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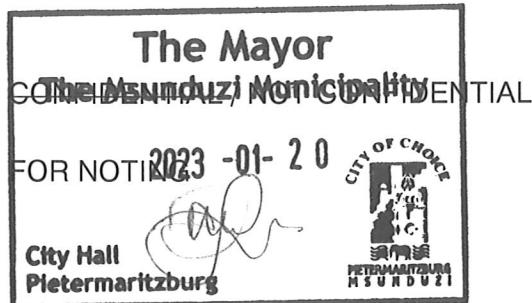
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## REPORT TO THE MSUNDUZI MUNICIPAL COUNCIL

File Reference: 3.7.P  
Report Number: 6

Author: S KHOZA  
Designation: SNR MANAGER: BUDGET  
PLANNING, IMPLE & MONIT PLAN



1<sup>st</sup> Level: SMC: 24/01/2023  
2<sup>nd</sup> Level: PORTFOLIO COMMITTEE: 26/01/2023  
3<sup>rd</sup> Level: EXCO: 27/01/2023  
4<sup>th</sup> Level: COUNCIL: 22/02/2023  
5<sup>th</sup> Level: MPAC: 07/03/2023

**SUBJECT: SECTION 71/SECTION 72/SECTION 52 (D) OF MFMA NO.56 OF 2003 –  
MONTHLY BUDGET STATEMENTS AS AT THE END OF DECEMBER 2022**

**DATE: 12 JANUARY 2023**

### 1. PURPOSE

The purpose of the report is to appraise Council concerning Section 71 /Section 72/ Section 52 (D) of the MFMA No. 56 of 2003 regarding monthly budget statements for the period ending 31 December 2022, report is submitted for noting.

### 2. BACKGROUND

- 2.1 In terms of Section 71 of MFMA, the Accounting Officer of the Municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month.
- Actual revenue, per revenue source;
  - Actual expenditure, per vote;
  - Actual capital expenditure, per vote;
  - The amount of any allocations received and actual expenditure on grant allocations excluding expenditure on the equitable share.
  - when necessary, an explanation of—
    - any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
    - any material variances from the service delivery and budget implementation plan; and
  - Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality has approved budget.

- 2.2 In addition to the MFMA Section 71 stated above, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.
- 2.3 In addition to the MFMA Section 71 stated above, Section 52(d) further requires the Mayor to, within 30 days of the end of each quarter; submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.
- 2.4 In terms of Section 72 of the MFMA, the Accounting Officer of the Municipality is required to submit a report in the prescribed format to the Mayor by the 25 January of each year, reviewing the financial performance of the municipality for the first six months of the year. This mid-year report is a critical stage in the year reporting cycle of the municipality as it allows the municipality to review any circumstances that may have changed since the preparation of the annual budget.  
As part of the review, in terms of Section 72(3), the accounting officer needs to make recommendations as to whether the SDBIP and Annual budget, i.e. Both Operational & Capital, needs to be adjusted. Furthermore, Section 54(f) of the MFMA requires the Mayor to consider and submit a report to Council by 31 January.

**3. LEGISLATIVE PROVISIONS / POLICIES**

- 3.1 Section 71 of the Municipal Finance Management Act No. 56 of 2003
- 3.2 Municipal Finance Management Act No. 56 of 2003, Section 52 (d) Monthly Budget Statements
- 3.3 Municipal Finance Management Act No 56 of 2003, section 72 Mid-year report.

**4. MOTIVATION/DISCUSSION**

- 4.1 The MFMA section 71 / section 72/ section 52 (d) report as per annexure
- 4.2 The Municipal Budget and Reporting Regulation (MBRR) requires that municipality prepare a report to Council on monthly budget statements.

**5. COMMENTS FROM THE RELEVANT BUSINESS UNIT OR COMPONENT OF THE BUSINESS UNIT**

N/A

**6. IMPLICATIONS:**

**6.1 FINANCIAL**

N/A

**6.2 LEGAL**

N/A

**6.3 COMMUNICATION**

N/A

**6.4 SERVICE DELIVERY IMPLICATIONS**

N/A

**7. RECOMMENDATIONS**

**IT IS RECOMMENDED THAT:**

- 7.1** Council note Section 71 / Section 72/ Section 52 (d) report as per MFMA No. 56 of 2003 as at the end of December 2022

**8. SUBMITTED BY:**



GENERAL MANAGER

N NGCOBO

DATE: 17/01/2023

**ANNEXURES:**

MFMA No.56 of 2003 Section 71 / Section 72/ Section 52 (d) report.



