506 103	-	-	115 055	168 701	(53 646)	-32%	506 103
Finance charges	71 169	65 460	-	-	-	21 820	(21 820)	-100%	65 460
Materials and bulk purchases	1 785 315	2 117 550	-	15	266	705 850	(705 584)	-100%	2 117 550
Transfers and grants	11 995	148 325	-	20	1 790	49 442	(47 652)	-96%	148 325
Other expenditure	951 496	536 243	-	5 838	40 439	178 748	(138 309)	-77%	536 243
Total Expenditure	4 150 192	4 452 374	-	131 691	543 866	1 511 625	(967 759)	-64%	4 452 374
Surplus/(Deficit)	(308 844)	20 572	-	164 152	908 407	(20 643)	929 049	-4501%	20 572
Transfers recognised - capital	356 835	447 414	-	(20)	(60)	149 138	(149 198)	-100%	447 414
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 986	-	164 132	908 347	128 495	779 851	607%	467 986
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 986	-	164 132	908 347	128 495	779 851	607%	467 986
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Capital transfers recognised	275 665	447 973	-	61 597	94 024	149 324	(55 301)	-37%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	3 308	5 723	52 756	(47 033)	-89%	158 268
Internally generated funds	123 864	120 000	-	17 573	23 380	40 000	(16 620)	-42%	120 000
Total sources of capital funds	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Financial position									
Total current assets	1 984 966	3 134 961	-	-	-	-	-	-	3 134 961
Total non current assets	7 548 842	7 628 886	-	-	-	-	-	-	7 628 886
Total current liabilities	915 372	1 318 873	-	-	-	-	-	-	1 318 873
Total non current liabilities	1 197 150	1 255 546	-	-	-	-	-	-	1 255 546
Community wealth/Equity	7 421 286	8 189 428	-	-	-	-	-	-	8 189 428
Cash flows									
Net cash from (used) operating	1 180 761	773 696	-	54 907	165 608	207 779	42 170	20%	773 696
Net cash from (used) investing	(1 224 532)	(617 305)	-	(41 830)	(82 478)	(181 006)	(98 528)	54%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	420	(16 599)	(22 619)	(6 020)	27%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 338	-	-	1 043 248	916 863	(126 386)	-14%	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	316 243	187 595	51 063	47 280	42 151	39 799	43 530	#####	1 805 067
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

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

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	85 711	448 065	514 150	(66 085)	-13%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	85 710	448 049	509 423	(61 374)	-12%	1 528 270
Corporate services		5 993	14 180	-	0	16	4 727	(4 711)	-100%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 342	5 853	31 188	(25 335)	-81%	93 565
Community and social services		71 074	52 155	-	294	1 388	17 385	(15 997)	-92%	52 155
Sport and recreation		24 880	885	-	46	266	295	(29)	-10%	885
Public safety		111 819	23 347	-	457	1 906	7 782	(5 877)	-76%	23 347
Housing		17 809	17 144	-	545	2 292	5 715	(3 422)	-60%	17 144
Health		71	34	-	1	2	11	(10)	-87%	34
<i>Economic and environmental services</i>		235 988	435 042	-	1 389	6 857	145 014	(138 158)	-95%	435 042
Planning and development		63 074	53 331	-	1 358	6 734	17 777	(11 043)	-62%	53 331
Road transport		172 914	381 711	-	30	122	127 237	(127 115)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	215 071	1 001 280	1 142 038	(140 758)	-12%	3 426 115
Electricity		1 700 426	2 074 912	-	150 550	671 953	691 637	(19 684)	-3%	2 074 912
Water		660 510	1 052 569	-	42 981	233 763	350 856	(117 093)	-33%	1 052 569
Waste water management		191 593	176 288	-	13 254	55 904	58 763	(2 859)	-5%	176 288
Waste management		115 022	122 345	-	8 286	39 660	40 782	(1 122)	-3%	122 345
<i>Other</i>	4	34 298	31 371	-	1 594	7 210	10 457	(3 247)	-31%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	305 107	1 469 264	1 842 848	(373 583)	-20%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	44 802	155 559	327 075	(171 516)	-52%	995 248
Executive and council		7 712	113 165	-	5 504	21 114	37 722	(16 607)	-44%	113 165
Budget and treasury office		859 050	645 336	-	23 067	83 734	215 283	(131 549)	-61%	645 336
Corporate services		8 009	236 747	-	16 232	50 712	74 071	(23 359)	-32%	236 747
<i>Community and public safety</i>		670 660	551 767	-	46 520	155 723	185 454	(29 731)	-16%	551 767
Community and social services		116 571	140 429	-	10 237	34 912	46 906	(11 995)	-26%	140 429
Sport and recreation		145 186	118 290	-	11 214	41 527	39 757	1 771	4%	118 290
Public safety		316 932	236 010	-	20 622	63 753	79 778	(16 025)	-20%	236 010
Housing		49 923	32 584	-	2 166	8 537	10 861	(2 325)	-21%	32 584
Health		42 048	24 453	-	2 280	6 994	8 151	(1 157)	-14%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	18 343	104 477	189 246	(84 769)	-45%	567 103
Planning and development		97 679	110 222	-	7 714	27 373	36 741	(9 368)	-25%	110 222
Road transport		424 597	456 881	-	10 629	77 104	152 505	(75 402)	-49%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	29 100	132 946	971 098	(838 151)	-86%	2 904 545
Electricity		1 512 417	1 695 915	-	9 256	53 218	566 575	(513 357)	-91%	1 695 915
Water		590 023	912 149	-	5 762	29 845	304 566	(274 720)	-90%	912 149
Waste water management		175 548	192 253	-	4 627	19 204	64 366	(45 161)	-70%	192 253
Waste management		150 620	104 227	-	9 455	30 678	35 591	(4 913)	-14%	104 227
<i>Other</i>		54 353	41 895	-	2 209	12 212	13 980	(1 768)	-13%	41 895
Total Expenditure - Standard	3	4 550 669	5 060 558	-	140 974	560 918	1 686 853	#####	-67%	5 060 558
Surplus/ (Deficit) for the year		47 991	467 985	-	164 132	908 347	155 995	752 352	482%	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) - M04 October

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	-	-	-	15	-	15	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	85 710	448 049	509 423	(61 374)	-12.0%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 021	42 802	58 941	(16 140)	-27.4%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	1	4 727	(4 727)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	207 474	964 771	1 237 597	(272 827)	-22.0%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 901	13 627	32 159	(18 532)	-57.6%	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	-	305 107	1 469 264	1 842 848	(373 583)	-20.3%	5 528 543
Expenditure by Vote	1									
Vote 1 - City Manager		12 576	142 460	-	8 484	29 096	47 576	(18 480)	-38.8%	142 460
Vote 2 - City Finance		942 905	723 311	-	26 492	96 291	241 478	(145 187)	-60.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	52 497	172 662	204 142	(31 480)	-15.4%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	13 820	44 381	67 312	(22 931)	-34.1%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	28 402	176 535	1 075 621	(899 086)	-83.6%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 126	-	11 280	41 953	50 724	(8 770)	-17.3%	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	-	140 974	560 918	1 686 853	#####	-66.7%	5 060 558
Surplus/ (Deficit) for the year	2	47 991	467 985	-	164 132	908 347	155 995	752 352	482.3%	467 985

Statement of financial Performance

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

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

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		67 254	265 642	266 243	(601)	0%	798 728
Property rates - penalties & collection charges		30 207	43 830		10 984	14 813	14 610	203	1%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		147 248	660 029	669 415	(9 386)	-1%	2 008 246
Service charges - w ater revenue		448 064	623 188		38 383	154 797	207 729	(52 932)	-25%	623 188
Service charges - sanitation revenue		139 629	147 839		12 862	47 688	49 280	(1 592)	-3%	147 839
Service charges - refuse revenue		74 810	99 557		6 809	27 084	33 186	(6 101)	-18%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		1 554	7 126	14 603	(7 477)	-51%	43 809
Interest earned - external investments		50 973	49 270		-	37 918	16 423	21 495	131%	49 270
Interest earned - outstanding debtors		69 529	66 349		6 501	19 933	22 116	(2 184)	-10%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		81	374	6 179	(5 806)	-94%	18 538
Licences and permits		89	92		9	25	31	(5)	-17%	92
Agency services		24 372	670		30	167	223	(56)	-25%	670
Transfers recognised - operational		519 191	489 491		-	180 127	163 164	16 963	10%	489 491
Other revenue		101 001	83 339		4 128	17 356	27 780	(10 424)	-38%	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	-	295 843	1 452 273	1 490 982	(38 709)	-3%	4 472 946
Expenditure By Type										
Employee related costs		832 495	1 035 660		122 260	372 259	372 720	(461)	0%	1 035 660
Remuneration of councillors		34 657	43 033		3 558	14 057	14 344	(287)	-2%	43 033
Debt impairment		222 110	120 815		-	-	40 272	(40 272)	-100%	120 815
Depreciation & asset impairment		463 063	506 103		-	115 055	168 701	(53 646)	-32%	506 103
Finance charges		71 169	65 460		-	-	21 820	(21 820)	-100%	65 460
Bulk purchases		1 586 802	1 936 708		-	200	645 569	(645 369)	-100%	1 936 708
Other materials		198 513	180 842		15	66	60 281	(60 215)	-100%	180 842
Contracted services		110 072	35 108		15	65	11 703	(11 638)	-99%	35 108
Transfers and grants		11 995	148 325		20	1 790	49 442	(47 652)	-96%	148 325
Other expenditure		618 857	380 320		5 823	21 181	126 773	(105 592)	-83%	380 320
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 452 374	-	131 691	543 866	1 511 625	(967 759)	-64%	4 452 374
Surplus/(Deficit)		(308 844)	20 572	-	164 152	908 407	(20 643)	929 049	(0)	20 572
Transfers recognised - capital		356 835	447 414		(20)	(60)	149 138	(149 198)	(0)	447 414
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 986	-	164 132	908 347	128 495			467 986
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 986	-	164 132	908 347	128 495			467 986
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 986	-	164 132	908 347	128 495			467 986
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-

