



Msunduzi Municipality
MFMA S71 Monthly Report

July 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 Julyor 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 327.8 million for the period ending 31 July 2016. The YTD Budget was R 372.7 million, therefore the actual underperformed against the budget by R 44.8 million against the revenue projected. The two main contributors, both accounting for 62% of the actual total YTD Revenue earned are Electricity (42%) & Property Rates revenue (20%). 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 July 2016 amounted to R 155.3 million while the YTD budget was R 371.0 million. Operational expenditure is largely defined by the bulk (electricity & water) purchases and employee related costs both accounting for 67% of the annual budget expenditure.

Capital Expenditure: While the YTD capital expenditure budget was R 60.5 million, the actual YTD Capital expenditure incurred amounted to R 0.0 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 July 2016 was R 1.18 billion.

Consumer Debt: Consumer debt at 31 July 2016 was just over R 1.95 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 - M01 July

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	-	66 580	66 580	70 213	(3 633)	-5%	842 558
Service charges	2 228 636	2 878 830	-	191 182	191 182	239 903	(48 720)	-20%	2 878 830
Investment revenue	50 973	49 270	-	37 918	37 918	4 106	33 812	824%	49 270
Transfers recognised - operational	519 191	489 491	-	-	-	40 791	(40 791)	-100%	489 491
Other own revenue	325 520	212 797	-	32 178	32 178	17 733	14 445	81%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 472 946	-	327 859	327 859	372 746	(44 886)	-12%	4 472 946
Employee costs	832 495	1 035 660	-	83 918	83 918	86 305	(2 387)	-3%	1 035 660
Remuneration of Councillors	34 657	43 033	-	3 449	3 449	3 586	(137)	-4%	43 033
Depreciation & asset impairment	463 063	506 103	-	38 776	38 776	42 175	(3 399)	-8%	506 103
Finance charges	71 169	65 460	-	-	-	5 455	(5 455)	-100%	65 460
Materials and bulk purchases	1 785 315	2 117 550	-	221	221	176 463	(176 241)	-100%	2 117 550
Transfers and grants	11 995	148 325	-	1 730	1 730	12 360	(10 630)	-86%	148 325
Other expenditure	951 496	536 243	-	27 247	27 247	44 687	(17 440)	-39%	536 243
Total Expenditure	4 150 192	4 452 374	-	155 342	155 342	371 031	(215 690)	-58%	4 452 374
Surplus/(Deficit)	(308 844)	20 572	-	172 517	172 517	1 714	170 803	9963%	20 572
Transfers recognised - capital	356 835	447 414	-	-	-	37 285	(37 285)	-100%	447 414
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 986	-	172 517	172 517	38 999	133 519	342%	467 986
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 986	-	172 517	172 517	38 999	133 519	342%	467 986
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	-	-	-	-	-	726 241
Capital transfers recognised	275 665	447 973	-	-	-	-	-	-	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	-	-	-	-	-	158 268
Internally generated funds	123 864	120 000	-	-	-	-	-	-	120 000
Total sources of capital funds	461 711	726 241	-	-	-	-	-	-	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	-	170 929	170 929	64 475	(106 455)	-165%	773 696
Net cash from (used) investing	(1 224 532)	(617 305)	-	(116)	(116)	(51 442)	(51 326)	100%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	(24)	(24)	(1 480)	(1 456)	98%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 338	-	-	1 185 914	924 261	(261 653)	-28%	1 153 753
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	293 044	103 632	48 600	50 026	46 387	47 667	46 893	#####	1 953 840
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) - M01 July

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	-	112 001	112 001	128 537	(16 537)	-13%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	111 995	111 995	127 356	(15 361)	-12%	1 528 270
Corporate services		5 993	14 180	-	6	6	1 182	(1 176)	-99%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 381	1 381	7 797	(6 416)	-82%	93 565
Community and social services		71 074	52 155	-	422	422	4 346	(3 924)	-90%	52 155
Sport and recreation		24 880	885	-	122	122	74	48	65%	885
Public safety		111 819	23 347	-	236	236	1 946	(1 710)	-88%	23 347
Housing		17 809	17 144	-	602	602	1 429	(827)	-58%	17 144
Health		71	34	-	-	-	3	(3)	-100%	34
<i>Economic and environmental services</i>		235 988	435 042	-	2 361	2 361	36 254	(33 892)	-93%	435 042
Planning and development		63 074	53 331	-	2 329	2 329	4 444	(2 115)	-48%	53 331
Road transport		172 914	381 711	-	32	32	31 809	(31 777)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	201 706	201 706	285 510	(83 804)	-29%	3 426 115
Electricity		1 700 426	2 074 912	-	137 197	137 197	172 909	(35 712)	-21%	2 074 912
Water		660 510	1 052 569	-	42 456	42 456	87 714	(45 258)	-52%	1 052 569
Waste water management		191 593	176 288	-	13 177	13 177	14 691	(1 514)	-10%	176 288
Waste management		115 022	122 345	-	8 875	8 875	10 195	(1 320)	-13%	122 345
<i>Other</i>	4	34 298	31 371	-	1	1	2 614	(2 613)	-100%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	317 450	317 450	460 712	(143 262)	-31%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	37 589	37 589	82 937	(45 348)	-55%	995 248
Executive and council		7 712	113 165	-	5 232	5 232	9 430	(4 198)	-45%	113 165
Budget and treasury office		859 050	645 336	-	21 047	21 047	53 778	(32 731)	-61%	645 336
Corporate services		8 009	236 747	-	11 310	11 310	19 729	(8 419)	-43%	236 747
<i>Community and public safety</i>		670 660	551 767	-	36 843	36 843	45 981	(9 138)	-20%	551 767
Community and social services		116 571	140 429	-	8 344	8 344	11 702	(3 359)	-29%	140 429
Sport and recreation		145 186	118 290	-	10 525	10 525	9 857	667	7%	118 290
Public safety		316 932	236 010	-	14 345	14 345	19 668	(5 323)	-27%	236 010
Housing		49 923	32 584	-	2 063	2 063	2 715	(653)	-24%	32 584
Health		42 048	24 453	-	1 567	1 567	2 038	(471)	-23%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	29 053	29 053	47 259	(18 206)	-39%	567 103
Planning and development		97 679	110 222	-	6 566	6 566	9 185	(2 619)	-29%	110 222
Road transport		424 597	456 881	-	22 487	22 487	38 073	(15 587)	-41%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	37 537	37 537	242 045	(204 508)	-84%	2 904 545
Electricity		1 512 417	1 695 915	-	17 469	17 469	141 326	(123 857)	-88%	1 695 915
Water		590 023	912 149	-	8 038	8 038	76 012	(67 974)	-89%	912 149
Waste water management		175 548	192 253	-	4 802	4 802	16 021	(11 219)	-70%	192 253
Waste management		150 620	104 227	-	7 227	7 227	8 686	(1 458)	-17%	104 227
<i>Other</i>		54 353	41 895	-	3 911	3 911	3 491	420	12%	41 895
Total Expenditure - Standard	3	4 550 669	5 060 558	-	144 933	144 933	421 713	(276 780)	-66%	5 060 558
Surplus/ (Deficit) for the year		47 991	467 985	-	172 517	172 517	38 999	133 519	342%	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) - M01 July

Vote Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote										
Vote 1 - City Manager	1	6 851	-	-	6	6	-	6	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	111 995	111 995	127 356	(15 361)	-12.1%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 009	9 009	14 735	(5 726)	-38.9%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	0	1 182	(1 182)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	193 993	193 993	309 399	(115 407)	-37.3%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 447	2 447	8 040	(5 592)	-69.6%	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	-	317 450	317 450	460 712	(143 262)	-31.1%	5 528 543
Expenditure by Vote										
Vote 1 - City Manager	1	12 576	142 460	-	6 986	6 986	11 872	(4 885)	-41.2%	142 460
Vote 2 - City Finance		942 905	723 311	-	24 159	24 159	60 276	(36 117)	-59.9%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	40 758	40 758	50 459	(9 701)	-19.2%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	9 917	9 917	18 062	(8 145)	-45.1%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	52 470	52 470	268 368	(215 898)	-80.4%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 126	-	10 643	10 643	12 677	(2 035)	-16.0%	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	-	144 933	144 933	421 713	(276 780)	-65.6%	5 060 558
Surplus/ (Deficit) for the year	2	47 991	467 985	-	172 517	172 517	38 999	133 519	342.4%	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 July 2016.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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		66 948	66 948	66 561	387	1%	798 728
Property rates - penalties & collection charges		30 207	43 830		(368)	(368)	3 653	(4 020)	-110%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		133 941	133 941	167 354	(33 412)	-20%	2 008 246
Service charges - water revenue		448 064	623 188		37 201	37 201	51 932	(14 731)	-28%	623 188
Service charges - sanitation revenue		139 629	147 839		13 096	13 096	12 320	777	6%	147 839
Service charges - refuse revenue		74 810	99 557		6 943	6 943	8 296	(1 353)	-16%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		2 084	2 084	3 651	(1 566)	-43%	43 809
Interest earned - external investments		50 973	49 270		37 918	37 918	4 106	33 812	824%	49 270
Interest earned - outstanding debtors		69 529	66 349		7 864	7 864	5 529	2 335	42%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		21	21	1 545	(1 524)	-99%	18 538
Licences and permits		89	92		4	4	8	(3)	-43%	92
Agency services		24 372	670		48	48	56	(8)	-15%	670
Transfers recognised - operational		519 191	489 491		-	-	40 791	(40 791)	-100%	489 491
Other revenue		101 001	83 339		2 964	2 964	6 945	(3 981)	-57%	83 339
Gains on disposal of PPE		420	-		19 193	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 472 946	-	327 859	327 859	372 746	(44 886)	-12%	4 472 946
Expenditure By Type										
Employee related costs		832 495	1 035 660		83 918	83 918	86 305	(2 387)	-3%	1 035 660
Remuneration of councillors		34 657	43 033		3 449	3 449	3 586	(137)	-4%	43 033
Debt impairment		222 110	120 815		-	-	10 068	(10 068)	-100%	120 815
Depreciation & asset impairment		463 063	506 103		38 776	38 776	42 175	(3 399)	-8%	506 103
Finance charges		71 169	65 460		-	-	5 455	(5 455)	-100%	65 460
Bulk purchases		1 586 802	1 936 708		200	200	161 392	(161 192)	-100%	1 936 708
Other materials		198 513	180 842		21	21	15 070	(15 049)	-100%	180 842
Contracted services		110 072	35 108		28	28	2 926	(2 897)	-99%	35 108
Transfers and grants		11 995	148 325		1 730	1 730	12 360	(10 630)	-86%	148 325
Other expenditure		618 857	380 320		8 026	8 026	31 693	(23 667)	-75%	380 320
Loss on disposal of PPE		457	-		19 193	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 452 374	-	155 342	155 342	371 031	(215 690)	-58%	4 452 374
Surplus/(Deficit)		(308 844)	20 572	-	172 517	172 517	1 714	170 803	0	20 572
Transfers recognised - capital		356 835	447 414		-	-	37 285	(37 285)	(0)	447 414
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 986	-	172 517	172 517	38 999			467 986
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 986	-	172 517	172 517	38 999			467 986
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 986	-	172 517	172 517	38 999			467 986
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		47 991	467 986	-	172 517	172 517	38 999			467 986