Msunduzi Municipality

MFMA s71, s72 & s52 (d) Monthly, Mid-Year & Quarterly Reports

Budget & Treasury Office

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## 1. PART 1 – IN YEAR REPORT

### 1.1 Mayors Report

### 1.2 Resolutions

### 1.3 Executive Summary

### Legislative Requirements

In terms of Section 72 of the MFMA, the Accounting Officer of the Municipality is required to submit a report in the prescribed format to the Mayor by the 25 January of each year, reviewing the financial performance of the municipality for the first six months of the year. This mid-year report is a critical stage in the in year reporting cycle of the municipality as it allows the municipality to review any circumstances that may have changed since the preparation of the annual budget.

As part of the review, in terms of Section 72(3), the accounting officer needs to make recommendations as to whether the SDBIP and Annual budget, i.e. Both Operational & Capital, needs to be adjusted. Furthermore, Section 54(f) of the MFMA requires the Mayor to consider and submit a report to Council by 31 January.

## FINANCIAL PERFORMANCE

**Revenue:** The total year to date (ytd) actual revenue generated as at the end of December amounted to R3.422 billion while the projected ytd budget amounted to R3.525 billion (excluding capital transfers and contribution). This means that the municipality generated slightly less than what was projected at the end of the sixth month.

The variances on property rates revenue and water revenue are below 10%, which is an acceptable level. However, revenue from Transfers and subsidies, fines, penalties and forfeits and agency service have variances of 29%, 62% and 349% respectively, this means that revenue generated from this source is higher than projected in the annual budget. However, the municipality will continue to monitor these areas closely.

Revenues from external investments, rental of faculties and equipment, and other revenue are less than initially projected in the annual budget. Therefore, the estimates should be adjusted downwards in the adjustments budget.

Overall, in the sixth month of the year, the municipality generated R3.604 billion revenue against the annual budget of R7.834 billion (including capital transfers and contribution), which is 50% of the annual budget. The municipality should monitor closely the levels of revenue generated and expenditure incurred to mitigate the risk of expenditure exceeding revenue as that may create cash flow problems in a long run.

**Operating Expenditure:** The total year to date (ytd) actual operating expenditure for the period ending 31 December 2022 amounted to R3.020 billion while the ytd budget amounted to R3.227 billion. Operational expenditure is largely defined by the bulk purchases (electricity) and employee related costs both accounting for 68% of the annual budget expenditure.

Overall, the municipality recorded an operating surplus of R401.862 million for the sixth month of the financial year.

**Capital Expenditure:** The year to date (ytd) actual capital expenditure for the period ending 31 December 2022 amounted to R228.299 million while the ytd budget amounted to R 417.959 million resulting in underperformance of R189.660 million (-45%) of the capital budget. This is a serious cause of concern because under-expenditure on capital projects directly results in a negative impact on service delivery. The municipality should therefore put measures in place to ensure that the acceleration of expenditure on capital projects thereby improving on delivery of services. It should also be noted that the other contributing factor on overall underspending is due to capital projects budgeted from Borrowings which the municipality can only spend upon receipt of approval of funding from DBSA.

**Grant Receipts:** The total operational and capital grant receipts (excluding equitable share) for the sixth month amounted to R249.983 million while the expenditure amounted to R228.119 million that only amounts to 91 percent performance against receipts.

**Cash & Cash equivalents:** As at the end of 31 December 2022, the cash and investments resulted in a positive balance amounting to R298.248 million.

**Consumer Debtors:** Consumer debtors at the end of the sixth month (31 December 2022) is at R 5.589 billion. The municipality's debtors are continually increasing which poses a serious threat to the municipality's future sustainability. A significant amount of debtors relates to household debtors' category which amount to R4.477 billion, of which R4.023 billion has been outstanding for more than 90 days. Commercial debtors are the second largest category of debtors owed to the municipality amounting to R770.545 million, of which R506.421 millions of those debtors have been outstanding for more than 90 days. The lowest category of debtors owed to the municipality relates to Organ of the states which amounts to R115.497 million. Achieving the collection overall in all categories will save the municipality from the significant Cash Flow risk exposure as it will always be liquid and able to pay its debts as they become due. The municipality will continuously introduce measures to ensure acceptable levels of debt collections and thereby mitigating the risk of cash flow problems in future.