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	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	-	-	-	1 750	(1 750)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	316	431	8 309	(7 878)	-95%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	3 401	3 401	17 233	(13 832)	-80%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	1 995	(1 995)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	70 525	102 214	182 025	(79 811)	-44%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	4 673	9 347	21 181	(11 835)	-56%	63 544
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	384 493	697 480	-	78 914	115 392	232 493	(117 101)	-50%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	-	19	19	167	(147)	-88%	500
Vote 2 - City Finance		31 896	782	-	4	4	261	(256)	-98%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	2 567	4 816	6 522	(1 705)	-26%	19 565
Vote 4 - Corporate Services		6 460	527	-	848	848	176	673	383%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	125	2 046	1 197	849	71%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	1 266	(1 266)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	77 217	28 761	-	3 564	7 734	9 587	(1 853)	-19%	28 761
Total Capital Expenditure		461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	-	3 193	3 309	12 657	(9 348)	-74%	37 971
Executive and council		7 174	5 750	-	19	19	1 917	(1 897)	-99%	5 750
Budget and treasury office		36 832	25 710	-	320	436	8 570	(8 134)	-95%	25 710
Corporate services		6 460	6 512	-	2 854	2 854	2 171	684	31%	6 512
Community and public safety		52 921	103 238	-	5 901	8 150	34 413	(26 263)	-76%	103 238
Community and social services		4 763	32 740	-	2 567	4 424	10 913	(6 489)	-59%	32 740
Sport and recreation		39 271	31 425	-	1 422	1 815	10 475	(8 660)	-83%	31 425
Public safety		3 022	3 640	-	-	-	1 213	(1 213)	-100%	3 640
Housing		5 864	35 434	-	1 912	1 912	11 811	(9 899)	-84%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	-	42 693	72 239	97 893	(25 654)	-26%	293 680
Planning and development		23 039	31 908	-	2 762	7 435	10 636	(3 201)	-30%	31 908
Road transport		126 943	260 312	-	39 931	64 804	86 771	(21 967)	-25%	260 312
Environmental protection		1 594	1 460	-	-	-	487	(487)	-100%	1 460
Trading services		204 390	291 352	-	30 691	39 296	97 117	(57 821)	-60%	291 352
Electricity		97 937	190 721	-	4 574	7 865	63 574	(55 708)	-88%	190 721
Water		65 591	58 728	-	-	437	19 576	(19 139)	-98%	58 728
Waste water management		37 404	31 403	-	21 415	24 490	10 468	14 022	134%	31 403
Waste management		3 457	10 500	-	4 701	6 504	3 500	3 004	86%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Funded by:										
National Government		260 460	428 074	-	59 029	89 207	142 691	(53 484)	-37%	428 074
Provincial Government		15 205	19 899	-	2 567	4 816	6 633	(1 817)	-27%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		275 665	447 973	-	61 597	94 024	149 324	(55 301)	-37%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	-	3 308	5 723	52 756	(47 033)	-89%	158 268
Internally generated funds		123 864	120 000	-	17 573	23 380	40 000	(16 620)	-42%	120 000
Total Capital Funding		461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	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 31 October 2016.

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

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

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

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

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		58 598	232 167	240 284	(8 116)	-3%	741 451
Service charges		2 227 525	2 533 370		256 606	900 614	867 731	32 882	4%	2 533 370
Other revenue		-	138 875		26 523	96 622	63 611	33 011	52%	138 875
Government - operating		519 604	489 491		7 761	189 513	174 489	15 024	9%	489 491
Government - capital		356 459	447 973		76 065	197 690	163 279	34 411	21%	447 973
Interest		120 502	107 657		1 857	47 380	39 570	7 810	20%	107 657
Dividends							-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 611 671)		(372 502)	(1 480 415)	(1 316 997)	163 418	-12%	(3 611 671)
Finance charges		(71 169)	(65 460)		-	(16 252)	(21 820)	(5 569)	26%	(65 460)
Transfers and Grants		(11 573)	(7 990)		-	(1 710)	(2 367)	(657)	28%	(7 990)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 696	-	54 907	165 608	207 779	42 170	20%	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)		(41 830)	(82 478)	(181 006)	(98 528)	54%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(41 830)	(82 478)	(181 006)	(98 528)	54%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		-
Borrowing long term/refinancing		100 000	50 000					-		50 000
Increase (decrease) in consumer deposits		4 370			443	2 171		2 171	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(18 770)	(22 619)	(3 849)	17%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	420	(16 599)	(22 619)	(6 020)	27%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD		6 860	138 629	-	13 497	66 532	4 154			138 629
Cash/cash equivalents at beginning:		827 273	912 709			976 717	912 709			976 717
Cash/cash equivalents at month/year end:		834 133	1 051 338			1 043 248	916 863			1 115 346

Consolidated Budget Tables (With Municipal Entity: Safe City)

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

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	-	78 238	280 455	280 853	(397)	-0%	842 558
Service charges	2 228 636	2 878 830	-	205 302	889 598	959 610	(70 012)	-7%	2 878 830
Investment revenue	50 973	49 330	-	5	37 948	16 445	21 503	131%	49 330
Transfers recognised - operational	519 191	489 491	-	-	180 127	163 164	16 963	10%	489 491
Other own revenue	325 520	212 797	-	12 303	64 174	70 932	(6 758)	-10%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 473 006	-	295 848	1 452 303	1 491 004	(38 701)	-3%	4 473 006
Employee costs	832 495	1 040 938	-	122 694	373 832	374 473	(641)	-0%	1 040 938
Remuneration of Councillors	34 657	43 033	-	3 558	14 057	14 344	(287)	-2%	43 033
Depreciation & asset impairment	463 063	507 298	-	69	115 332	168 978	(53 646)	-32%	507 298
Finance charges	71 169	65 474	-	1	4	21 824	(21 820)	-100%	65 474
Materials and bulk purchases	1 785 315	2 118 107	-	42	383	706 013	(705 630)	-100%	2 118 107
Transfers and grants	11 995	140 526	-	20	1 790	49 442	(47 652)	-96%	140 526
Other expenditure	951 496	538 193	-	6 046	40 956	179 318	(138 362)	-77%	538 193
Total Expenditure	4 150 192	4 453 569	-	132 430	546 354	1 514 392	(968 038)	-64%	4 453 569
Surplus/(Deficit)	(308 844)	19 436	-	163 418	905 949	(23 388)	929 336	-3974%	19 436
Transfers recognised - capital	356 835	447 973	-	(20)	(60)	149 138	(149 198)	-100%	447 973
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 410	-	163 398	905 889	125 750	780 138	620%	467 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 410	-	163 398	905 889	125 750	780 138	620%	467 410
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Capital transfers recognised	275 665	447 973	-	61 597	94 024	149 324	(55 301)	-37%	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	3 308	5 723	52 756	(47 033)	-89%	158 268
Internally generated funds	123 864	120 000	-	17 573	23 380	40 000	(16 620)	-42%	120 000
Total sources of capital funds	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Financial position									
Total current assets	1 984 966	3 135 284	-	-	758	-	-	-	3 135 284
Total non current assets	7 548 842	7 640 388	-	-	5 868	-	-	-	7 640 388
Total current liabilities	915 372	1 319 101	-	-	222	-	-	-	1 319 101
Total non current liabilities	1 197 150	1 255 547	-	-	-	-	-	-	1 255 547
Community wealth/Equity	7 421 286	8 201 024	-	-	6 404	-	-	-	8 201 024
Cash flows									
Net cash from (used) operating	1 180 761	773 947	-	54 242	165 133	255 504	90 371	35%	773 947
Net cash from (used) investing	(1 224 532)	(617 305)	-	(41 830)	(82 478)	(205 768)	(123 290)	60%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	420	(16 599)	(5 921)	10 678	-180%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 589	-	-	1 042 773	956 524	(86 249)	-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	316 243	187 595	51 063	47 280	42 151	39 799	43 530	#####	1 805 067
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

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

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		1 435 170	1 542 450	-	85 711	448 065	514 150	(66 085)	-13%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	85 710	448 049	509 423	(61 374)	-12%	1 528 270
Corporate services		5 993	14 180	-	0	16	4 727	(4 711)	-100%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 342	5 853	31 188	(25 335)	-81%	93 565
Community and social services		71 074	52 155	-	294	1 388	17 385	(15 997)	-92%	52 155
Sport and recreation		24 880	885	-	46	266	295	(29)	-10%	885
Public safety		111 819	23 347	-	457	1 906	7 782	(5 877)	-76%	23 347
Housing		17 809	17 144	-	545	2 292	5 715	(3 422)	-60%	17 144
Health		71	34	-	1	2	11	(10)	-87%	34
<i>Economic and environmental services</i>		235 988	435 042	-	1 389	6 857	145 014	(138 158)	-95%	435 042
Planning and development		63 074	53 331	-	1 358	6 734	17 777	(11 043)	-62%	53 331
Road transport		172 914	381 711	-	30	122	127 237	(127 115)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	215 071	1 001 280	1 142 038	(140 758)	-12%	3 426 115
Electricity		1 700 426	2 074 912	-	150 550	671 953	691 637	(19 684)	-3%	2 074 912
Water		660 510	1 052 569	-	42 981	233 763	350 856	(117 093)	-33%	1 052 569
Waste water management		191 593	176 288	-	13 254	55 904	58 763	(2 859)	-5%	176 288
Waste management		115 022	122 345	-	8 286	39 660	40 782	(1 122)	-3%	122 345
<i>Other</i>	4	34 298	31 371	-	1 594	7 210	10 457	(3 247)	-31%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	305 107	1 469 264	1 842 848	(373 583)	-20%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	44 802	155 559	327 075	(171 516)	-52%	995 248
Executive and council		7 712	113 165	-	5 504	21 114	37 722	(16 607)	-44%	113 165
Budget and treasury office		859 050	645 336	-	23 067	83 734	215 283	(131 549)	-61%	645 336
Corporate services		8 009	236 747	-	16 232	50 712	74 071	(23 359)	-32%	236 747
<i>Community and public safety</i>		670 660	552 342	-	47 254	158 181	215 699	(57 518)	-27%	552 342
Community and social services		116 571	141 004	-	10 237	34 912	46 906	(11 995)	-26%	141 004
Sport and recreation		145 186	118 290	-	11 214	41 527	39 757	1 771	4%	118 290
Public safety		316 932	236 010	-	21 356	66 211	110 023	(43 812)	-40%	236 010
Housing		49 923	32 584	-	2 166	8 537	10 861	(2 325)	-21%	32 584
Health		42 048	24 453	-	2 280	6 994	8 151	(1 157)	-14%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	18 343	104 477	189 246	(84 769)	-45%	567 103
Planning and development		97 679	110 222	-	7 714	27 373	36 741	(9 368)	-25%	110 222
Road transport		424 597	456 881	-	10 629	77 104	152 505	(75 402)	-49%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	29 100	132 946	971 098	(838 151)	-86%	2 904 545
Electricity		1 512 417	1 695 915	-	9 256	53 218	566 575	(513 357)	-91%	1 695 915
Water		590 023	912 149	-	5 762	29 845	304 566	(274 720)	-90%	912 149
Waste water management		175 548	192 253	-	4 627	19 204	64 366	(45 161)	-70%	192 253
Waste management		150 620	104 227	-	9 455	30 678	35 591	(4 913)	-14%	104 227
<i>Other</i>		54 353	41 895	-	2 209	12 212	13 980	(1 768)	-13%	41 895
Total Expenditure - Standard	3	4 550 669	5 061 133	-	141 708	563 376	1 717 098	#####	-67%	5 061 133
Surplus/ (Deficit) for the year		47 991	467 410	-	163 398	905 889	125 750	780 139	620%	467 410