Capital Expenditure

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

KZN225 Msunduzi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M01 July

Vote Description	Ref	Budget Year 2016/17								
		2015/16	Budget Year 2016/17							Full Year Forecast
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
Capital expenditure - Municipal Vote										
Expenditure of multi-year capital appropriation										
Vote 1 - City Manager	1	6 411	5 250	-	-	-	438	(438)	-100%	5 250
1.1 - Internal Audit and Compliance		-	-	-	-	-	-	-	-	-
1.2 - Office of the City Manager		6 411	5 250	-	-	-	438	(438)	-100%	5 250
1.3 - Political Support		-	-	-	-	-	-	-	-	-
1.4 - Strategic Planning (IDP)		-	-	-	-	-	-	-	-	-
Vote 2 - City Finance		4 936	24 928	-	-	-	2 077	(2 077)	-100%	24 928
2.1 - Asset management		2 454	-	-	-	-	-	-	-	-
2.2 - Budget & Treasury Management		-	-	-	-	-	-	-	-	-
2.3 - Expenditure Management		-	24 848	-	-	-	2 071	(2 071)	-100%	24 848
2.4 - Revenue Management		-	80	-	-	-	7	(7)	-100%	80
2.5 - Supply Chain Management		2 481	-	-	-	-	-	-	-	-
Vote 3 - Community Services & Social Equity		34 870	51 700	-	-	-	4 308	(4 308)	-100%	51 700
3.1 - Area based management		-	-	-	-	-	-	-	-	-
3.2 - Public Safety, emergency services and enforcement		-	625	-	-	-	52	(52)	-100%	625
3.3 - Recreation and facilities		34 332	50 575	-	-	-	4 215	(4 215)	-100%	50 575
3.4 - Waste Management		538	500	-	-	-	42	(42)	-100%	500
Vote 4 - Corporate Services		-	5 985	-	-	-	499	(499)	-100%	5 985
4.1 - Human Resources Management		-	-	-	-	-	-	-	-	-
4.2 - ICT		-	5 985	-	-	-	499	(499)	-100%	5 985
4.3 - Legal Services		-	-	-	-	-	-	-	-	-
4.4 - Secretariat and Auxiliary Services		-	-	-	-	-	-	-	-	-
Vote 5 - Infrastructure Services		311 425	546 074	-	-	-	45 506	(45 506)	-100%	546 074
5.1 - Electricity		83 616	190 721	-	-	-	15 893	(15 893)	-100%	190 721
5.2 - Project Management Office		-	-	-	-	-	-	-	-	-
5.3 - Roads and Transportation		125 007	258 402	-	-	-	21 534	(21 534)	-100%	258 402
5.4 - Water and Sanitation		102 802	96 951	-	-	-	8 079	(8 079)	-100%	96 951
Vote 6 - Sustainable Development and City Enterprise		26 852	63 544	-	-	-	5 295	(5 295)	-100%	63 544
6.1 - City Entities		1 255	-	-	-	-	-	-	-	-
6.2 - Development Services		14 837	22 110	-	-	-	1 843	(1 843)	-100%	22 110
6.3 - Human Settlement Development		2 854	35 434	-	-	-	2 953	(2 953)	-100%	35 434
6.4 - Town Planning		7 907	6 000	-	-	-	500	(500)	-100%	6 000
Total multi-year capital expenditure		384 493	697 480	-	-	-	58 123	(58 123)	-100%	697 480
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation										
Vote 1 - City Manager	1	763	500	-	-	-	42	(42)	-100%	500
1.1 - Internal Audit and Compliance		-	250	-	-	-	21	(21)	-100%	250
1.2 - Office of the City Manager		308	250	-	-	-	21	(21)	-100%	250
1.3 - Political Support		455	-	-	-	-	-	-	-	-
1.4 - Strategic Planning (IDP)		-	-	-	-	-	-	-	-	-
Vote 2 - City Finance		31 896	782	-	-	-	65	(65)	-100%	782
2.1 - Asset management		1 101	10	-	-	-	1	(1)	-100%	10
2.2 - Budget & Treasury Management		29 510	280	-	-	-	23	(23)	-100%	280
2.3 - Expenditure Management		61	55	-	-	-	5	(5)	-100%	55
2.4 - Revenue Management		519	327	-	-	-	27	(27)	-100%	327
2.5 - Supply Chain Management		705	110	-	-	-	9	(9)	-100%	110
Vote 3 - Community Services & Social Equity		16 180	19 565	-	-	-	1 630	(1 630)	-100%	19 565
3.1 - Area based management		864	50	-	-	-	4	(4)	-100%	50
3.2 - Public Safety, emergency services and enforcement		4 617	4 475	-	-	-	373	(373)	-100%	4 475
3.3 - Recreation and facilities		8 838	13 540	-	-	-	1 128	(1 128)	-100%	13 540
3.4 - Waste Management		1 860	1 500	-	-	-	125	(125)	-100%	1 500
Vote 4 - Corporate Services		6 460	527	-	-	-	44	(44)	-100%	527
4.1 - Human Resources Management		25	112	-	-	-	9	(9)	-100%	112
4.2 - ICT		5 012	120	-	-	-	10	(10)	-100%	120
4.3 - Legal Services		621	85	-	-	-	7	(7)	-100%	85
4.4 - Secretariat and Auxiliary Services		802	210	-	-	-	18	(18)	-100%	210
Vote 5 - Infrastructure Services		17 510	3 590	-	-	-	299	(299)	-100%	3 590
5.1 - Electricity		14 322	-	-	-	-	-	-	-	-
5.2 - Project Management Office		-	-	-	-	-	-	-	-	-
5.3 - Roads and Transportation		1 936	1 910	-	-	-	159	(159)	-100%	1 910
5.4 - Water and Sanitation		1 252	1 680	-	-	-	140	(140)	-100%	1 680
Vote 6 - Sustainable Development and City Enterprise		4 409	3 798	-	-	-	316	(316)	-100%	3 798
6.1 - City Entities		998	-	-	-	-	-	-	-	-
6.2 - Development Services		(14)	2 000	-	-	-	167	(167)	-100%	2 000
6.3 - Human Settlement Development		3 011	-	-	-	-	-	-	-	-
6.4 - Town Planning		414	1 798	-	-	-	150	(150)	-100%	1 798
Total single-year capital expenditure		77 217	28 761	-	-	-	2 397	(2 397)	(0)	28 761
Total Capital Expenditure		461 711	726 241	-	-	-	60 520	(60 520)	(0)	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 July 2016.

KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - M01 July

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 July 2016.

KZN225 Msunduzi - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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		41 443	41 443	61 788	(20 345)	-33%	741 451
Service charges		2 227 525	2 533 370		185 754	185 754	211 114	(25 360)	-12%	2 533 370
Other revenue		-	138 875		15 671	15 671	11 573	4 098	35%	138 875
Government - operating		519 604	489 491		180 127	180 127	40 791	139 336	342%	489 491
Government - capital		356 459	447 973		99 385	99 385	37 331	62 054	166%	447 973
Interest		120 502	107 657		40 393	40 393	8 971	31 422	350%	107 657
Dividends							-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 611 671)		(390 135)	(390 135)	(300 973)	89 162	-30%	(3 611 671)
Finance charges		(71 169)	(65 460)		-	-	(5 455)	(5 455)	100%	(65 460)
Transfers and Grants		(11 573)	(7 990)		(1 710)	(1 710)	(666)	1 044	-157%	(7 990)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 696	-	170 929	170 929	64 475	(106 455)	-165%	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)		(116)	(116)	(51 442)	(51 326)	100%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(116)	(116)	(51 442)	(51 326)	100%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				4 167	(4 167)	-100%	50 000
Increase (decrease) in consumer deposits		4 370					-	-		-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(24)	(5 647)	(5 623)	100%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	(24)	(24)	(1 480)	(1 456)	98%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD										
		6 860	138 629	-	170 790	170 790	11 552			138 629
Cash/cash equivalents at beginning:		827 273	912 709			1 015 124	912 709			1 015 124
Cash/cash equivalents at month/year end:		834 133	1 051 338			1 185 914	924 261			1 153 753

Consolidated Budget Tables (With Municipal Entity: Safe City)

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - M01 July

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	-	66 580	66 580	70 213	(3 633)	-5%	842 558
Service charges	2 228 636	2 878 830	-	191 182	191 182	239 903	(48 720)	-20%	2 878 830
Investment revenue	50 973	49 330	-	37 923	37 923	4 106	33 817	824%	49 330
Transfers recognised - operational	519 191	489 491	-	-	-	40 791	(40 791)	-100%	489 491
Other own revenue	325 520	212 797	-	32 178	32 178	17 733	14 445	81%	212 797
Total Revenue (excluding capital transfers and contributions)	3 841 347	4 473 006	-	327 864	327 864	372 746	(44 881)	-12%	4 473 006
Employee costs	832 495	1 040 938	-	84 279	84 279	86 305	(2 026)	-2%	1 040 938
Remuneration of Councillors	34 657	43 033	-	3 449	3 449	3 586	(137)	-4%	43 033
Depreciation & asset impairment	463 063	507 298	-	38 845	38 845	42 175	(3 330)	-8%	507 298
Finance charges	71 169	65 474	-	1	1	5 455	(5 454)	-100%	65 474
Materials and bulk purchases	1 785 315	2 118 107	-	239	239	176 463	(176 223)	-100%	2 118 107
Transfers and grants	11 995	140 526	-	1 749	1 749	12 360	(10 611)	-86%	140 526
Other expenditure	951 496	538 193	-	27 269	27 269	44 687	(17 418)	-39%	538 193
Total Expenditure	4 150 192	4 453 569	-	155 832	155 832	371 031	(215 200)	-58%	4 453 569
Surplus/(Deficit)	(308 844)	19 436	-	172 032	172 032	1 714	170 318	9935%	19 436
Transfers recognised - capital	356 835	447 973	-	-	-	37 285	(37 285)	-100%	447 973
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	47 991	467 410	-	172 032	172 032	38 999	133 034	341%	467 410
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	47 991	467 410	-	172 032	172 032	38 999	133 034	341%	467 410
Capital expenditure & funds sources									
Capital expenditure	461 711	726 241	-	-	-	-	-	-	726 241
Capital transfers recognised	275 665	447 973	-	-	-	-	-	-	447 973
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	62 181	158 268	-	-	-	-	-	-	158 268
Internally generated funds	123 864	120 000	-	-	-	-	-	-	120 000
Total sources of capital funds	461 711	726 241	-	-	-	-	-	-	726 241
Financial position									
Total current assets	1 984 966	3 135 284	-	-	2 784	-	-	-	3 135 284
Total non current assets	7 548 842	7 640 388	-	-	6 219	-	-	-	7 640 388
Total current liabilities	915 372	1 319 101	-	-	454	-	-	-	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	-	-	8 549	-	-	-	8 201 024
Cash flows									
Net cash from (used) operating	1 180 761	773 947	-	170 933	170 933	64 496	(106 438)	-165%	773 947
Net cash from (used) investing	(1 224 532)	(617 305)	-	(116)	(116)	(51 442)	(51 326)	100%	(617 305)
Net cash from (used) financing	50 631	(17 762)	-	(24)	(24)	(1 480)	(1 456)	98%	(17 762)
Cash/cash equivalents at the month/year end	834 133	1 051 589	-	-	1 185 918	924 282	(261 636)	-28%	1 154 005
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	293 044	103 632	48 600	50 026	46 387	47 667	46 893	#####	1 953 840
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M01 July