**Creditors:** Creditors owed by the municipality as at the end of mid-year amount to R1.082 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 - Q2 Second Quarter

Description R thousands	2021/22 Audited Outcome	Budget Year 2022/23							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Financial Performance</b>									
Property rates	1 267 462	1 427 089	–	114 702	695 531	713 544	(18 014)	-3%	1 427 089
Service charges	3 633 237	4 306 994	–	310 805	1 988 497	2 153 497	(165 000)	-8%	4 306 994
Investment revenue	10 445	17 030	–	832	3 883	8 515	(4 632)	-54%	17 030
Transfers and subsidies	681 678	855 842	–	245 211	550 307	427 921	122 386	29%	855 842
Other own revenue	280 459	443 815	–	30 441	183 824	221 907	(38 083)	-17%	443 815
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>5 873 281</b>	<b>7 050 770</b>	–	<b>701 991</b>	<b>3 422 042</b>	<b>3 525 385</b>	<b>(103 343)</b>	-3%	<b>7 050 770</b>
Employee costs	1 483 037	1 579 699	–	115 386	777 729	789 850	(12 121)	-2%	1 579 699
Remuneration of Councillors	49 529	59 431	–	4 130	26 491	29 716	(3 224)	-11%	59 431
Depreciation & asset impairment	365 761	441 964	–	31 655	188 037	220 982	(32 945)	-15%	441 964
Finance charges	26 916	94 217	–	1 734	10 478	47 109	(36 631)	-78%	94 217
Inventory consumed and bulk purchases	3 034 515	3 071 509	–	236 954	1 601 597	1 535 755	65 842	4%	3 071 509
Transfers and subsidies	32 413	63 469	–	12 204	29 842	31 735	(1 892)	-6%	63 469
Other expenditure	1 433 258	1 144 657	–	70 782	386 006	572 328	(186 322)	-33%	1 144 657
<b>Total Expenditure</b>	<b>6 425 429</b>	<b>6 454 947</b>	–	<b>472 845</b>	<b>3 020 180</b>	<b>3 227 473</b>	<b>(207 293)</b>	-6%	<b>6 454 947</b>
<b>Surplus/(Deficit)</b>	<b>(552 147)</b>	<b>595 823</b>	–	<b>229 146</b>	<b>401 862</b>	<b>297 912</b>	<b>103 950</b>	35%	<b>595 823</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	375 725	446 431	–	42 758	181 692	223 216	(41 524)	-19%	446 431
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(176 423)</b>	<b>1 042 254</b>	–	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	<b>62 426</b>	12%	<b>1 042 254</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(176 423)</b>	<b>1 042 254</b>	–	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	<b>62 426</b>	12%	<b>1 042 254</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>537 649</b>	<b>835 918</b>	–	<b>61 646</b>	<b>228 299</b>	<b>417 959</b>	<b>(189 660)</b>	-45%	<b>835 918</b>
Capital transfers recognised	328 491	445 961	–	38 219	160 441	222 981	(62 540)	-28%	445 961
Borrowing	49 401	300 000	–	–	–	150 000	(150 000)	-100%	300 000
Internally generated funds	159 758	89 957	–	23 428	67 858	44 979	22 879	51%	89 957
<b>Total sources of capital funds</b>	<b>537 649</b>	<b>835 918</b>	–	<b>61 646</b>	<b>228 299</b>	<b>417 959</b>	<b>(189 660)</b>	-45%	<b>835 918</b>
<b>Financial position</b>									
Total current assets	2 585 538	2 090 047	–		2 610 233				2 090 047
Total non current assets	8 219 101	8 339 501	–		8 019 957				8 339 501
Total current liabilities	2 513 479	1 463 352	–		2 198 614				1 463 352
Total non current liabilities	775 015	1 309 133	–		775 015				1 309 133
Community wealth/Equity	7 516 145	7 657 063	–		7 656 561				7 657 063
<b>Cash flows</b>									
Net cash from (used) operating	–	632 268	–	–	–	316 134	316 134	100%	632 268
Net cash from (used) investing	–	(835 918)	–	–	–	(417 959)	(417 959)	100%	(835 918)
Net cash from (used) financing	–	276 394	–	–	–	138 197	138 197	100%	276 394
<b>Cash/cash equivalents at the month/year end</b>	<b>–</b>	<b>134 860</b>	–	–	–	<b>98 489</b>	<b>98 489</b>	100%	<b>72 743</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 DYS</b>	<b>151-180 DYS</b>	<b>181 DYS-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	450 418	142 347	140 513	199 409	115 517	92 343	486 515	3 961 734	5 588 796
<b>Creditors Age Analysis</b>									
Total Creditors	480 470	187 354	82 896	(61 633)	393 411	–	–	–	1 082 499