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

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	-	-	-	15	-	15	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	85 710	448 049	509 423	(61 374)	-12.0%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 021	42 802	58 941	(16 140)	-27.4%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	1	4 727	(4 727)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	207 474	964 771	1 237 597	(272 827)	-22.0%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 901	13 627	32 159	(18 532)	-57.6%	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	-	305 107	1 469 264	1 842 848	(373 583)	-20.3%	5 528 543
Expenditure by Vote										
	1									
Vote 1 - City Manager		12 576	142 460	-	8 484	29 096	47 576	(18 480)	-38.8%	142 460
Vote 2 - City Finance		942 905	723 311	-	26 492	96 291	241 478	(145 187)	-60.1%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	52 497	172 662	204 142	(31 480)	-15.4%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	13 820	44 381	67 312	(22 931)	-34.1%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	28 402	176 535	1 075 621	(899 086)	-83.6%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 701	-	12 014	44 411	80 969	(36 557)	-45.1%	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	-	141 708	563 376	1 717 098	#####	-67.2%	5 061 133
Surplus/ (Deficit) for the year	2	47 991	467 410	-	163 398	905 889	125 750	780 139	620.4%	467 410

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

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		686 819	798 728		67 254	265 642	266 243	(601)	0%	798 728
Property rates - penalties & collection charges		30 207	43 830		10 984	14 813	14 610	203	1%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		147 248	660 029	669 415	(9 386)	-1%	2 008 246
Service charges - water revenue		448 064	623 188		38 383	154 797	207 729	(52 932)	-25%	623 188
Service charges - sanitation revenue		139 629	147 839		12 862	47 688	49 280	(1 592)	-3%	147 839
Service charges - refuse revenue		74 810	99 557		6 809	27 084	33 186	(6 101)	-18%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		1 554	7 126	14 603	(7 477)	-51%	43 809
Interest earned - external investments		50 973	49 330		5	37 948	16 445	21 503	131%	49 330
Interest earned - outstanding debtors		69 529	66 349		6 501	19 933	22 116	(2 184)	-10%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		81	374	6 179	(5 806)	-94%	18 538
Licences and permits		89	92		9	25	31	(5)	-17%	92
Agency services		24 372	670		30	167	223	(56)	-25%	670
Transfers recognised - operational		519 191	489 491		-	180 127	163 164	16 963	10%	489 491
Other revenue		101 001	83 339		4 128	17 356	27 780	(10 424)	-38%	83 339
Gains on disposal of PPE		420	-		-	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 473 006	-	295 848	1 452 303	1 491 004	(38 701)	-3%	4 473 006
Expenditure By Type										
Employee related costs		832 495	1 040 938		122 694	373 832	374 473	(641)	0%	1 040 938
Remuneration of councillors		34 657	43 033		3 558	14 057	14 344	(287)	-2%	43 033
Debt impairment		222 110	120 815		-	-	40 272	(40 272)	-100%	120 815
Depreciation & asset impairment		463 063	507 298		69	115 332	168 978	(53 646)	-32%	507 298
Finance charges		71 169	65 474		1	4	21 824	(21 820)	-100%	65 474
Bulk purchases		1 586 802	1 936 708		-	200	645 569	(645 369)	-100%	1 936 708
Other materials		198 513	181 399		42	183	60 444	(60 261)	-100%	181 399
Contracted services		110 072	35 408		46	153	11 791	(11 638)	-99%	35 408
Transfers and grants		11 995	140 526		20	1 790	49 442	(47 652)	-96%	140 526
Other expenditure		618 857	381 970		6 000	21 610	127 255	(105 645)	-83%	381 970
Loss on disposal of PPE		457	-		-	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 453 569	-	132 430	546 354	1 514 392	(968 038)	-64%	4 453 569
Surplus/(Deficit)		(308 844)	19 436	-	163 418	905 949	(23 388)	929 336	(0)	19 436
Transfers recognised - capital		356 835	447 973		(20)	(60)	149 138	(149 198)	(0)	447 973
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 410	-	163 398	905 889	125 750			467 410
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 410	-	163 398	905 889	125 750			467 410
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 410	-	163 398	905 889	125 750			467 410
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		47 991	467 410	-	163 398	905 889	125 750			467 410

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M04 October

Vote Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - City Manager		6 411	5 250	-	-	-	1 750	(1 750)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	316	431	8 309	(7 878)	-95%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	3 401	3 401	17 233	(13 832)	-80%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	1 995	(1 995)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	70 525	102 214	182 025	(79 811)	-44%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	4 673	9 347	21 181	(11 835)	-56%	63 544
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	384 493	697 480	-	78 914	115 392	232 493	(117 101)	-50%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	-	19	19	167	(147)	-88%	500
Vote 2 - City Finance		31 896	782	-	4	4	261	(256)	-98%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	2 567	4 816	6 522	(1 705)	-26%	19 565
Vote 4 - Corporate Services		6 460	527	-	848	848	176	673	383%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	125	2 046	1 197	849	71%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	1 266	(1 266)	-100%	3 798
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	77 217	28 761	-	3 564	7 734	9 587	(1 853)	-19%	28 761
Total Capital Expenditure		461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	-	3 193	3 309	12 657	(9 348)	-74%	37 971
Executive and council		7 174	5 750	-	19	19	1 917	(1 897)	-99%	5 750
Budget and treasury office		36 832	25 710	-	320	436	8 570	(8 134)	-95%	25 710
Corporate services		6 460	6 512	-	2 854	2 854	2 171	684	31%	6 512
Community and public safety		52 921	103 238	-	5 901	8 150	34 413	(26 263)	-76%	103 238
Community and social services		4 763	32 740	-	2 567	4 424	10 913	(6 489)	-59%	32 740
Sport and recreation		39 271	31 425	-	1 422	1 815	10 475	(8 660)	-83%	31 425
Public safety		3 022	3 640	-	-	-	1 213	(1 213)	-100%	3 640
Housing		5 864	35 434	-	1 912	1 912	11 811	(9 899)	-84%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	-	42 693	72 239	97 893	(25 654)	-26%	293 680
Planning and development		23 039	31 908	-	2 762	7 435	10 636	(3 201)	-30%	31 908
Road transport		126 943	260 312	-	39 931	64 804	86 771	(21 967)	-25%	260 312
Environmental protection		1 594	1 460	-	-	-	487	(487)	-100%	1 460
Trading services		204 390	291 352	-	30 691	39 296	97 117	(57 821)	-60%	291 352
Electricity		97 937	190 721	-	4 574	7 865	63 574	(55 708)	-88%	190 721
Water		65 591	58 728	-	-	437	19 576	(19 139)	-98%	58 728
Waste water management		37 404	31 403	-	21 415	24 490	10 468	14 022	134%	31 403
Waste management		3 457	10 500	-	4 701	6 504	3 500	3 004	86%	10 500
Other		2 357	-	-	-	132	-	132	#DIV/0!	-
Total Capital Expenditure - Standard Classification	3	461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241
Funded by:										
National Government		260 460	428 074	-	59 029	89 207	142 691	(53 484)	-37%	428 074
Provincial Government		15 205	19 899	-	2 567	4 816	6 633	(1 817)	-27%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		275 665	447 973	-	61 597	94 024	149 324	(55 301)	-37%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	-	3 308	5 723	52 756	(47 033)	-89%	158 268
Internally generated funds		123 864	120 000	-	17 573	23 380	40 000	(16 620)	-42%	120 000
Total Capital Funding		461 711	726 241	-	82 478	123 126	242 080	(118 954)	-49%	726 241

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

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		126	100 068
Call investment deposits		745 471	951 589		569	951 589
Consumer debtors		716 949	965 246			965 246
Other debtors		379 166	376 444		63	376 444
Current portion of long-term receivables		46	43			43
Inventory		46 737	741 893			741 893
Total current assets		1 984 966	3 135 284	-	758	3 135 284
Non current assets						
Long-term receivables		10 482	9 455			9 455
Investments		-				-
Investment property		382 805	356 914			356 914
Investments in Associate		-				-
Property, plant and equipment		6 862 567	7 021 207		5 868	7 021 207
Agricultural		230 945	46 520			46 520
Biological assets		44 831				-
Intangible assets		17 212	27 283			27 283
Other non-current assets		-	179 008			179 008
Total non current assets		7 548 842	7 640 388	-	5 868	7 640 388
TOTAL ASSETS		9 533 808	10 775 671	-	6 626	10 775 671
LIABILITIES						
Current liabilities						
Bank overdraft						-
Borrowing		53 524	67 762			67 762
Consumer deposits		89 479	92 798			92 798
Trade and other payables		765 335	1 152 457		222	1 152 457
Provisions		7 034	6 084			6 084
Total current liabilities		915 372	1 319 101	-	222	1 319 101
Non current liabilities						
Borrowing		543 401	511 999			511 999
Provisions		653 749	743 548			743 548
Total non current liabilities		1 197 150	1 255 547	-	-	1 255 547
TOTAL LIABILITIES		2 112 522	2 574 648	-	222	2 574 648
NET ASSETS	2	7 421 286	8 201 024	-	6 404	8 201 024
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 028 109		6 404	8 028 109
Reserves		257 948	172 914			172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 201 024	-	6 404	8 201 024