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	-	112 001	112 001	128 537	(16 537)	-13%	1 542 450
Executive and council		6 748	-	-	-	-	-	-	-	-
Budget and treasury office		1 422 429	1 528 270	-	111 995	111 995	127 356	(15 361)	-12%	1 528 270
Corporate services		5 993	14 180	-	6	6	1 182	(1 176)	-99%	14 180
<i>Community and public safety</i>		225 653	93 565	-	1 381	1 381	7 797	(6 416)	-82%	93 565
Community and social services		71 074	52 155	-	422	422	4 346	(3 924)	-90%	52 155
Sport and recreation		24 880	885	-	122	122	74	48	65%	885
Public safety		111 819	23 347	-	236	236	1 946	(1 710)	-88%	23 347
Housing		17 809	17 144	-	602	602	1 429	(827)	-58%	17 144
Health		71	34	-	-	-	3	(3)	-100%	34
<i>Economic and environmental services</i>		235 988	435 042	-	2 361	2 361	36 254	(33 892)	-93%	435 042
Planning and development		63 074	53 331	-	2 329	2 329	4 444	(2 115)	-48%	53 331
Road transport		172 914	381 711	-	32	32	31 809	(31 777)	-100%	381 711
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 667 551	3 426 115	-	201 706	201 706	285 510	(83 804)	-29%	3 426 115
Electricity		1 700 426	2 074 912	-	137 197	137 197	172 909	(35 712)	-21%	2 074 912
Water		660 510	1 052 569	-	42 456	42 456	87 714	(45 258)	-52%	1 052 569
Waste water management		191 593	176 288	-	13 177	13 177	14 691	(1 514)	-10%	176 288
Waste management		115 022	122 345	-	8 875	8 875	10 195	(1 320)	-13%	122 345
<i>Other</i>	4	34 298	31 371	-	1	1	2 614	(2 613)	-100%	31 371
Total Revenue - Standard	2	4 598 660	5 528 543	-	317 450	317 450	460 712	(143 262)	-31%	5 528 543
Expenditure - Standard										
<i>Governance and administration</i>		874 771	995 248	-	37 589	37 589	82 937	(45 348)	-55%	995 248
Executive and council		7 712	113 165	-	5 232	5 232	9 430	(4 198)	-45%	113 165
Budget and treasury office		859 050	645 336	-	21 047	21 047	53 778	(32 731)	-61%	645 336
Corporate services		8 009	236 747	-	11 310	11 310	19 729	(8 419)	-43%	236 747
<i>Community and public safety</i>		670 660	552 342	-	37 328	37 328	45 981	(8 653)	-19%	552 342
Community and social services		116 571	141 004	-	8 829	8 829	11 702	(2 874)	-25%	141 004
Sport and recreation		145 186	118 290	-	10 525	10 525	9 857	667	7%	118 290
Public safety		316 932	236 010	-	14 345	14 345	19 668	(5 323)	-27%	236 010
Housing		49 923	32 584	-	2 063	2 063	2 715	(653)	-24%	32 584
Health		42 048	24 453	-	1 567	1 567	2 038	(471)	-23%	24 453
<i>Economic and environmental services</i>		522 277	567 103	-	29 053	29 053	47 259	(18 206)	-39%	567 103
Planning and development		97 679	110 222	-	6 566	6 566	9 185	(2 619)	-29%	110 222
Road transport		424 597	456 881	-	22 487	22 487	38 073	(15 587)	-41%	456 881
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		2 428 609	2 904 545	-	37 537	37 537	242 045	(204 508)	-84%	2 904 545
Electricity		1 512 417	1 695 915	-	17 469	17 469	141 326	(123 857)	-88%	1 695 915
Water		590 023	912 149	-	8 038	8 038	76 012	(67 974)	-89%	912 149
Waste water management		175 548	192 253	-	4 802	4 802	16 021	(11 219)	-70%	192 253
Waste management		150 620	104 227	-	7 227	7 227	8 686	(1 458)	-17%	104 227
<i>Other</i>		54 353	41 895	-	3 911	3 911	3 491	420	12%	41 895
Total Expenditure - Standard	3	4 550 669	5 061 133	-	145 418	145 418	421 713	(276 295)	-66%	5 061 133
Surplus/ (Deficit) for the year		47 991	467 410	-	172 032	172 032	38 999	133 034	341%	467 410

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01

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										
Vote 1 - City Manager	1	6 851	-	-	6	6	-	6	#DIV/0!	-
Vote 2 - City Finance		1 422 429	1 528 270	-	111 995	111 995	127 356	(15 361)	-12.1%	1 528 270
Vote 3 - Community Services & Social Equity		281 059	176 823	-	9 009	9 009	14 735	(5 726)	-38.9%	176 823
Vote 4 - Corporate Services		5 890	14 182	-	0	0	1 182	(1 182)	-100.0%	14 182
Vote 5 - Infrastructure Services		2 763 949	3 712 792	-	193 993	193 993	309 399	(115 407)	-37.3%	3 712 792
Vote 6 - Sustainable Development and City Enterprises		141 174	96 476	-	2 447	2 447	8 040	(5 592)	-69.6%	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	-	317 450	317 450	460 712	(143 262)	-31.1%	5 528 543
Expenditure by Vote										
Vote 1 - City Manager	1	12 576	142 460	-	6 986	6 986	11 872	(4 885)	-41.2%	142 460
Vote 2 - City Finance		942 905	723 311	-	24 159	24 159	60 276	(36 117)	-59.9%	723 311
Vote 3 - Community Services & Social Equity		732 073	605 502	-	40 758	40 758	50 459	(9 701)	-19.2%	605 502
Vote 4 - Corporate Services		8 582	216 740	-	9 917	9 917	18 062	(8 145)	-45.1%	216 740
Vote 5 - Infrastructure Services		2 675 999	3 220 418	-	52 470	52 470	268 368	(215 898)	-80.4%	3 220 418
Vote 6 - Sustainable Development and City Enterprises		201 227	152 701	-	11 128	11 128	12 677	(1 550)	-12.2%	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	-	145 418	145 418	421 713	(276 295)	-65.5%	5 061 133
Surplus/ (Deficit) for the year	2	47 991	467 410	-	172 032	172 032	38 999	133 034	341.1%	467 410

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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		66 948	66 948	66 561	387	1%	798 728
Property rates - penalties & collection charges		30 207	43 830		(368)	(368)	3 653	(4 020)	-110%	43 830
Service charges - electricity revenue		1 566 133	2 008 246		133 941	133 941	167 354	(33 412)	-20%	2 008 246
Service charges - water revenue		448 064	623 188		37 201	37 201	51 932	(14 731)	-28%	623 188
Service charges - sanitation revenue		139 629	147 839		13 096	13 096	12 320	777	6%	147 839
Service charges - refuse revenue		74 810	99 557		6 943	6 943	8 296	(1 353)	-16%	99 557
Service charges - other		-	-		-	-	-	-	-	-
Rental of facilities and equipment		21 476	43 809		2 084	2 084	3 651	(1 566)	-43%	43 809
Interest earned - external investments		50 973	49 330		37 923	37 923	4 106	33 817	824%	49 330
Interest earned - outstanding debtors		69 529	66 349		7 864	7 864	5 529	2 335	42%	66 349
Dividends received		-	-		-	-	-	-	-	-
Fines		108 634	18 538		21	21	1 545	(1 524)	-99%	18 538
Licences and permits		89	92		4	4	8	(3)	-43%	92
Agency services		24 372	670		48	48	56	(8)	-15%	670
Transfers recognised - operational		519 191	489 491		-	-	40 791	(40 791)	-100%	489 491
Other revenue		101 001	83 339		2 964	2 964	6 945	(3 981)	-57%	83 339
Gains on disposal of PPE		420	-		19 193	19 193	-	19 193	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		3 841 347	4 473 006	-	327 864	327 864	372 746	(44 881)	-12%	4 473 006
Expenditure By Type										
Employee related costs		832 495	1 040 938		84 279	84 279	86 305	(2 026)	-2%	1 040 938
Remuneration of councillors		34 657	43 033		3 449	3 449	3 586	(137)	-4%	43 033
Debt impairment		222 110	120 815		-	-	10 068	(10 068)	-100%	120 815
Depreciation & asset impairment		463 063	507 298		38 845	38 845	42 175	(3 330)	-8%	507 298
Finance charges		71 169	65 474		1	1	5 455	(5 454)	-100%	65 474
Bulk purchases		1 586 802	1 936 708		200	200	161 392	(161 192)	-100%	1 936 708
Other materials		198 513	181 399		39	39	15 070	(15 031)	-100%	181 399
Contracted services		110 072	35 408		28	28	2 926	(2 897)	-99%	35 408
Transfers and grants		11 995	140 526		1 749	1 749	12 360	(10 611)	-86%	140 526
Other expenditure		618 857	381 970		8 048	8 048	31 693	(23 645)	-75%	381 970
Loss on disposal of PPE		457	-		19 193	19 193	-	19 193	#DIV/0!	-
Total Expenditure		4 150 192	4 453 569	-	155 832	155 832	371 031	(215 200)	-58%	4 453 569
Surplus/(Deficit)		(308 844)	19 436	-	172 032	172 032	1 714	170 318	0	19 436
Transfers recognised - capital		356 835	447 973		-	-	37 285	(37 285)	(0)	447 973
Contributions recognised - capital		-	-		-	-	-	-	-	-
Contributed assets		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		47 991	467 410	-	172 032	172 032	38 999			467 410
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		47 991	467 410	-	172 032	172 032	38 999			467 410
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		47 991	467 410	-	172 032	172 032	38 999			467 410
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		47 991	467 410	-	172 032	172 032	38 999			467 410

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M01 July)

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	-	-	-	438	(438)	-100%	5 250
Vote 2 - City Finance		4 936	24 928	-	-	-	2 077	(2 077)	-100%	24 928
Vote 3 - Community Services & Social Equity		34 870	51 700	-	-	-	4 308	(4 308)	-100%	51 700
Vote 4 - Corporate Services		-	5 985	-	-	-	499	(499)	-100%	5 985
Vote 5 - Infrastructure Services		311 425	546 074	-	-	-	45 506	(45 506)	-100%	546 074
Vote 6 - Sustainable Development and City Enterprises		26 852	63 544	-	-	-	5 295	(5 295)	-100%	63 544
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	384 493	697 480	-	-	-	58 123	(58 123)	-100%	697 480
Single Year expenditure appropriation	2									
Vote 1 - City Manager		763	500	-	-	-	42	(42)	-100%	500
Vote 2 - City Finance		31 896	782	-	-	-	65	(65)	-100%	782
Vote 3 - Community Services & Social Equity		16 180	19 565	-	-	-	1 630	(1 630)	-100%	19 565
Vote 4 - Corporate Services		6 460	527	-	-	-	44	(44)	-100%	527
Vote 5 - Infrastructure Services		17 510	3 590	-	-	-	299	(299)	-100%	3 590
Vote 6 - Sustainable Development and City Enterprises		4 409	3 798	-	-	-	316	(316)	-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	-	-	-	2 397	(2 397)	-100%	28 761
Total Capital Expenditure		461 711	726 241	-	-	-	60 520	(60 520)	-100%	726 241
Capital Expenditure - Standard Classification										
Governance and administration		50 466	37 971	-	-	-	3 164	(3 164)	-100%	37 971
Executive and council		7 174	5 750	-	-	-	479	(479)	-100%	5 750
Budget and treasury office		36 832	25 710	-	-	-	2 142	(2 142)	-100%	25 710
Corporate services		6 460	6 512	-	-	-	543	(543)	-100%	6 512
Community and public safety		52 921	103 238	-	-	-	8 603	(8 603)	-100%	103 238
Community and social services		4 763	32 740	-	-	-	2 728	(2 728)	-100%	32 740
Sport and recreation		39 271	31 425	-	-	-	2 619	(2 619)	-100%	31 425
Public safety		3 022	3 640	-	-	-	303	(303)	-100%	3 640
Housing		5 864	35 434	-	-	-	2 953	(2 953)	-100%	35 434
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		151 576	293 680	-	-	-	24 473	(24 473)	-100%	293 680
Planning and development		23 039	31 908	-	-	-	2 659	(2 659)	-100%	31 908
Road transport		126 943	260 312	-	-	-	21 693	(21 693)	-100%	260 312
Environmental protection		1 594	1 460	-	-	-	122	(122)	-100%	1 460
Trading services		204 390	291 352	-	-	-	24 279	(24 279)	-100%	291 352
Electricity		97 937	190 721	-	-	-	15 893	(15 893)	-100%	190 721
Water		65 591	58 728	-	-	-	4 894	(4 894)	-100%	58 728
Waste water management		37 404	31 403	-	-	-	2 617	(2 617)	-100%	31 403
Waste management		3 457	10 500	-	-	-	875	(875)	-100%	10 500
Other		2 357	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	461 711	726 241	-	-	-	60 520	(60 520)	-100%	726 241
Funded by:										
National Government		260 460	428 074	-	-	-	35 673	(35 673)	-100%	428 074
Provincial Government		15 205	19 899	-	-	-	1 658	(1 658)	-100%	19 899
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		275 665	447 973	-	-	-	37 331	(37 331)	-100%	447 973
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	62 181	158 268	-	-	-	13 189	(13 189)	-100%	158 268
Internally generated funds		123 864	120 000	-	-	-	10 000	(10 000)	-100%	120 000
Total Capital Funding		461 711	726 241	-	-	-	60 520	(60 520)	-100%	726 241

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - M01 July

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		2 092	100 068
Call investment deposits		745 471	951 589		689	951 589
Consumer debtors		716 949	965 246			965 246
Other debtors		379 166	376 444		3	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	-	2 784	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		6 219	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	-	6 219	7 640 388
TOTAL ASSETS		9 533 808	10 775 671	-	9 003	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		454	1 152 457
Provisions		7 034	6 084			6 084
Total current liabilities		915 372	1 319 101	-	454	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	-	454	2 574 648
NET ASSETS	2	7 421 286	8 201 024	-	8 549	8 201 024
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 163 338	8 028 109		8 549	8 028 109
Reserves		257 948	172 914			172 914
TOTAL COMMUNITY WEALTH/EQUITY	2	7 421 286	8 201 024	-	8 549	8 201 024

KZN225 Msunduzi - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M01 July

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		41 443	41 443	61 788	(20 344)	-33%	741 451
Service charges		2 227 525	2 533 370		185 754	185 754	211 114	(25 360)	-12%	2 533 370
Other revenue		-	138 875		15 671	15 671	11 573	4 098	35%	138 875
Government - operating		519 604	489 491		180 127	180 127	40 791	139 336	342%	489 491
Government - capital		356 459	447 973		99 385	99 385	37 331	62 054	166%	447 973
Interest		120 502	107 717		40 398	40 398	8 976	31 422	350%	107 717
Dividends			-				-	-		-
Payments										
Suppliers and employees		(2 677 191)	(3 619 264)		(390 135)	(390 135)	(301 605)	88 529	-29%	(3 619 264)
Finance charges		(71 169)	(65 474)		(1)	(1)	(5 456)	(5 455)	100%	(65 474)
Transfers and Grants		(11 573)	(191)		(1 710)	(1 710)	(16)	1 694	-10621%	(191)
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 180 761	773 947	-	170 933	170 933	64 496	(106 438)	-165%	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)		(116)	(116)	(51 442)	(51 326)	100%	(617 305)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 224 532)	(617 305)	-	(116)	(116)	(51 442)	(51 326)	100%	(617 305)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing		100 000	50 000				4 167	(4 167)	-100%	50 000
Increase (decrease) in consumer deposits		4 370					-	-		-
Payments										
Repayment of borrowing		(53 739)	(67 762)		(24)	(24)	(5 647)	(5 623)	100%	(67 762)
NET CASH FROM/(USED) FINANCING ACTIVITIES		50 631	(17 762)	-	(24)	(24)	(1 480)	(1 456)	98%	(17 762)
NET INCREASE/ (DECREASE) IN CASH HELD		6 860	138 880	-	170 794	170 794	11 573			138 880
Cash/cash equivalents at beginning:		827 273	912 709			1 015 124	912 709			1 015 124
Cash/cash equivalents at month/year end:		834 133	1 051 589			1 185 918	924 282			1 154 005

1 PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

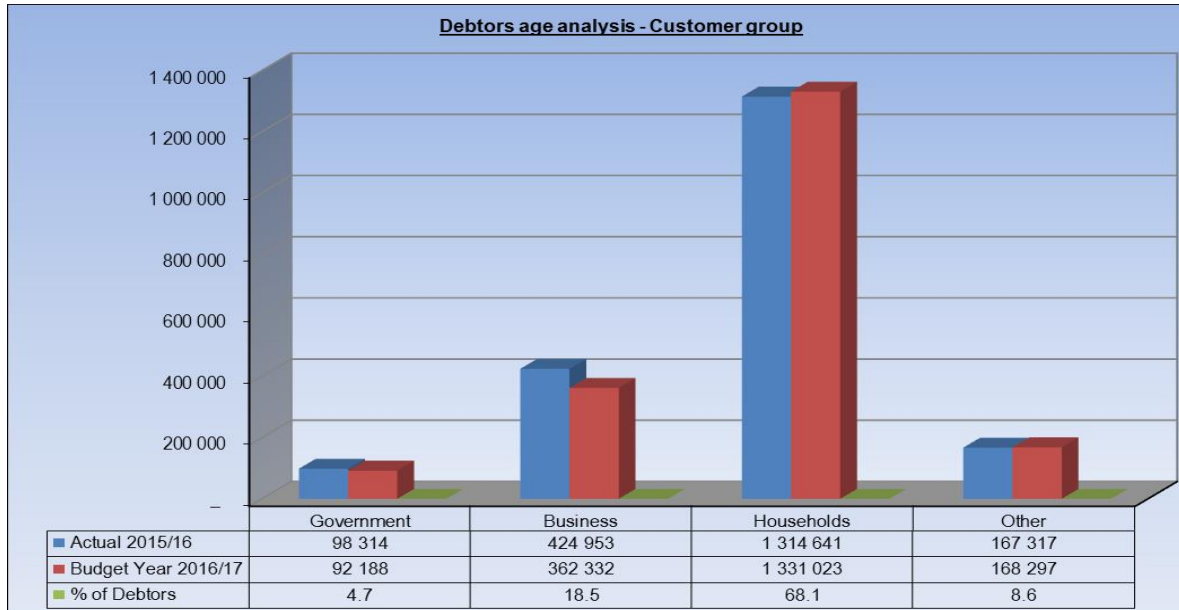
The table presented below summarises the Debtors Age Analysis as at 31 July 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2016/17										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	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	45 821	22 998	18 417	18 051	17 878	17 907	18 338	444 572	603 982	516 746		229 981
Trade and Other Receivables from Exchange Transactions - Electricity	1300	153 129	43 497	6 548	5 060	4 635	4 682	3 732	68 901	290 183	87 010		36 050
Receivables from Non-exchange Transactions - Property Rates	1400	61 774	19 210	10 348	10 405	8 213	7 847	8 830	224 759	351 386	260 054		124 112
Receivables from Exchange Transactions - Waste Water Management	1500	11 552	5 332	3 127	3 147	3 083	2 886	2 787	92 810	124 724	104 713		55 026
Receivables from Exchange Transactions - Waste Management	1600	7 301	2 847	1 744	1 600	1 559	1 531	1 487	49 972	68 042	56 150		30 088
Receivables from Exchange Transactions - Property Rental Debtors	1700	661	593	569	568	559	557	542	25 589	29 638	27 815		18 227
Interest on Arrear Debtor Accounts	1810	10 630	9 305	9 278	9 025	8 822	8 597	8 376	281 324	345 357	316 144		176 826
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	2 177	(151)	(1 431)	2 170	1 638	3 659	2 801	129 665	140 528	139 933		68 865
Total By Income Source	2000	293 044	103 632	48 600	50 026	46 387	47 667	46 893	1 317 592	1 953 840	1 508 565	-	739 175
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	22 839	8 204	3 482	2 870	2 486	2 236	2 053	48 019	92 188	57 664		37 258
Commercial	2300	138 584	37 633	7 306	9 177	6 132	7 034	5 718	150 747	362 332	178 808		86 012
Households	2400	122 902	54 287	34 832	35 241	34 823	35 755	34 913	978 271	1 331 023	1 119 002		527 028
Other	2500	8 719	3 507	2 980	2 737	2 946	2 643	4 209	140 555	168 297	153 090		88 876
Total By Customer Group	2600	293 044	103 632	48 600	50 026	46 387	47 667	46 893	1 317 592	1 953 840	1 508 565	-	739 175

Chart 1: Debtors Age Analysis By Customer Group

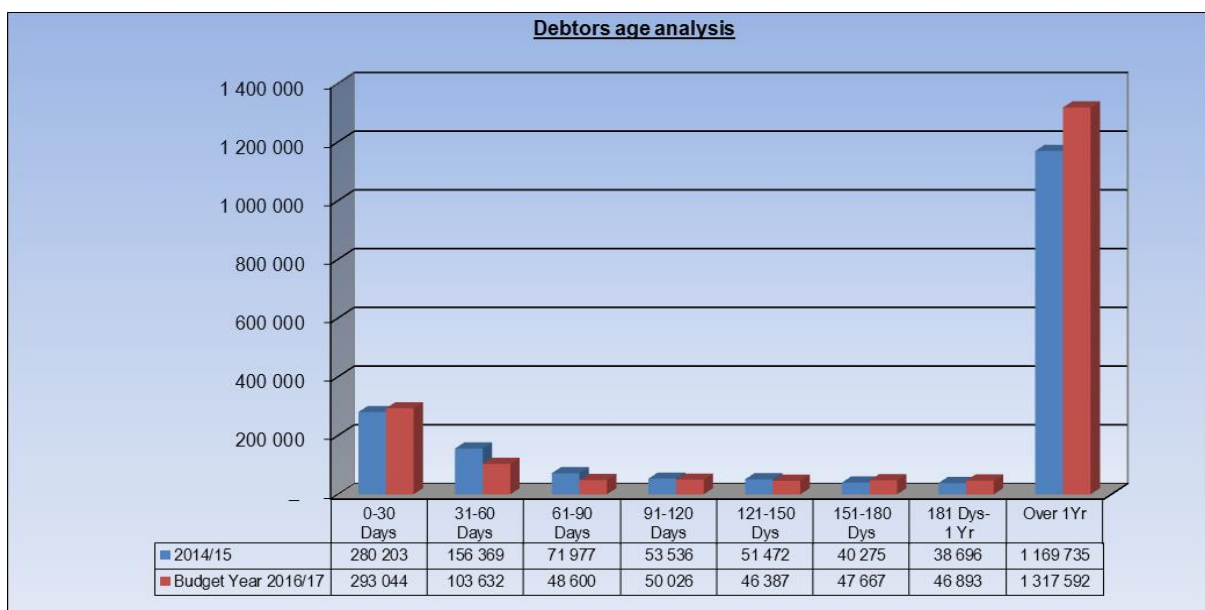


The information presented in the chart above reflects a slight decrease in the outstanding debtor's balances as at 31 July 2016 of R 51.3 million when compared to the prior month balance bringing the total outstanding debtors balance to R 1, 95 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 68% of the total municipal debt as detailed below:

- ✓ Households 68%
- ✓ Commercial 18%
- ✓ Other 9%
- ✓ Organs of State 5%

Chart 2: Year on Year Debtors Age Analysis



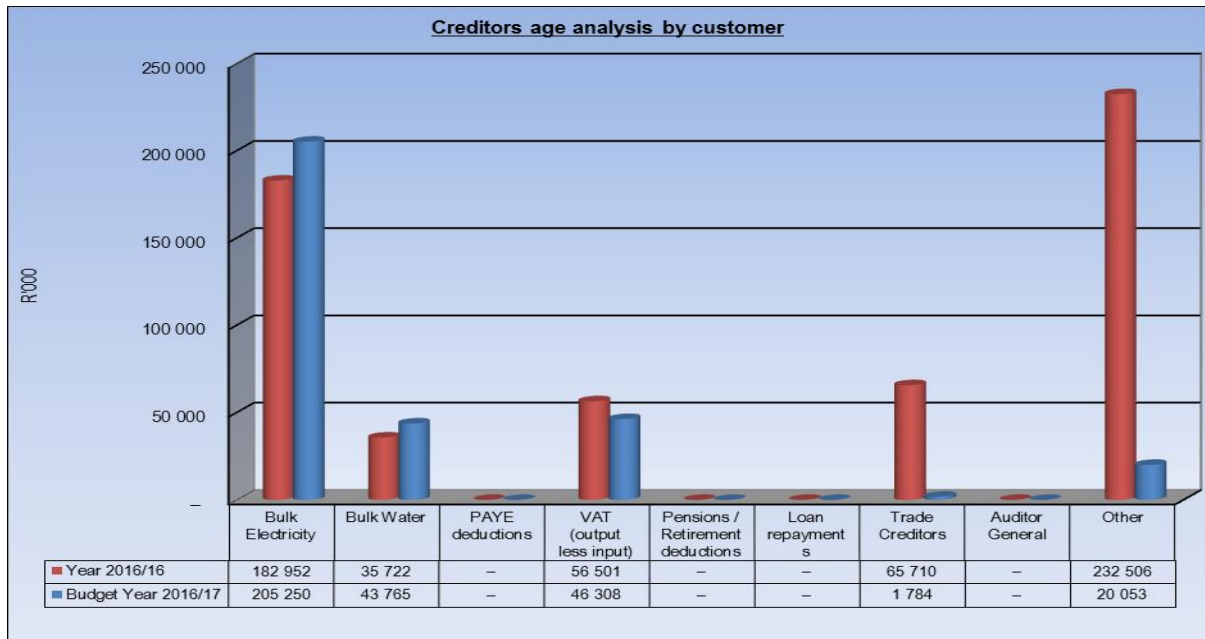
2.2 Creditors Analysis

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

KZN225 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors										M01 July 2016	
Description	NT Code	Budget Year 2016/17								Total	Year 2016/16
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	205 250	-	-	-	-	-	-	-	205 250	182 952
Bulk Water	0200	43 765	-	-	-	-	-	-	-	43 765	35 722
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	46 308	-	-	-	-	-	-	-	46 308	56 501
Pensions / Retirement deduction	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	916	491	314	-	63	-	-	-	1 784	65 710
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	20 053	-	-	-	-	-	-	-	20 053	232 506
Total By Customer Type	2600	316 291	491	314	-	63	-	-	-	317 159	573 392

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

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio							M01 July 2016		
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month R thousands
R thousands		Yrs/Months							
Municipality									
Fixed - ABSA - Call		Call	Call	on call					27 244
Fixed - ABSA - 12 months (WCA)		12 months							8 318
Fixed - ABSA - Various		Various							150 000
Fixed - FNB - Various		Various							697 943
Standard Bank		3 months							210 000
Municipality sub-total					-		-	-	1 093 505

The total consolidated investment balances as at 31 July 2016 was R 1.093 billion.

2.4 Allocation and Grant receipts and Expenditure

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

KZN225 Msunduzi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts							M01 July 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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		475 432	455 827	-	-	37 986	(37 986)	-100.0%	455 827	
Local Government Equitable Share		373 541	432 307			36 026	(36 026)	-100.0%	432 307	
Finance Management		1 600	1 625			135	(135)	-100.0%	1 625	
Municipal Systems Improvement		808	-			-	-	-	-	
EPWP Incentive		2 784	6 809			567	(567)	-100.0%	6 809	
Energy Efficiency and Demand Management		-	8 000			667	(667)	-100.0%	8 000	
Water Services Operating Subsidy	3	1 758	-			-	-	-	-	
Public Transport Infrastructure		88 849	-			-	-	-	-	
Operating costs-MIG		6 092	7 086			591	(591)	-100.0%	7 086	
Neighbourhood Development Partnership Technical ass		-	-			-	-	-	-	
Provincial Government:		43 759	10 786	-	-	899	(899)	-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			48	(48)	-100.0%	581	
Arts and Culture- Provincialisation		16 201	9 805	-	-	817	(817)	-100.0%	9 805	
Arts and Culture-Museum Subsidies		478	400	-	-	33	(33)	-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	-	-	38 884	(38 884)	-100.0%	466 613	
Capital Transfers and Grants										
National Government:		289 651	450 393	-	99 385	37 533	61 852	164.8%	450 393	
Municipal Infrastructure Grant (MIG)		157 065	183 531		49 000	15 294	33 706	220.4%	183 531	
Public Transport and Systems		20 634	200 031		37 349	16 669	20 680	124.1%	200 031	
Neighbourhood Development Partnership		20 195	22 110			1 843	(1 843)	-100.0%	22 110	
Dept of Mineral/Electricity		9 188	-		2 020	-	2 020	#DIV/0!	-	
Integrated National Electrification Programme		82 151	8 000			667	(667)	-100.0%	8 000	
Municipal Systems Improvement		417	-			-	-	-	-	
Municipal Water Infrastructure Grant		-	36 721		11 016	3 060	7 956	0.0%	36 721	
		-	-			-	-	0.0%	-	
Provincial Government:		66 807	19 899	-	-	1 658	(1 658)	0.0%	19 899	
Airport Development Project		-	-			-	-	0.0%	-	
Sport and Recreation		80	-			-	-	0.0%	-	
Corridor Development		-	-			-	-	-	-	
KZNPA		5 182	9 510	-	-	793	(793)	-100.0%	9 510	
Arts and Culture-Museum Subsidies		8 865	-			-	-	0.0%	-	
COGTA		18 016	10 389	-	-	866	(866)	-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	-	99 385	39 191	60 194	153.6%	470 292	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	876 063	936 905	-	99 385	78 075	21 310	27.3%	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 0.0 million resulting in underperformance of 100% of the YTD capital grants budget of R 39.1 million.

KZN225 Msunduzi - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure							M01 July 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	-	-	37 986	(37 986)	-100.0%	455 827
Local Government Equitable Share		373 541	432 307			36 026	(36 026)	-100.0%	432 307
Finance Management		1 600	1 625			135	(135)	-100.0%	1 625
Municipal Systems Improvement		808	-			-	-		-
EPWP Incentive		2 784	6 809			567	(567)	-100.0%	6 809
Energy Efficiency and Demand Management		-	8 000			667	(667)	-100.0%	8 000
Water Services Operating Subsidy		1 758				-	-		-
Public Transport Infrastructure		88 849				-	-		-
Operating costs-MIG		6 092	7 086			591	(591)	-100.0%	7 086
Neighbourhood Development Partnership Technical ass			-			-	-		-
Other transfers and grants [insert description]		-				-	-		-
Provincial Government:		43 759	10 786	-	-	899	(899)	-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			48	(48)	-100.0%	581
DWAF		16 201	9 805	-		817	(817)	-100.0%	9 805
Cogta		478	400	-		33	(33)	-100.0%	400
Sport And Recreation		257				-	-		-
District Municipality:		-	-	-	-	-	-		-
[insert description]						-	-		-
Total operating expenditure of Transfers and Grants:		519 191	466 613	-	-	38 884	(38 884)	-100.0%	466 613
Capital expenditure of Transfers and Grants									
National Government:		289 651	450 393	-	-	37 533	(37 533)	-100.0%	450 393
Municipal Infrastructure Grant (MIG)		157 065	183 531			15 294	(15 294)	-100.0%	183 531
Public Transport and Systems		20 634	200 031			16 669	(16 669)	-100.0%	200 031
Neighbourhood Development Partnership		20 195	22 110			1 843	(1 843)	-100.0%	22 110
Dept of Mineral/Electricity		9 188				-	-		-
Intergrated National Electrification Programme		82 151	8 000			667	(667)	-100.0%	8 000
Municipal Systems Improvement		417				-	-		-
Municipal Water Infrastructure Grant			36 721			3 060	(3 060)	0.0%	36 721
Library						-	-		-
Provincial Government:		66 807	19 899	-	-	1 658	(1 658)	0.0%	19 899
Airport Development Project		-				-	-		-
Sport and Recreation		80				-	-	0.0%	-
Corridor Development						-	-	0.0%	-
Arts and Culture-Museum Subsidies		8 865				-	-	0.0%	-
COGTA		18 016	10 389	-		866	(866)	-100.0%	10 389
Human Settlement		25 032				-	-		-
Municipal Water Infrastructure		9 631				-	-	0.0%	-
Other grant providers:		413	-	-	-	-	-		-
Developer Contribution		413	-	-	-	-	-		-
						-	-		-
Total capital expenditure of Transfers and Grants		356 872	470 292	-	-	39 191	(39 191)	-100.0%	470 292
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		876 063	936 905	-	-	78 075	(78 075)	-100.0%	936 905

2.5 Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits										
Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		31 389	28 637		2 275	2 275	2 386	(112)	-5%	28 637
Pension and UIF Contributions		253	3 614		288	288	301	(14)	-5%	3 614
Medical Aid Contributions		2 287	1 416		112	112	118	(6)	-5%	1 416
Motor Vehicle Allowance		528	7 292		582	582	608	(26)	-4%	7 292
Cellphone Allowance		133	2 034		132	132	170	(38)	-22%	2 034
Housing Allowances		10	41		3	3	3	(0)	-7%	41
Other benefits and allowances		58			49	49	-	49	0%	
Sub Total - Councillors		34 657	43 034	-	3 441	3 441	3 586	(146)	-4%	43 034
% increase	4		24.2%							24.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 651	6 102		755	755	509	246	48%	6 102
Pension and UIF Contributions		798	511		225	225	43	182	429%	511
Medical Aid Contributions		-	60		6	6	5	1	26%	60
Overtime		-					-	-		
Performance Bonus		210	382				32	(32)	-100%	382
Motor Vehicle Allowance		762	818		95	95	68	27	40%	818
Cellphone Allowance		-	100		10	10	8	1	18%	100
Housing Allowances		98	142		83	83	12	71	598%	142
Other benefits and allowances		38	509		0	0	42	(42)	0%	509
Sub Total - Senior Managers of Municipality		7 558	8 624	-	1 174	1 174	719	456	63%	8 624
% increase	4		14.1%							14.1%
Other Municipal Staff										
Basic Salaries and Wages		504 910	698 784		58 302	58 302	58 232	70	0%	698 784
Pension and UIF Contributions		112 428	134 410		7 496	7 496	11 201	(3 705)	-33%	134 410
Medical Aid Contributions		40 020	46 584		3 628	3 628	3 882	(254)	-7%	46 584
Overtime		38 448	51 413		2 180	2 180	4 284	(2 104)	-49%	51 413
Performance Bonus		-			60	60	-	60	0%	
Motor Vehicle Allowance		12 324	14 308		1 210	1 210	1 192	17	1%	14 308
Cellphone Allowance		2 340	2 843		236	236	237	(1)	0%	2 843
Housing Allowances		3 108	4 323		420	420	360	60	17%	4 323
Other benefits and allowances		96 672	49 944		7 606	7 606	4 162	3 444	0%	49 944
Payments in lieu of leave		2 280	242		242	242	-	242	0%	
Long service awards		12 444	18 100		1 373	1 373	1 508	(136)	-9%	18 100
Post-retirement benefit obligations	2	-					-	-		
Sub Total - Other Municipal Staff		824 974	1 020 709	-	82 752	82 752	85 059	(2 307)	-3%	1 020 709
% increase	4		23.7%							23.7%
Total Parent Municipality		867 189	1 072 367	-	87 367	87 367	89 364	(1 997)	-2%	1 072 367
			23.7%							23.7%
Unpaid salary, allowances & benefits in arrears:										
Senior Managers of Entities										
Basic Salaries and Wages		329	442				37	(37)	-100%	442
Pension and UIF Contributions		-					-	-		
Medical Aid Contributions		12	15				1	(1)	-100%	15
Overtime		18					-	-		
Performance Bonus		6	6				1	(1)	-100%	6
Motor Vehicle Allowance		-	19				2	(2)	-100%	19
Cellphone Allowance		4	4				0	(0)	-100%	4
Sub Total - Senior Managers of Entities		369	486	-	-	-	41	(41)	-100%	486
% increase	4		31.7%							31.7%
Other Staff of Entities										
Basic Salaries and Wages		2 259	2 969				247	(247)	-100%	2 969
Pension and UIF Contributions		154	209				17	(17)	-100%	209
Medical Aid Contributions		389	586				49	(49)	-100%	586
Overtime		416	597				50	(50)	-100%	597
Performance Bonus		22	27				2	(2)	-100%	27
Motor Vehicle Allowance		56	69				6	(6)	-100%	69
Cellphone Allowance		11	12				1	(1)	-100%	12
Housing Allowances		-					-	-		
Other benefits and allowances		219	288				24	(24)	-100%	288
Sub Total - Other Staff of Entities		3 526	4 757	-	-	-	396	(396)	-100%	4 757
% increase	4		34.9%							34.9%
Total Municipal Entities		3 895	5 243	-	-	-	437	(437)	-100%	5 243
TOTAL SALARY, ALLOWANCES & BENEFITS		871 084	1 077 610	-	87 367	87 367	89 801	(2 434)	-3%	1 077 610
% increase	4		23.7%							23.7%
TOTAL MANAGERS AND STAFF		836 427	1 034 576	-	83 926	83 926	86 215	(2 288)	-3%	1 034 576