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

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		58 598	232 167	247 150	(14 983)	-6%	741 451
Service charges		2 227 525	2 533 370		256 606	900 614	844 457	56 157	7%	2 533 370
Other revenue		-	138 875		26 523	96 622	46 292	50 330	109%	138 875
Government - operating		519 604	489 491		7 761	191 223	163 164	28 059	17%	489 491
Government - capital		356 459	447 973		76 065	197 690	149 324	48 365	32%	447 973
Interest		120 502	107 717		1 862	47 410	35 928	11 482	32%	107 717
Dividends			-				-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 619 264)		(373 171)	(1 482 626)	(1 208 917)	273 709	-23%	(3 619 264)
Finance charges		(71 169)	(65 474)		(1)	(16 256)	(21 829)	(5 573)	26%	(65 474)
Transfers and Grants		(11 573)	(191)		-	(1 710)	(64)	1 646	-2580%	(191)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 947	-	54 242	165 133	255 504	90 371	35%	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)		(41 830)	(82 478)	(205 768)	(123 290)	60%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(41 830)	(82 478)	(205 768)	(123 290)	60%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				16 667	(16 667)	-100%	50 000
Increase (decrease) in consumer deposits		4 370			443	2 171	-	2 171	#DIV/0!	-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(18 770)	(22 587)	(3 818)	17%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	420	(16 599)	(5 921)	10 678	-180%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD										
		6 860	138 880	-	12 832	66 057	43 815			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			1 042 773	956 524			1 115 597

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

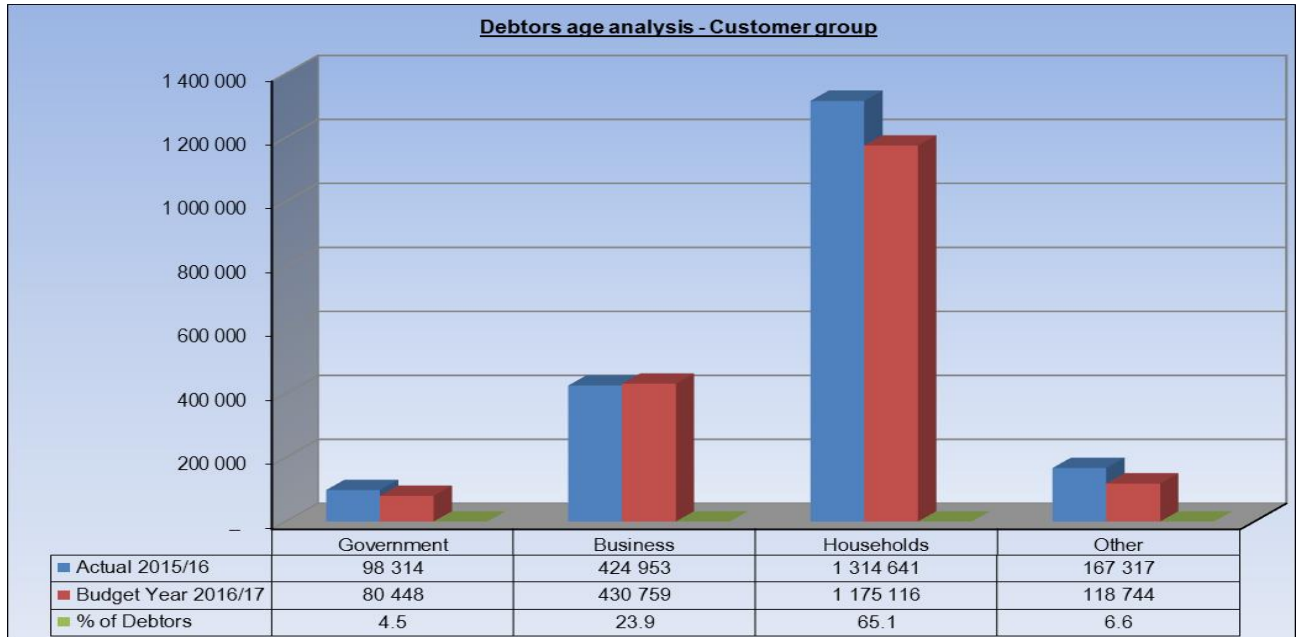
The table presented below summarises the Debtors Age Analysis as at 31 October 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

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	51 042	29 961	18 801	15 501	15 332	15 966	16 193	345 215	508 012	408 208		125 777
Trade and Other Receivables from Exchange Transactions - Electricity	1300	173 272	110 705	14 369	5 647	5 182	3 450	3 171	51 697	367 493	69 147		18 942
Receivables from Non-exchange Transactions - Property Rates	1400	70 035	32 882	14 254	10 954	7 719	7 607	8 476	225 018	376 945	259 774		130 799
Receivables from Exchange Transactions - Waste Water Management	1500	11 777	6 016	3 504	3 318	2 936	2 483	2 860	70 459	103 353	82 056		31 966
Receivables from Exchange Transactions - Waste Management	1600	7 269	3 779	1 858	1 732	1 496	1 483	1 433	35 987	55 036	42 131		15 917
Receivables from Exchange Transactions - Property Rental Debtors	1700	622	564	534	530	526	518	509	20 430	24 234	22 514		13 396
Interest on Arrear Debtor Accounts	1810	9 241	8 946	8 679	9 575	8 491	8 519	8 308	216 063	277 822	250 956		112 374
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	(7 016)	(5 257)	(10 935)	22	468	(229)	2 580	112 538	92 171	115 380		62 027
Total By Income Source	2000	316 243	187 595	51 063	47 280	42 151	39 799	43 530	1 077 406	1 805 067	1 250 166	-	511 197
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	21 637	7 388	(3 537)	3 699	1 963	1 491	1 747	46 060	80 448	54 960		33 742
Commercial	2300	158 239	110 366	14 593	7 273	5 955	5 062	6 729	122 541	430 759	147 561		57 404
Households	2400	127 889	65 148	37 129	32 976	31 924	30 858	32 553	816 640	1 175 116	944 950		366 721
Other	2500	8 478	4 693	2 878	3 331	2 308	2 388	2 502	92 165	118 744	102 694		53 330
Total By Customer Group	2600	316 243	187 595	51 063	47 280	42 151	39 799	43 530	1 077 406	1 805 067	1 250 166	-	511 197

Chart 1: Debtors Age Analysis By Customer Group

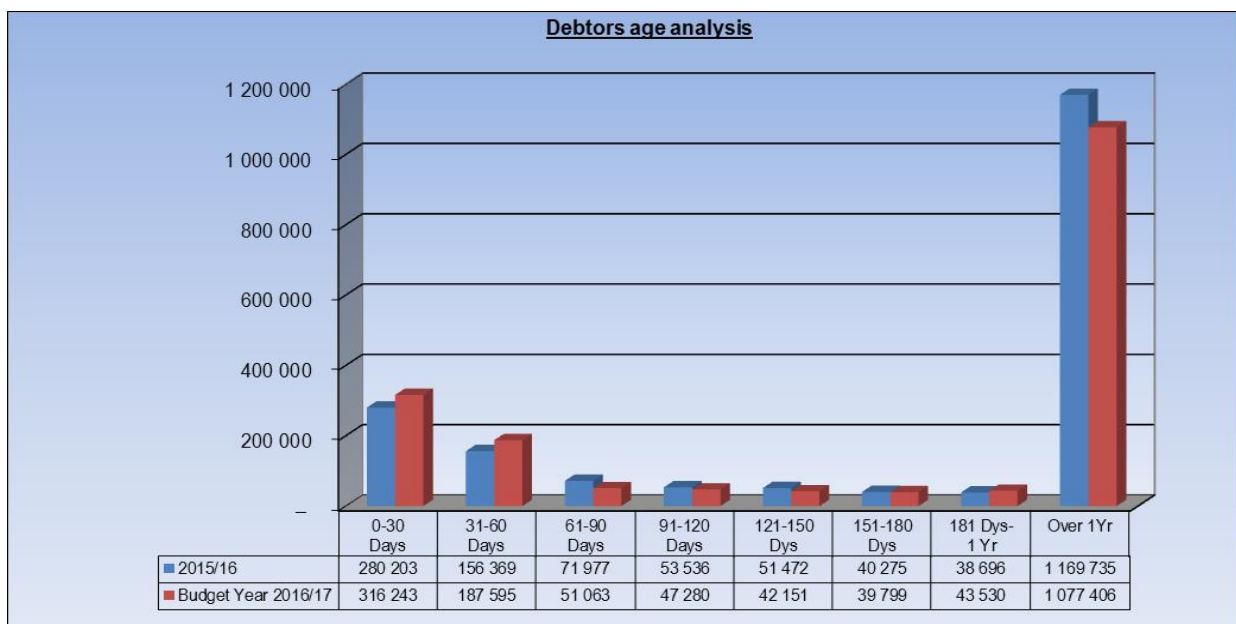


The information presented in the chart above reflects an decrease in the outstanding debtor's balances as at 31 October 2016 of R 55.0 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 86 billion.

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

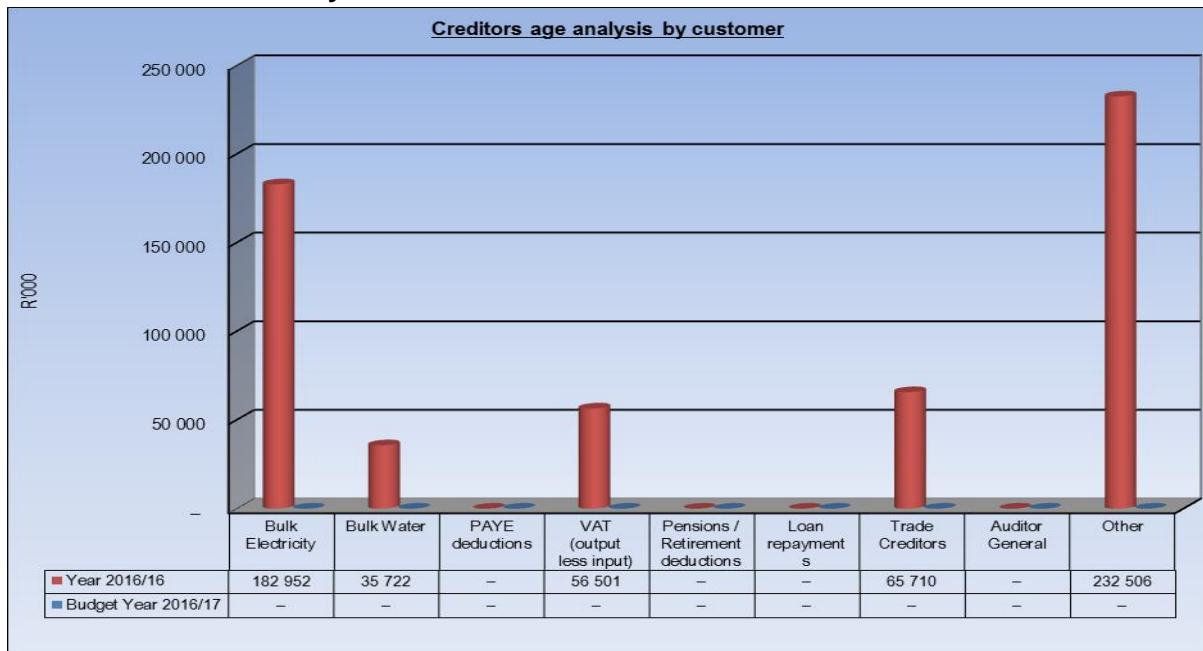
Table SC 4 below presents the aged creditors as at 31 October 2016

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

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

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

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
Fixed - ABSA - Call		Call	Call	on call					27 726
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Standard bank		3 months							539 043
									210 000
Municipality sub-total					-		-	-	935 087

The total consolidated investment balances as at 31 October 2016 was R 935.0 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.

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:	1,2								
Operating Transfers and Grants									
National Government:		475 432	455 827	-	3 327	151 942	(148 615)	-97.8%	455 827
Local Government Equitable Share		373 541	432 307			144 102	(144 102)	-100.0%	432 307
Finance Management		1 600	1 625		1 625	542	1 083	200.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		1 702	2 270	(568)	-25.0%	6 809
Energy Efficiency and Demand Management		-	8 000			2 667	(2 667)	-100.0%	8 000
Water Services Operating Subsidy	3	1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			2 362	(2 362)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Provincial Government:		43 759	10 786	-	-	3 595	(3 595)	-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	-			194	(194)	-100.0%	581
Arts and Culture- Provincialisation	16 201	9 805	-			3 268	(3 268)	-100.0%	9 805
Arts and Culture-Museum Subsidies	478	400	-			133	(133)	-100.0%	400
COGTA	257	-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
District Municipality:		-	-			-	-		-
Other grant providers:		-	-			-	-		-
[insert description]		-	-			-	-		-
Total Operating Transfers and Grants	5	519 191	466 613	-	3 327	155 538	(152 211)	-97.9%	466 613
Capital Transfers and Grants									
National Government:		289 651	450 393	-	203 602	150 131	53 471	35.6%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		49 000	61 177	(12 177)	-19.9%	183 531
Public Transport and Systems		20 634	200 031		97 946	66 677	31 269	46.9%	200 031
Neighbourhood Development Partnership		20 195	22 110		18 300	7 370	10 930	148.3%	22 110
Dept of Mineral/Electricity		9 188	-		8 980	-	8 980	#DIV/0!	-
Intergrated National Electrification Programme		82 151	8 000			2 667	(2 667)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		29 376	12 240	17 136	0.0%	36 721
		-	-			-	-	0.0%	-
Provincial Government:		66 807	19 899	-	147	6 633	(6 486)	0.0%	19 899
Airport Development Project		-	-		147	-	147	0.0%	-
Sport and Recreation	80	-	-			-	-	0.0%	-
Corridor Development		-	-			-	-		-
KZNPA	5 182	9 510	-			3 170	(3 170)	-100.0%	9 510
Arts and Culture-Museum Subsidies	8 865	-	-			-	-	0.0%	-
COGTA	18 016	10 389	-			3 463	(3 463)	-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	-	203 749	156 764	46 985	30.0%	470 292
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	-	207 076	312 302	(105 226)	-33.7%	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 70.9 million resulting in underperformance of the YTD capital grants budget of R 85.8 million.

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

M04 October 2016

Description	Ref	2014/15	Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		475 432	455 827	-	301	151 942	(151 641)	-99.8%	455 827
Local Government Equitable Share		373 541	432 307			144 102	(144 102)	-100.0%	432 307
Finance Management		1 600	1 625			542	(542)	-100.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809		301	2 270	(1 969)	-86.7%	6 809
Energy Efficiency and Demand Management		-	8 000			2 667	(2 667)	-100.0%	8 000
Water Services Operating Subsidy		1 758	-			-	-		-
Public Transport Infrastructure		88 849	-			-	-		-
Operating costs-MIG		6 092	7 086			2 362	(2 362)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass		-	-			-	-		-
Other transfers and grants [insert description]		-	-			-	-		-
Provincial Government:		43 759	10 786	-	-	3 595	(3 595)	-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			194	(194)	-100.0%	581
DWAF		16 201	9 805	-		3 268	(3 268)	-100.0%	9 805
Cogta		478	400	-		133	(133)	-100.0%	400
Sport And Recreation		257	-			-	-		-
District Municipality:		-	-	-	-	-	-	-	-
[insert description]									
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	301	155 538	(155 237)	-99.8%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	70 880	150 131	(79 251)	-52.8%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531		13 777	61 177	(47 400)	-77.5%	183 531
Public Transport and Systems		20 634	200 031		32 653	66 677	(34 024)	-51.0%	200 031
Neighbourhood Development Partnership		20 195	22 110			7 370	(7 370)	-100.0%	22 110
Dept of Mineral/Electricity		9 188	-			-	-		-
Intergrated National Electrification Porgramme		82 151	8 000			2 667	(2 667)	-100.0%	8 000
Municipal Systems Improvement		417	-			-	-		-
Municipal Water Infrastructure Grant		-	36 721		19 007	12 240	6 766		36 721
Library		-	-		5 443	-	5 443	#DIV/0!	-
Provincial Government:		66 807	19 899	-	32	6 633	(6 601)		19 899
Airport Development Project		-	-		-	-	-		-
Sport and Recreation		80	-			-	-		-
Corridor Development		-	-			-	-		-
Arts and Culture-Museum Subsidies		8 865	-		32	-	32		-
COGTA		18 016	10 389	-		3 463	(3 463)	-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	-	70 912	156 764	(85 852)	-54.8%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	71 213	312 302	(241 089)	-77.2%	936 905

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	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		31 389	28 637		2 544	10 228	9 546	682	7%	28 637
Pension and UIF Contributions		253	3 614		317	1 237	1 205	32	3%	3 614
Medical Aid Contributions		2 287	1 416		61	330	472	(142)	-30%	1 416
Motor Vehicle Allowance		528	7 292		469	2 001	2 431	(430)	-18%	7 292
Cellphone Allowance		133	2 034		137	565	678	(113)	-17%	2 034
Housing Allowances		10	41		7	20	14	6	44%	41
Other benefits and allowances		58				72		72	#DNV/0!	
Sub Total - Councillors		34 657	43 034		3 535	14 452	14 345	107	1%	43 034
% increase	4		24.2%							24.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 651	6 102		630	2 769	2 034	735	36%	6 102
Pension and UIF Contributions		798	511		78	472	170	301	177%	511
Medical Aid Contributions			60		7	39	20	19	94%	60
Overtime										
Performance Bonus		210	382				127	(127)	-100%	382
Motor Vehicle Allowance		762	818		73	351	273	78	29%	818
Cellphone Allowance			100		8	35	33	2	6%	100
Housing Allowances		98	142		59	284	47	236	499%	142
Other benefits and allowances		38	509			0	170	(169)	-100%	509
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Municipality		7 558	8 624		855	3 950	2 875	1 075	37%	8 624
% increase	4		14.1%							14.1%
Other Municipal Staff										
Basic Salaries and Wages		504 910	698 784		52 536	224 751	232 928	(8 177)	-4%	698 784
Pension and UIF Contributions		112 428	134 410		11 600	38 110	44 803	(6 693)	-15%	134 410
Medical Aid Contributions		40 020	46 584		3 909	14 955	15 528	(573)	-4%	46 584
Overtime		38 448	51 413		6 300	15 315	17 138	(1 822)	-11%	51 413
Performance Bonus						111		111	#DNV/0!	
Motor Vehicle Allowance		12 324	14 308		1 128	4 652	4 769	(118)	-2%	14 308
Cellphone Allowance		2 340	2 843		229	912	948	(35)	-4%	2 843
Housing Allowances		3 108	4 323		347	1 538	1 441	97	7%	4 323
Other benefits and allowances		96 672	49 944		41 642	60 687	44 148	16 539	37%	49 944
Payments in lieu of leave		2 280			459	2 168		2 168	#DNV/0!	
Long service awards		12 444	18 100		132	3 142	6 033	(2 891)	-48%	18 100
Post-retirement benefit obligations										
Sub Total - Other Municipal Staff		824 974	1 020 709		118 282	366 342	367 736	(1 394)	0%	1 020 709
% increase	4		23.7%							23.7%
Total Parent Municipality		867 189	1 072 367		122 672	384 744	384 956	(212)	0%	1 072 367
Unpaid salary, allowances & benefits in arrears:										
Sub Total - Board Members of Entities	2									
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages		329	442		33	132	147	(15)	-10%	442
Pension and UIF Contributions										
Medical Aid Contributions		12	15		2	6	5	1	28%	15
Overtime		18			2	6		6	#DNV/0!	
Performance Bonus		6	6		0	1	2	(1)	-40%	6
Motor Vehicle Allowance			19				6	(6)	-100%	19
Cellphone Allowance		4	4				1	(1)	-100%	4
Housing Allowances					6	6		6	#DNV/0!	
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Entities		369	486		42	152	162	(10)	-6%	486
% increase	4		31.7%							31.7%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 969		222	906	990	(83)	-8%	2 969
Pension and UIF Contributions		154	209		35	88	70	19	27%	209
Medical Aid Contributions		389	586		28	110	195	(85)	-44%	586
Overtime		416	597		5	21	199	(178)	-89%	597
Performance Bonus		22	27		1	4	9	(5)	-60%	27
Motor Vehicle Allowance		56	69				23	(23)	-100%	69
Cellphone Allowance		11	12		46	170	4	166	4149%	12
Housing Allowances					28	28		28	#DNV/0!	
Other benefits and allowances		219	288		27	94	96	(2)	-2%	288
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
Sub Total - Other Staff of Entities		3 526	4 757		392	1 421	1 586	(165)	-10%	4 757
% increase	4		34.9%							34.9%
Total Municipal Entities		3 895	5 243		434	1 573	1 748	(175)	-10%	5 243
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610		123 106	386 316	386 703	(387)	0%	1 077 610
% increase	4		23.7%							23.7%
TOTAL MANAGERS AND STAFF		836 427	1 034 576		119 571	371 864	372 359	(495)	0%	1 034 576

Councillor Allowances

The expenditure on councillor allowances as at 31 October 2016 was under spent by 2%. The year to date budget for Remuneration of Councillor's is R 14.3 million while the actual expenditure incurred was R 14.0 million resulting in 98% YTD expenditure performance.