Councillor Allowances

The expenditure on councillor allowances as at 31 July 2016 was under spent by 4%. The year to date budget for Remuneration of Councillor's is R 3.58 million while the actual expenditure incurred was R 3.44 million resulting in 96% YTD expenditure performance.

Employee Benefits

The total salaries expenditure for 31 July 2016 was R 83.9 million, against the budget of R 86.3 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 July 2016 and the monthly forecast till year end. The first table mainly presents cash inflows, while the next the page presents mainly outflows.

KZN25 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts													M01 July 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		40 516	59 905	59 905	59 905	59 905	59 905	59 905	59 905	59 905	59 905	58 573	45 261	702 880	745 053	789 756
Property rates - penalties & collection charges		927	3 287	3 287	3 287	3 287	3 287	3 287	3 287	3 287	3 287	3 214	2 484	38 570	40 885	43 338
Service charges - electricity revenue		148 689	151 122	151 122	151 122	151 122	151 122	151 122	151 122	151 122	151 122	147 271	108 763	1 767 256	1 902 275	2 047 608
Service charges - water revenue		24 730	38 020	38 020	38 020	38 020	38 020	38 020	38 020	38 020	38 020	45 700	122 500	548 405	609 553	677 518
Service charges - sanitation revenue		7 609	11 088	11 088	11 088	11 088	11 088	11 088	11 088	11 088	11 088	10 842	8 378	130 099	137 904	146 179
Service charges - refuse		4 726	7 467	7 467	7 467	7 467	7 467	7 467	7 467	7 467	7 467	7 301	5 642	87 610	92 867	98 439
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		967	3 286	3 286	3 286	3 286	3 286	3 286	3 286	3 286	3 286	3 213	2 482	38 552	38 044	39 946
Interest earned - external investments		39 472	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	4 106	49 270	52 177	55 204
Interest earned - outstanding debtors		922	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 976	4 866	3 760	58 387	61 890	65 604
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		327	1 390	1 390	1 390	1 390	1 390	1 390	1 390	1 390	1 390	1 359	1 051	16 313	17 185	17 639
Licences and permits		4	7	7	7	7	7	7	7	7	7	7	5	81	85	90
Agency services		0	50	50	50	50	50	50	50	50	50	49	38	590	619	650
Transfer receipts - operating		180 127	38 884	38 884	38 884	38 884	38 884	38 884	38 884	38 884	38 884	40 791	59 856	489 491	530 153	579 871
Other revenue		13 361	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 336	6 945	13 036	83 339	87 417	91 776
Cash Receipts by Source		462 378	329 925	329 925	329 925	329 925	329 925	329 925	329 925	329 925	329 925	334 237	377 361	4 010 844	4 316 107	4 653 617
Other Cash Flows by Source																
Transfer receipts - capital		99 385	38 957	38 957	38 957	38 957	38 957	38 957	38 957	38 957	38 957	37 331	21 076	447 973	460 223	521 989
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	50 000	-	-	-	-	-	50 000	120 000	120 000
Increase in consumer deposits		1 011	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		562 774	368 881	368 881	368 881	368 881	368 881	418 881	368 881	368 881	368 881	371 568	398 437	4 508 817	4 896 330	5 295 606

KZN25 Msunduzi - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash payments													Medium Term Revenue and Expenditure Framework			
Description	Ref	Budget Year 2016/17												Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
Cash Payments by Type																
Employee related costs		84 145	85 722	85 722	85 722	85 722	85 722	85 722	85 722	85 722	85 722	86 305	92 130	1 035 660	1 095 614	1 159 201
Remuneration of councillors		3 441	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 741	3 586	2 037	43 033	45 615	48 352
Interest paid		-	-	16 251	-	-	17 678	-	-	14 956	-	-	16 576	65 460	58 249	49 568
Bulk purchases - Electricity		182 952	117 565	117 565	117 565	117 565	117 565	117 565	117 565	117 565	117 565	117 413	115 889	1 408 955	1 519 699	1 639 148
Bulk purchases - Water & Sewer		35 837	35 650	35 650	35 650	35 650	35 650	35 650	35 650	35 650	35 650	43 979	127 269	527 753	586 597	652 003
Other materials		1 140	16 786	16 786	16 786	16 786	16 786	16 786	16 786	16 786	16 786	15 070	(2 085)	180 842	204 864	216 029
Contracted services		651	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	2 926	35 108	45 274	47 548
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		1 710	650	650	650	650	650	650	650	650	650	666	825	7 990	8 603	9 265
General expenses		81 968	22 883	22 883	22 883	22 883	22 883	22 883	22 883	22 883	22 883	31 693	119 794	380 320	345 821	284 450
Cash Payments by Type		391 845	285 924	302 174	285 924	285 924	303 601	285 924	285 924	300 880	285 924	301 638	475 362	3 685 121	3 910 336	4 105 563
Other Cash Flows/Payments by Type																
Capital assets		116	39 191	39 191	39 191	39 191	39 191	39 191	39 191	39 191	39 191	51 442	173 953	617 305	867 636	983 155
Repayment of borrowing		24	-	18 675	-	-	14 397	-	-	19 607	-	-	15 083	67 762	73 307	77 156
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		391 984	325 115	360 041	325 115	325 115	357 189	325 115	325 115	359 678	325 115	353 081	664 398	4 370 188	4 851 279	5 165 874
NET INCREASE/(DECREASE) IN CASH HELD		170 790	43 767	8 841	43 767	43 767	11 692	93 767	43 767	9 203	43 767	18 488	(265 961)	138 629	45 051	129 732
Cash/cash equivalents at the month/year beginning:		1 015 124	1 185 914	1 229 681	1 238 521	1 282 288	1 326 054	1 337 747	1 431 513	1 475 280	1 484 484	1 528 250	1 546 738	1 015 124	1 153 753	1 198 805
Cash/cash equivalents at the month/year end:		1 185 914	1 229 681	1 238 521	1 282 288	1 326 054	1 337 747	1 431 513	1 475 280	1 484 484	1 528 250	1 546 738	1 280 777	1 153 753	1 198 805	1 328 537

2.6.2 Material Variances: Financial Indicators

KZN225 Msunduzi - Supporting Table SC1 Material variance explanations			M01 July 2016	
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Agency services	-15%	This is based on the customer usage for fire services to the District municipality	
	Other revenue	-57%	This is a user driven resource	
	Rental of facilities and equipment	-43%	This is a user driven resource	
	Licences and permits	-43%	This is a user driven resource	
	Interest earned - external investments	824%	This is would smooth out during the year	
	Transfers recognised - operational	-100%	This is would smooth out during the year	
	Interest earned - outstanding debtors	42%	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	86%	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	8%	This is an annulised year end entry	
	Other expenditure	75%	This is would smooth out during the year	

2.7 Parent Municipality Financial Performance

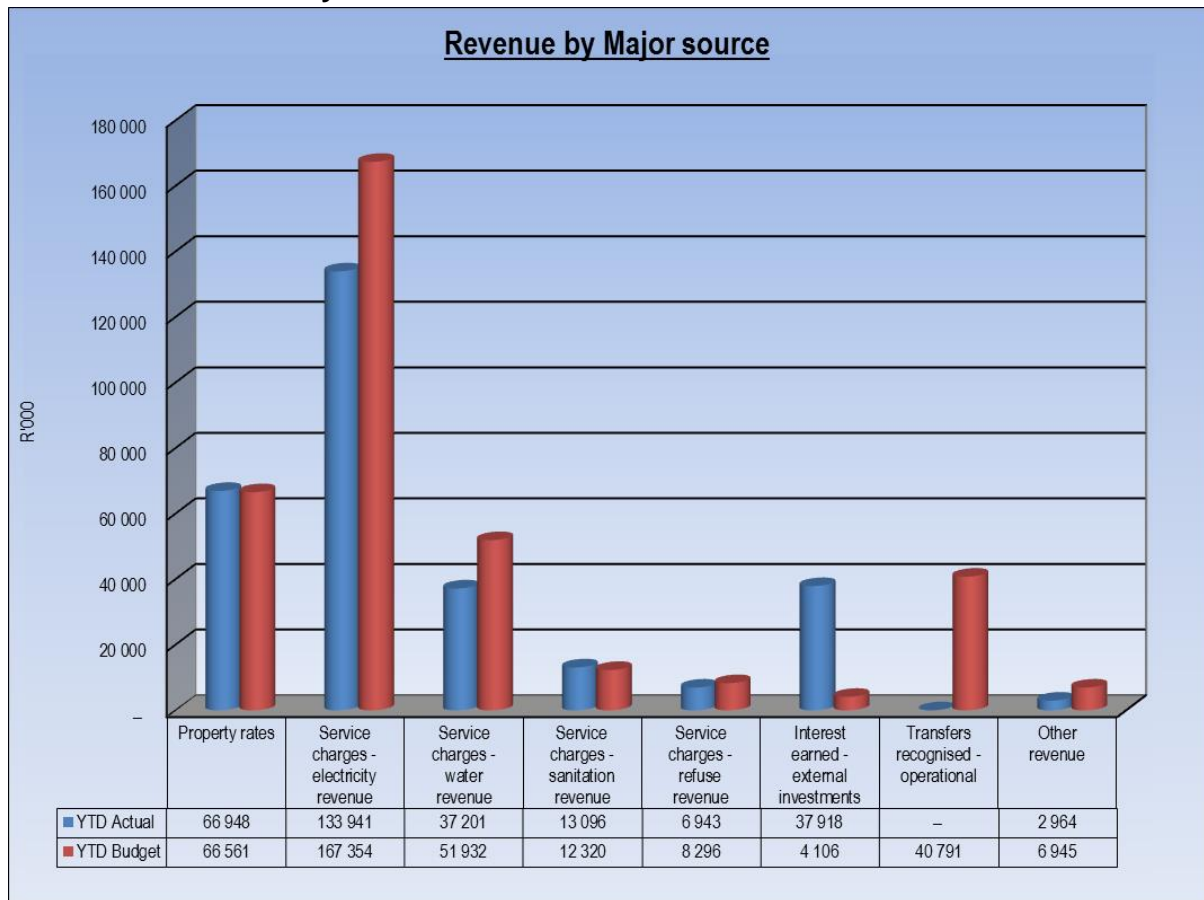
REVENUE ANALYSIS

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 33.4 million) when compared to the Year Budget.