Employee Benefits

The total consolidated salaries expenditure for 31 October 2016 was R 386.3 million, against the budget of R 386.7 million, resulting in a slight underperformance.

Board Member Fees – Safe City

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

The detailed staff benefits report is contained in the s66 report

2.6 Material Variances to the SDBIP

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

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

2.6.1 Monthly Cash Projections

Table SC9 presents the actual cash flows for the period ending 31 October 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													M04 October 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	57 589	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	1 009	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	207 744	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	32 729	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	9 617	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	6 516	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	1 154	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	1 040	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	817	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	216	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	9	7	7	7	7	7	7	7	5	81	85	90	
Agency services		0	0	0	-	50	50	50	50	50	50	49	38	590	619	650	
Transfer receipts - operating		180 127	1 625	-	7 761	38 884	38 884	38 884	38 884	38 884	38 884	40 791	59 856	489 491	530 153	579 871	
Other revenue		2 929	33 405	29 193	25 143	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	351 345	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	76 065	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	443	-	-	-	-	-	-	-	-	-	-	-	
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source		598 483	322 456	317 365	427 853	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	122 464	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	3 558	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	-	-	-	-	-	-	-	-	16 576	65 460	58 249	49 568	
Bulk purchases - Electricity		182 952	205 250	205 271	-	-	17 678	-	-	14 956	-	-	115 889	1 408 955	1 519 699	1 639 148	
Bulk purchases - Water & Sewer		35 837	43 600	-	121 897	117 565	117 565	117 565	117 565	117 565	117 565	117 413	127 269	527 753	586 597	652 003	
Other materials		1 140	137	600	87 066	35 650	35 650	35 650	35 650	35 650	35 650	43 979	(2 085)	180 842	204 864	216 029	
Contracted services		651	18 766	43 732	1 680	16 786	16 786	16 786	16 786	16 786	16 786	15 070	2 926	35 108	45 274	47 548	
Grants and subsidies paid - other municipalities		-	-	-	30 903	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	-	-	-	
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	4 935	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	372 502	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	41 830	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	24	-	14 397	-	-	19 607	-	-	15 083	67 762	73 307	77 156	
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Payments by Type		389 285	382 001	413 984	414 355	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)	13 497	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	1 043 249	1 087 015	1 098 708	1 192 474	1 236 241	1 245 444	1 289 211	1 307 698	976 717	1 115 346	1 160 397	
Cash/cash equivalents at the month/year end:		1 185 914	1 126 370	1 029 751	1 043 249	1 087 015	1 098 708	1 192 474	1 236 241	1 245 444	1 289 211	1 307 698	1 041 737	1 115 346	1 160 397	1 290 129	

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations			M04 October 2016
Ref	Description	Variance	Reasons for material deviations
R thousands			
1	Revenue By Source		
	Agency services	-25%	This is based on the customer usage for fire services to the District municipality
	Other revenue	-38%	This is a user driven resource
	Rental of facilities and equipment	-51%	This is a user driven resource
	Licences and permits	-17%	This is a user driven resource
	Interest earned - external investments	131%	This is would smooth out during the year
	Transfers recognised - operational	10%	This is would smooth out during the year
	Interest earned - outstanding debtors	-10%	This is would smooth out during the year
2	Expenditure By Type		
	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	96%	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	32%	This is an annulised year end entry
	Other expenditure	83%	This is would smooth out during the year

2.7 Parent Municipality Financial Performance

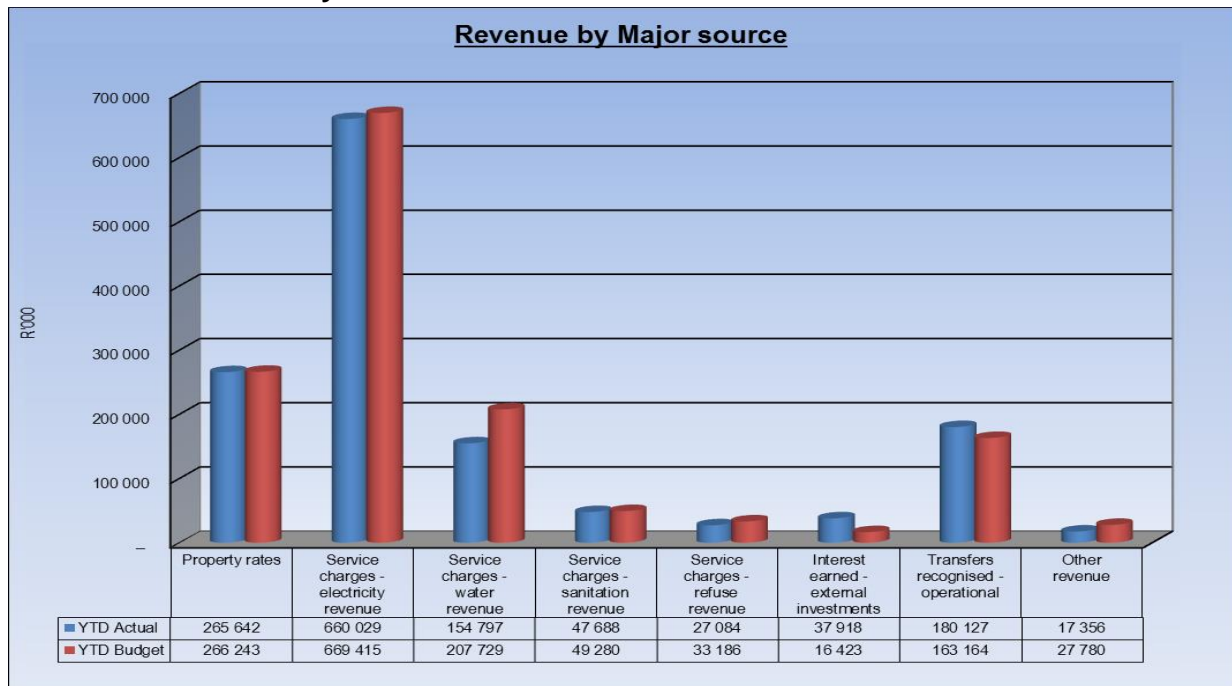
REVENUE ANALYSIS

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

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

2.7.1 FINANCIAL PERFORMANCE

Chart 4: Revenue Analysis



Service Charges – Electricity Revenue: This is a major revenue source of the Municipality contributing 45% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges slightly under performed by (R 9.3 million) when compared to the Year Budget.

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

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

Service Charges - Water revenue: The revenue earned from Water charges shared 14% of the budgeted revenue basket and 11% of YTD actual revenue, there is an underperformance against the budget causing a 25% variance when comparing YTD actual to YTD Budget.

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

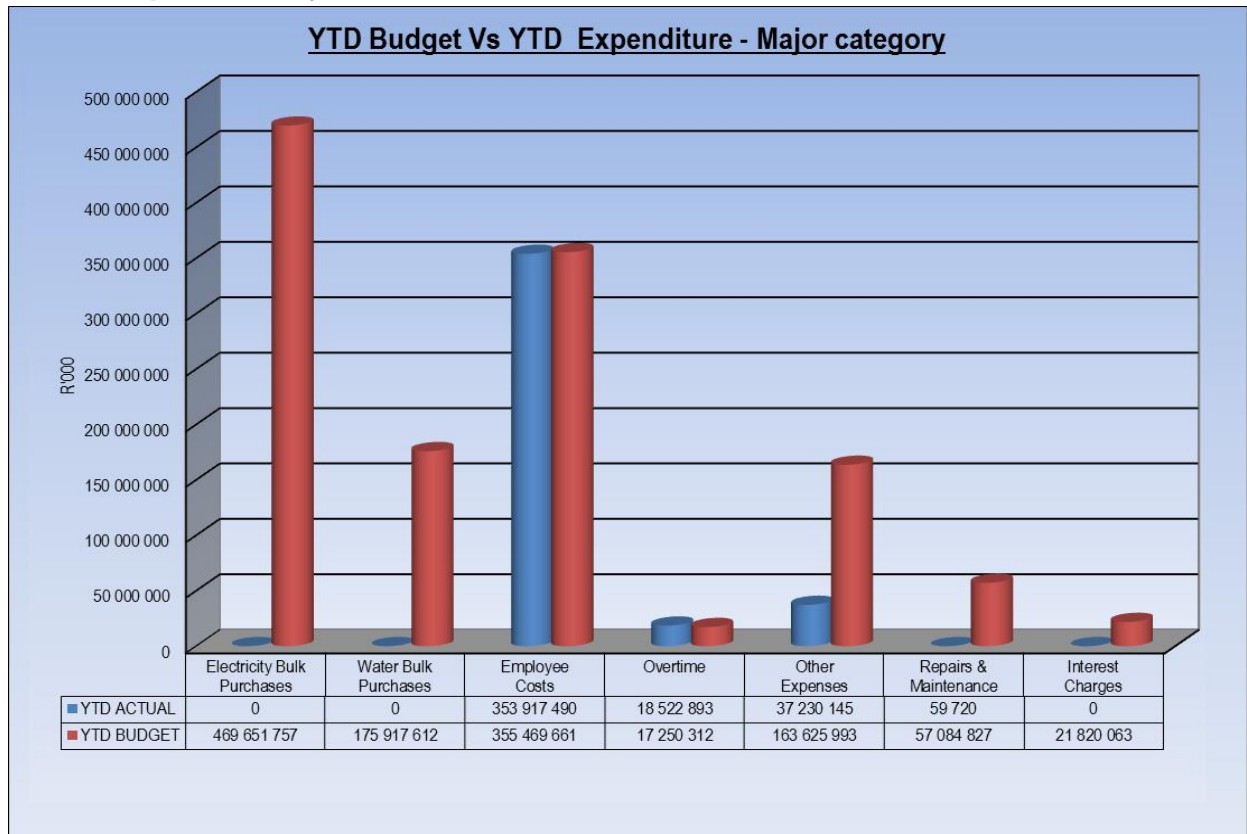
Service Charges - refuse revenue reflects an under performance of 18% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 2.5% to the total operating revenue received as at 31 October 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 126.7 million while the actual costs incurred was R 21.1 million resulting in under performance against the budget of R 105.5 million. This is as a result of payments being done through the SAP system. The table below provides a detailed listing of the top 20 cash drainers during the month of October 2016.

Table 3: Top 20 Cash Drainers – October 2016

No:	Description	YTD Actual	October - 2016	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	66 000	4 578 337	1.4%
2	Motor Vehicle Licences	0	1 800 000	0.0%
3	Bank Charges	94 250	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	43 899	49 441 205	0.1%
17	Hire Charges	0	15 540 905	0.0%
18	Telephones	1 007 797	8 052 855	12.5%
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 21.8 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 11.7 million, whilst the actual YTD is R 0.65 million, resulting in a positive variance in this line item.

Remuneration of councillors: the YTD budget was R 14.3 million and the actual expenditure incurred was R 14.0 million.

2.8 Municipal Entity Financial Performance

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

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	-	5	30	22	0	37%	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	-	5	1 740	1 732	8	0	6 906
Employee costs	4 227	5 278	-	434	1 573	1 753	(180)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	277	277	-	-	830
Finance charges	12	12	-	1	4	4	0	0	12
Materials and bulk purchases	167	489	-	27	117	163	(46)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	207	517	570	(53)	(0)	1 711
Total Expenditure	5 965	8 319	-	738	2 488	2 766	(279)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	(733)	(748)	(1 034)	287	(0)	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	(733)	(748)	(1 034)	287	(0)	(1 413)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	(733)	(748)	(1 034)	287	(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	-	-	758	-	-	-	1 128
Total non current assets	6 138	5 785	-	-	5 868	-	-	-	5 785
Total current liabilities	222	250	-	-	222	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	7 322	6 663	-	-	6 404	-	-	-	6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	(665)	(475)	(768)	293	(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	(665)	(475)	(768)	293	(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

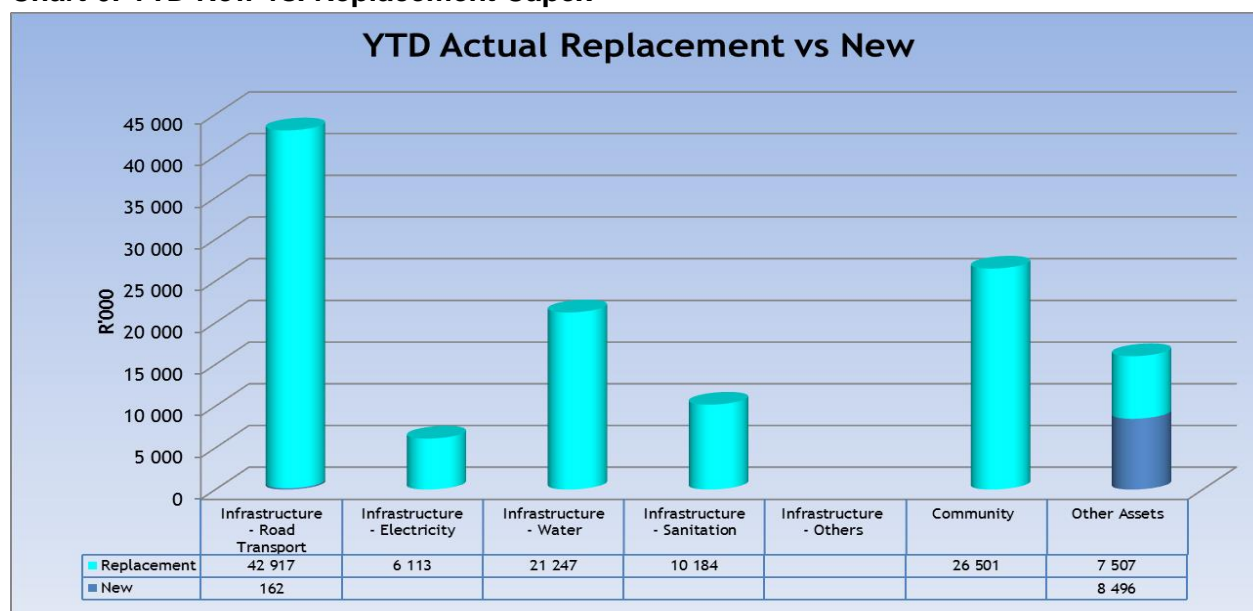
This next section looks at the performance of the capital expenditure programme. This performance is best illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	9 089	48 957		0	0	48 957	48 957	100.0%	0%
August	23 544	48 957		116	116	97 914	97 798	99.9%	0%
September	39 949	48 957		40 533	40 533	146 871	106 338	72.4%	6%
October	46 126	48 957		82 478	82 478	195 828	113 350	57.9%	11%
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	-	123 126					

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 2016.

Chart 6: YTD New vs. Replacement Capex



The Total Capital Expenditure amounted to R 123.1 million, R 8.6 million (7%) was new assets and R 114.4 million (93%) was Replacement assets.

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

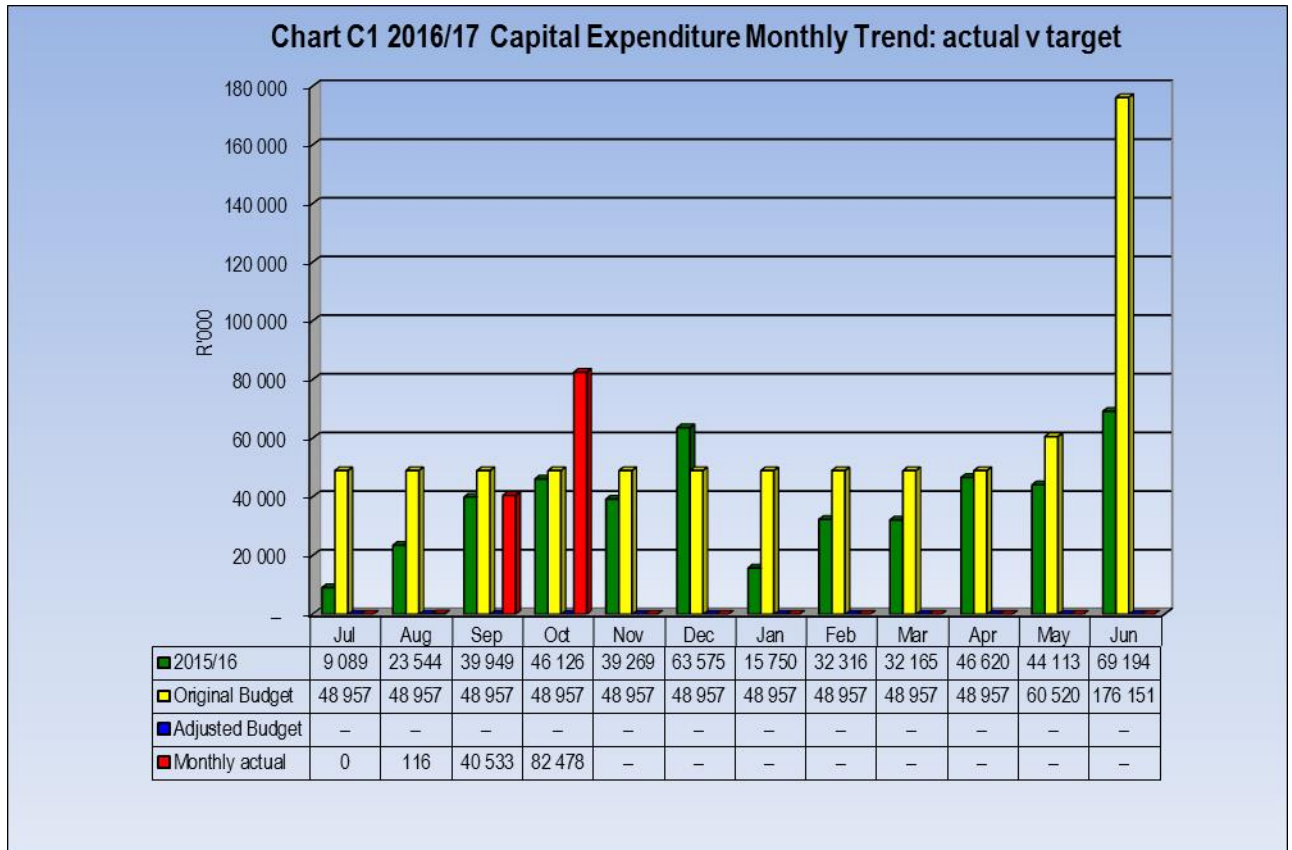
Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		38 095	174 021	-	162	162	58 007	57 845	99.7%	174 021
Infrastructure - Road transport		9 987	2 714	-	162	162	905	742	82.1%	2 714
Roads, Pavements & Bridges		9 987	2 714	-	162	162	905	742	82.1%	2 714
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	-	-	-	56 276	56 276	100.0%	168 827
Generation		-	168 827	-	-	-	56 276	56 276	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	-	-	-	327	327	100.0%	980
Reticulation		-	980	-	-	-	327	327	100.0%	980
Sewerage purification		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	-	-	-	500	500	100.0%	1 500
Waste Management		-	1 500	-	-	-	500	500	100.0%	1 500
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		33 810	20 591	-	-	-	6 864	6 864	100.0%	20 591
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	-	-	-	2 217	2 217	100.0%	6 650
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	1 213	1 213	100.0%	3 640
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	743	743	100.0%	2 230
Cemeteries		-	2 000	-	-	-	667	667	100.0%	2 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	2 024	2 024	100.0%	6 071
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		40 021	23 329	-	4 742	8 380	7 776	(604)	-7.8%	23 329
General vehicles		6 716	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	-	876	1 752	470	(1 282)	-272.9%	1 410
Computers - hardware/equipment		3 486	470	-	-	-	157	157	100.0%	470
Furniture and other office equipment		5 981	50	-	1 104	1 104	17	(1 087)	-6524.0%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	-	-	-	3 463	3 463	100.0%	10 389
Other Buildings		-	-	-	2 762	5 523	-	(5 523)	#DIV/0!	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	-	-	-	3 670	3 670	100.0%	11 010
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	24 468	-	-	116	8 156	8 040	98.6%	24 468
Computers - software & programming		-	24 468	-	-	116	8 156	8 040	98.6%	24 468
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	111 925	242 409	-	4 904	8 658	80 803	72 145	89.3%	242 409
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