Property Rates is the second largest contributor to the operating revenue basket making up 18% of the total operating revenue. When comparing YTD Actual revenue earned to YTD Budget, there is a 1% under performance existed as at 31 July 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 28% variance when comparing YTD actual to YTD Budget.

Service Charges - sanitation revenue: reflects a 6% over performance when comparing the YTD actual revenue to the YTD budget.

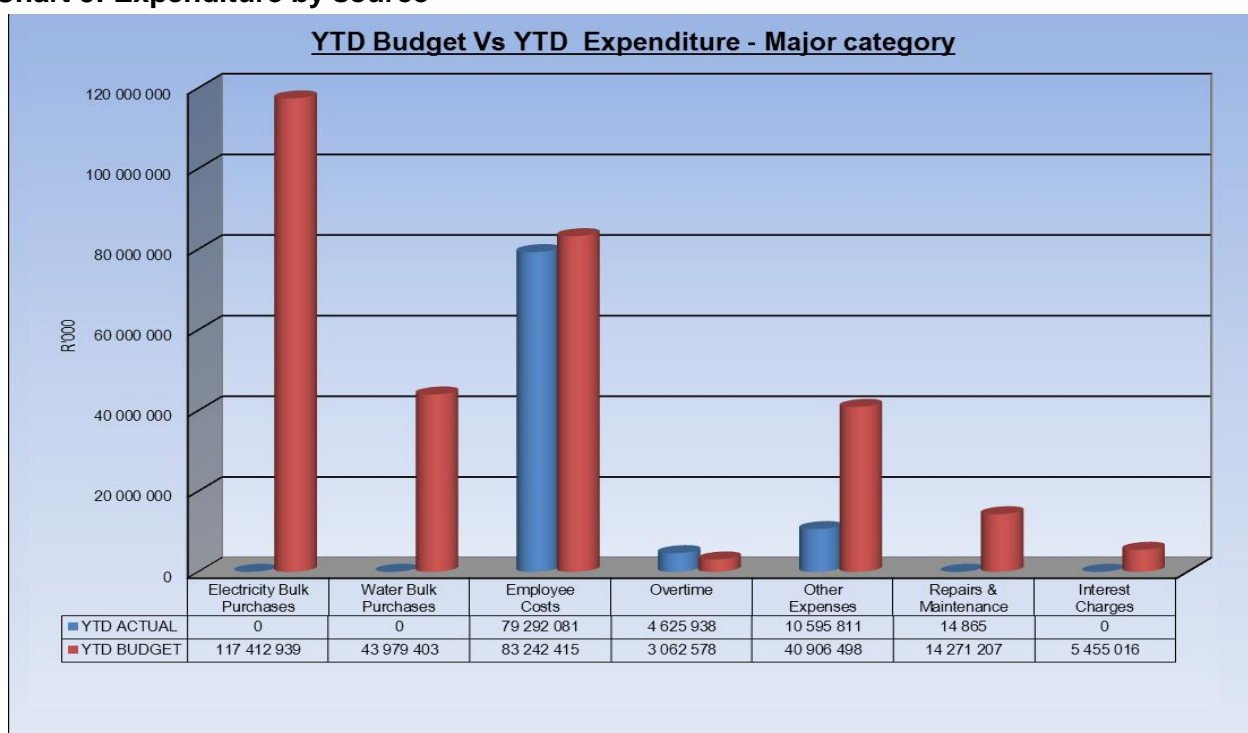
Service Charges - refuse revenue reflects an under performance of 16% when comparing the YTD actual revenue to the YTD budget.

Interest earned – outstanding debtors and other revenue contributed 3.3% to the total operating revenue received as at 31 July 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 31.6 million while the actual costs incurred was R 8.0 million resulting in under performance against the budget of R 23.6 million. The table below provides a detailed listing of the top 20 cash drainers during the month of July 2016.

Table 3: Top 20 Cash Drainers – July 2016

No:	Description	YTD Actual	July - 2016	
			Annual Budget	YTD % of Annual budget
1	Pension Payable	19 348	4 578 337	0.4%
2	Motor Vehicle Licences	0	1 800 000	0.0%
3	Bank Charges	-341	6 411 878	0.0%
4	Kwanalogo Subscriptions	0	8 649 000	0.0%
5	IDP Expenses	0	2 733 669	0.0%
6	Interview Costs	0	13 667	0.0%
7	Plant Hire	0	2 209 816	0.0%
8	Extraordinary Items	0	951 303	0.0%
9	Stores & Materials	0	9 388 841	0.0%
10	Marketing & Promotion	0	6 807 472	0.0%
11	Security Services	0	35 107 801	0.0%
12	Uniforms	90 000	5 288 781	1.7%
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	7 470	49 441 205	0.0%
17	Hire Charges	0	15 540 905	0.0%
18	Telephones	250 337	8 052 855	3.1%
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 38.7 million whilst the YTD budget is R 42.1 million.

Finance Charges: YTD budgeted figure for finance charges for the year was R 65.4 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 35.1 million, whilst the actual YTD is R 0.28 million, resulting in a positive variance in this line item.

Remuneration of councillors: the YTD budget was R 3.58 million and the actual expenditure incurred was R 3.44 million.

2.8 Municipal Entity Financial Performance

Safe City Msunduzi (PTY)Ltd - Table F1 Monthly Budget Statement Summary - M01 July

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	5	5	(0)	-9%	65
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 284	6 841	-	1 710	1 710	1 710	-	-	6 841
Total Revenue (excluding capital transfers and contributions)	12 476	6 906	-	1 715	1 715	1 716	(1)	(0)	6 906
Employee costs	4 227	5 278	-	361	361	440	(79)	(0)	5 278
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	830	830	-	69	69	69	-	-	830
Finance charges	12	12	-	1	1	1	(0)	(0)	12
Materials and bulk purchases	167	489	-	18	18	41	(23)	(0)	489
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	729	1 711	-	40	40	143	(102)	(0)	1 711
Total Expenditure	5 965	8 319	-	489	489	693	(204)	(0)	8 319
Surplus/(Deficit)	6 512	(1 413)	-	1 226	1 226	1 022	203	0	(1 413)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6 512	(1 413)	-	1 226	1 226	1 022	203	0	(1 413)
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	6 512	(1 413)	-	1 226	1 226	1 022	203	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	-	-	2 783	-	-	-	1 128
Total non current assets	6 138	5 785	-	-	6 219	-	-	-	5 785
Total current liabilities	222	250	-	-	454	-	-	-	250
Total non current liabilities	-	-	-	-	-	-	-	-	-
Community wealth/Equity	7 322	6 663	-	-	8 549	-	-	-	6 663
Cash flows									
Net cash from (used) operating	6 572	(1 072)	-	1 295	1 295	1 276	19	0	(1 072)
Net cash from (used) investing	(6 610)	-	-	-	(6 610)	(6 610)	-	-	-
Net cash from (used) financing	(6 800)	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	1 382	7 147	8 219	1 295	(5 315)	(5 334)	19	(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									M01 July 2016
Month	2014/15	Budget Year 2016/17							% spend of Original Budget
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
R thousands									%
Monthly expenditure performance trend									
July	9 089	48 957		-		48 957	-		
August	23 544	48 957				97 914	-		
September	39 949	48 957				146 871	-		
October	46 126	48 957				195 828	-		
November	39 269	48 957				244 785	-		
December	63 575	48 957				293 742	-		
January	15 750	48 957				342 699	-		
February	32 316	48 957				391 656	-		
March	32 165	48 957				440 613	-		
April	46 620	48 957				489 570	-		
May	44 113	60 520				550 090	-		
June	69 194	176 151				726 241	-		
Total Capital expenditure	461 711	726 241	-	-					

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 July 2016.

Chart 6: YTD New vs. Replacement Capex



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

KZN225 Msunduzi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July

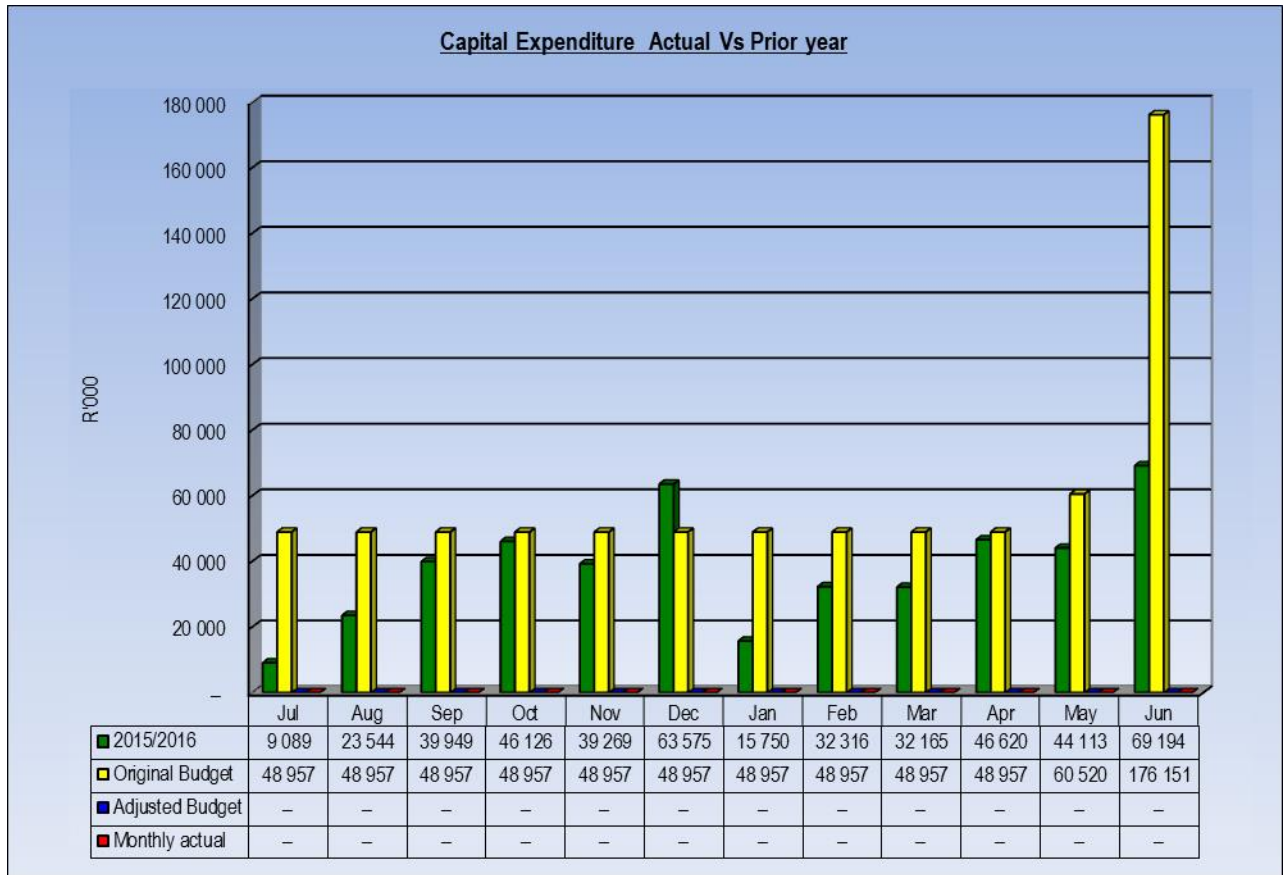
Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		38 095	174 021	-	-	-	14 502	14 502	100.0%	174 021
Infrastructure - Road transport		9 987	2 714	-	-	-	226	226	100.0%	2 714
Roads, Pavements & Bridges		9 987	2 714	-	-	-	226	226	100.0%	2 714
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	168 827	-	-	-	14 069	14 069	100.0%	168 827
Generation		-	168 827	-	-	-	14 069	14 069	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	-	-	-	82	82	100.0%	980
Reticulation		-	980	-	-	-	82	82	100.0%	980
Sewerage purification		10 999	-	-	-	-	-	-	-	-
Infrastructure - Other		-	1 500	-	-	-	125	125	100.0%	1 500
Waste Management		-	1 500	-	-	-	125	125	100.0%	1 500
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		33 810	20 591	-	-	-	1 716	1 716	100.0%	20 591
Parks & gardens		169	-	-	-	-	-	-	-	-
Sportsfields & stadia		30 452	6 650	-	-	-	554	554	100.0%	6 650
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		3 189	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	3 640	-	-	-	303	303	100.0%	3 640
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	2 230	-	-	-	186	186	100.0%	2 230
Cemeteries		-	2 000	-	-	-	167	167	100.0%	2 000
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	6 071	-	-	-	506	506	100.0%	6 071
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		40 021	23 329	-	-	-	1 944	1 944	100.0%	23 329
General vehicles		6 716	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		10 682	1 410	-	-	-	118	118	100.0%	1 410
Computers - hardware/equipment		3 486	470	-	-	-	39	39	100.0%	470
Furniture and other office equipment		5 981	50	-	-	-	4	4	100.0%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		9 901	-	-	-	-	-	-	-	-
Civic Land and Buildings		868	10 389	-	-	-	866	866	100.0%	10 389
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		2 386	11 010	-	-	-	918	918	100.0%	11 010
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	24 468	-	-	-	2 039	2 039	100.0%	24 468
Computers - software & programming		-	24 468	-	-	-	2 039	2 039	100.0%	24 468
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	111 925	242 409	-	-	-	20 201	20 201	100.0%	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 - M01 July