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

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	-	69 252	80 461	122 468	42 007	34.3%	367 404
Infrastructure - Road transport		125 812	239 143	-	39 437	42 917	79 714	36 797	46.2%	239 143
<i>Roads, Pavements & Bridges</i>		125 552	239 143	-	39 437	42 917	79 714	36 797	46.2%	239 143
<i>Storm water</i>		260	-	-	-	-	-	-	-	-
Infrastructure - Electricity		66 802	25 520	-	3 698	6 113	8 507	2 394	28.1%	25 520
<i>Generation</i>		66 802	25 520	-	3 698	6 113	8 507	2 394	28.1%	25 520
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	0.0%	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		65 030	55 602	-	19 007	21 247	18 534	(2 713)	-14.6%	55 602
<i>Dams & Reservoirs</i>		65 030	55 602	-	19 007	21 247	18 534	(2 713)	-14.6%	55 602
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		26 146	47 139	-	7 110	10 184	15 713	5 529	35.2%	47 139
<i>Reticulation</i>		-	47 139	-	7 110	10 184	15 713	5 529	35.2%	47 139
<i>Sewerage purification</i>		26 146	-	-	-	-	-	-	0.0%	-
Infrastructure - Other		755	-	-	-	-	-	-	-	-
<i>Waste Management</i>		755	-	-	-	-	-	-	-	-
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	0.0%	-
Community		4 551	62 950	-	3 973	26 501	20 983	(5 517)	-26.3%	62 950
Parks & gardens		-	500	-	-	-	167	167	100.0%	500
Sportsfields & stadia		121	28 750	-	2 769	2 769	9 583	6 814	71.1%	28 750
Swimming pools		-	2 000	-	-	392	667	274	41.1%	2 000
Community halls		-	30 700	-	-	-	10 233	10 233	100.0%	30 700
Libraries		-	-	-	1 204	1 814	-	(1 814)	#DIV/0!	-
Recreational facilities		2 823	-	-	-	-	-	-	0.0%	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	21 525	(21 525)	#DIV/0!	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	1 000	-	-	-	333	333	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	-	4 349	7 507	17 826	10 320	57.9%	53 478
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	0.0%	-
Computers - hardware/equipment		-	-	-	-	-	-	-	0.0%	-
Furniture and other office equipment		2 019	-	-	-	-	-	-	0.0%	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		251	-	-	-	-	-	-	-	-
Civic Land and Buildings		14 359	33 569	-	-	1 246	11 190	9 944	88.9%	33 569
Other Buildings		-	-	-	3 717	5 629	-	(5 629)	#DIV/0!	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		14 646	19 910	-	632	632	6 637	6 005	90.5%	19 910
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Intangibles		29 415	-	-	-	-	-	-	-	-
Computers - software & programming		29 415	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	0.0%	-
Total Capital Expenditure on renewal of existing ass	1	349 785	483 832	-	77 574	114 469	161 277	46 809	29.0%	483 832

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

Chart 7: Capital Expenditure Monthly Trend



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

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

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

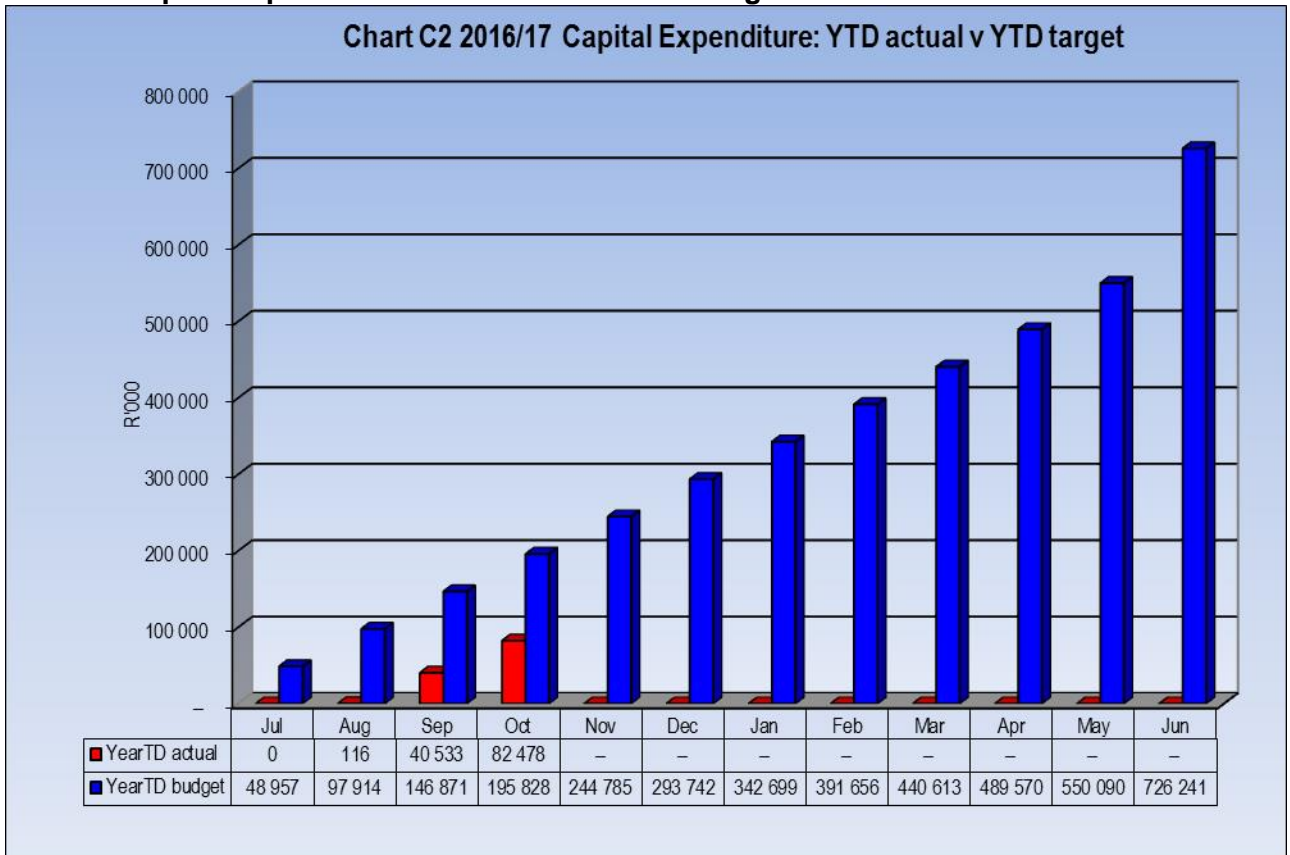
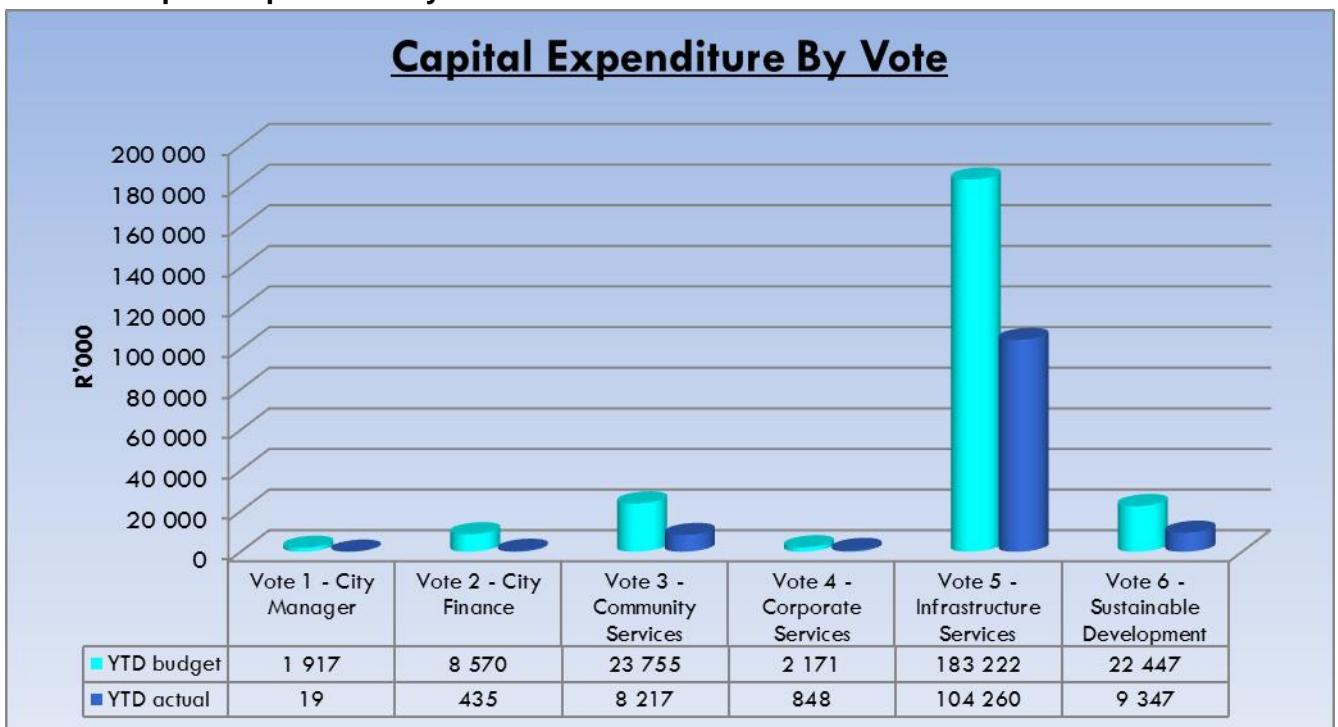


Chart 9: Capital Expenditure by Vote



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

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