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	-	-	-	30 617	30 617	100.0%	367 404
Infrastructure - Road transport		125 812	239 143	-	-	-	19 929	19 929	100.0%	239 143
<i>Roads, Pavements & Bridges</i>		125 552	239 143	-	-	-	19 929	19 929	100.0%	239 143
<i>Storm water</i>		260	-	-	-	-	-	-	-	-
Infrastructure - Electricity		66 802	25 520	-	-	-	2 127	2 127	100.0%	25 520
<i>Generation</i>		66 802	25 520	-	-	-	2 127	2 127	100.0%	25 520
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	0.0%	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		65 030	55 602	-	-	-	4 634	4 634	100.0%	55 602
<i>Dams & Reservoirs</i>		65 030	55 602	-	-	-	4 634	4 634	100.0%	55 602
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		26 146	47 139	-	-	-	3 928	3 928	100.0%	47 139
<i>Reticulation</i>		-	47 139	-	-	-	3 928	3 928	100.0%	47 139
<i>Sewerage purification</i>		26 146	-	-	-	-	-	-	0.0%	-
Infrastructure - Other		755	-	-	-	-	-	-	-	-
<i>Waste Management</i>		755	-	-	-	-	-	-	-	-
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	0.0%	-
Community		4 551	62 950	-	-	-	5 246	5 246	100.0%	62 950
<i>Parks & gardens</i>		-	500	-	-	-	42	42	100.0%	500
<i>Sportsfields & stadia</i>		121	28 750	-	-	-	2 396	2 396	100.0%	28 750
<i>Swimming pools</i>		-	2 000	-	-	-	167	167	100.0%	2 000
<i>Community halls</i>		-	30 700	-	-	-	2 558	2 558	100.0%	30 700
<i>Libraries</i>		-	-	-	-	-	-	-	-	-
<i>Recreational facilities</i>		2 823	-	-	-	-	-	-	0.0%	-
<i>Fire, safety & emergency</i>		-	-	-	-	-	-	-	-	-
<i>Security and policing</i>		-	-	-	-	-	-	-	-	-
<i>Buses</i>		-	-	-	-	-	-	-	-	-
<i>Clinics</i>		-	-	-	-	-	-	-	-	-
<i>Museums & Art Galleries</i>		-	1 000	-	-	-	83	83	100.0%	1 000
<i>Cemeteries</i>		-	-	-	-	-	-	-	-	-
<i>Social rental housing</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		1 607	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
<i>Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
<i>Housing development</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Other assets		31 275	53 478	-	-	-	4 457	4 457	100.0%	53 478
<i>General vehicles</i>		-	-	-	-	-	-	-	-	-
<i>Specialised vehicles</i>		-	-	-	-	-	-	-	-	-
<i>Plant & equipment</i>		-	-	-	-	-	-	-	0.0%	-
<i>Computers - hardware/equipment</i>		-	-	-	-	-	-	-	-	-
<i>Furniture and other office equipment</i>		2 019	-	-	-	-	-	-	0.0%	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-	-
<i>Markets</i>		251	-	-	-	-	-	-	-	-
<i>Civic Land and Buildings</i>		14 359	33 569	-	-	-	2 797	2 797	100.0%	33 569
<i>Other Buildings</i>		-	-	-	-	-	-	-	-	-
<i>Other Land</i>		-	-	-	-	-	-	-	-	-
<i>Surplus Assets - (Investment or Inventory)</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		14 646	19 910	-	-	-	1 659	1 659	100.0%	19 910
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
Intangibles		29 415	-	-	-	-	-	-	-	-
<i>Computers - software & programming</i>		29 415	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	0.0%	-
Total Capital Expenditure on renewal of existing ass	1	349 785	483 832	-	-	-	40 319	40 319	100.0%	483 832

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

Chart 7: Capital Expenditure Monthly Trend



The monthly 2015/16 trend presents monthly actual expenditure figures for prior year. Original Budget stipulates the budget for the year. The monthly actual figures stipulates a monthly trend, there has been a slight increase when compared to the previous month.

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

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

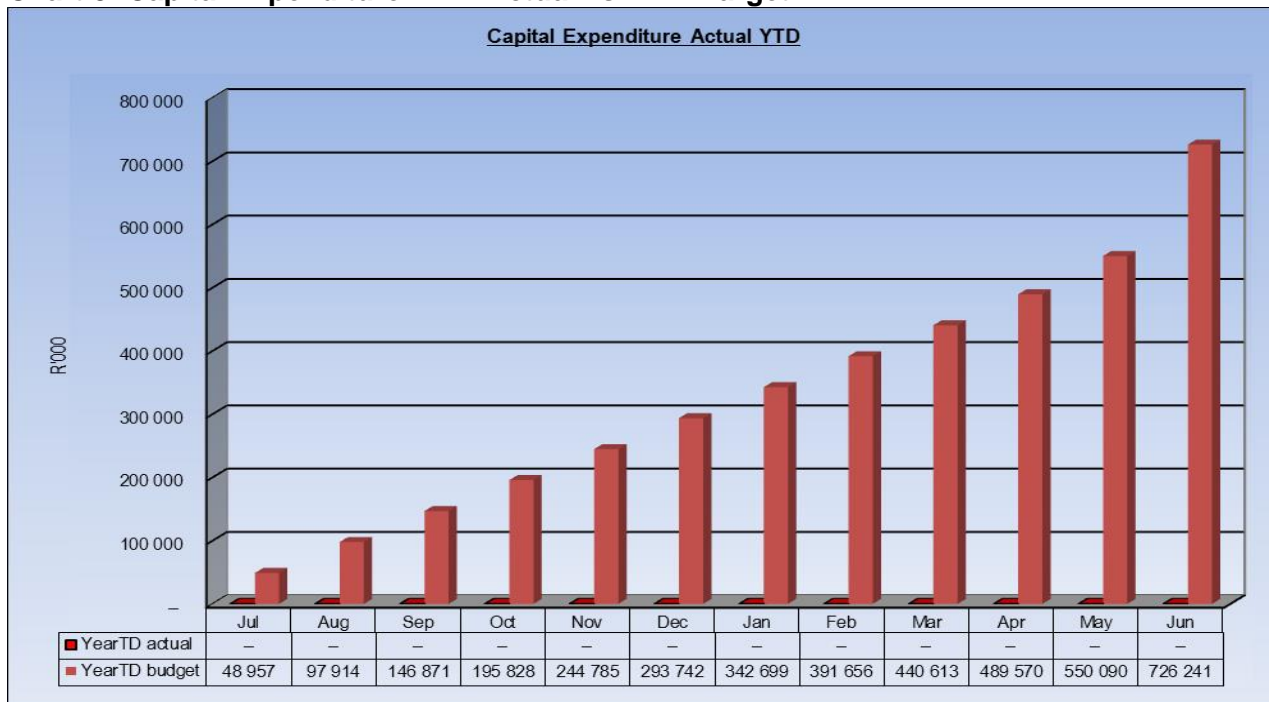
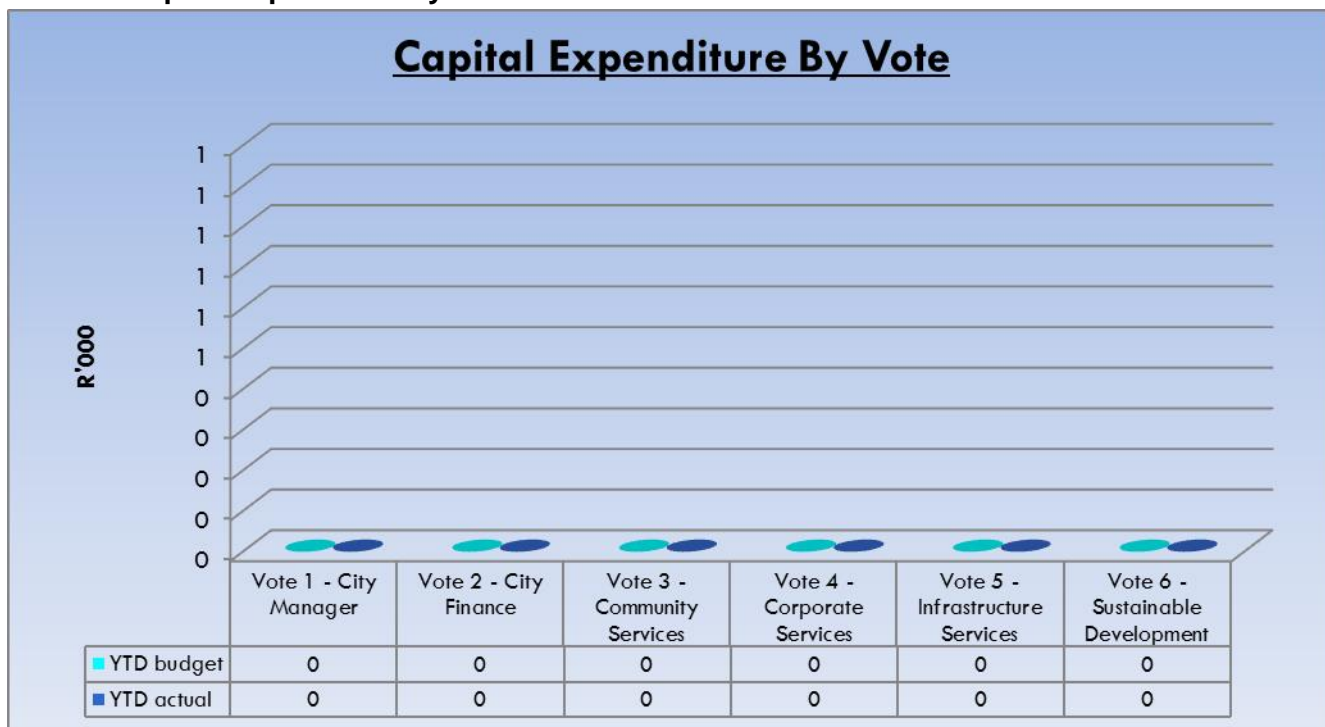


Chart 9: Capital Expenditure by Vote





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

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