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

KZN225 Msunduzi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		1 694 246	2 124 738	-	254 709	1 044 247	1 062 369	(18 122)	-2%	2 124 738
Executive and council		3 516	5 297	-	257	1 208	2 649	(1 441)	-54%	5 297
Finance and administration		1 690 730	2 119 441	-	254 452	1 043 039	1 059 721	(16 681)	-2%	2 119 441
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		106 794	261 951	-	6 704	43 712	130 976	(87 263)	-67%	261 951
Community and social services		45 595	21 318	-	5 063	23 694	10 659	13 036	122%	21 318
Sport and recreation		410	308	-	16	141	154	(13)	-9%	308
Public safety		12 979	4 191	-	452	3 536	2 096	1 440	69%	4 191
Housing		47 810	236 134	-	1 173	16 341	118 067	(101 726)	-86%	236 134
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		198 084	64 129	-	10 446	45 503	32 065	13 438	42%	64 129
Planning and development		47 093	56 731	-	7 552	23 305	28 365	(5 060)	-18%	56 731
Road transport		150 816	-	-	2 878	21 989	-	21 989	-	-
Environmental protection		175	7 398	-	16	208	3 699	(3 491)	-94%	7 398
<b>Trading services</b>		4 160 649	5 315 563	-	468 293	2 450 807	2 657 781	(206 974)	-8%	5 315 563
Energy sources		2 570 880	3 305 883	-	237 600	1 479 226	1 652 942	(173 716)	-11%	3 305 883
Water management		1 157 405	1 590 735	-	175 212	725 478	795 368	(69 890)	-9%	1 590 735
Waste water management		281 882	231 533	-	37 279	166 509	115 767	50 742	44%	231 533
Waste management		150 482	187 411	-	18 203	79 594	93 706	(14 111)	-15%	187 411
<b>Other</b>	4	26 346	67 955	-	4 597	19 465	33 978	(14 513)	-43%	67 955
<b>Total Revenue - Functional</b>	2	6 186 119	7 834 337	-	744 749	3 603 734	3 917 168	(313 434)	-8%	7 834 337
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		1 074 503	1 423 527	-	65 871	431 658	711 764	(280 106)	-39%	1 423 527
Executive and council		125 666	117 494	-	10 047	54 448	58 747	(4 299)	-7%	117 494
Finance and administration		929 231	1 285 221	-	54 044	370 483	642 611	(272 127)	-42%	1 285 221
Internal audit		19 605	20 812	-	1 779	6 727	10 406	(3 679)	-35%	20 812
<b>Community and public safety</b>		562 723	613 713	-	52 948	326 488	306 857	19 632	6%	613 713
Community and social services		141 587	129 634	-	12 046	72 910	64 817	8 093	12%	129 634
Sport and recreation		138 184	153 119	-	11 153	70 024	76 560	(6 535)	-9%	153 119
Public safety		203 337	207 854	-	23 823	117 506	103 927	13 579	13%	207 854
Housing		70 045	110 226	-	5 205	61 045	55 113	5 931	11%	110 226
Health		9 570	12 879	-	721	5 003	6 439	(1 436)	-22%	12 879
<b>Economic and environmental services</b>		383 695	375 462	-	28 601	178 600	187 731	(9 131)	-5%	375 462
Planning and development		75 382	78 767	-	7 141	43 667	39 383	4 283	11%	78 767
Road transport		285 433	270 632	-	19 556	122 982	135 316	(12 334)	-9%	270 632
Environmental protection		22 881	26 063	-	1 904	11 951	13 032	(1 081)	-8%	26 063
<b>Trading services</b>		3 843 130	4 323 068	-	320 059	2 052 159	2 161 534	(109 375)	-5%	4 323 068
Energy sources		2 518 576	2 707 082	-	199 770	1 450 861	1 353 541	97 321	7%	2 707 082
Water management		916 076	1 187 780	-	77 199	364 291	593 890	(229 599)	-39%	1 187 780
Waste water management		289 706	294 535	-	31 417	169 833	147 267	22 566	15%	294 535
Waste management		118 773	133 672	-	11 672	67 174	66 836	338	1%	133 672
<b>Other</b>		65 361	64 362	-	5 367	31 275	32 181	(906)	-3%	64 362
<b>Total Expenditure - Functional</b>	3	5 929 412	6 800 133	-	472 845	3 020 180	3 400 066	(379 886)	-11%	6 800 133
<b>Surplus/ (Deficit) for the year</b>		256 708	1 034 204	-	271 904	583 553	517 102	66 451	13%	1 034 204

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) - Q2 Second Quarter

Vote Description R thousands	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue by Vote</b>										
Vote 1 - City Manager	1	-	66	-	-	-	33	(33)	-100,0%	66
Vote 2 - City Finance		1 682 482	2 098 137	-	254 056	1 039 955	1 049 068	(9 113)	-0,9%	2 098 137
Vote 3 - Corporate Services		4 822	7 947	-	425	1 376	3 974	(2 597)	-65,4%	7 947
Vote 4 - Community Services and Social Equity		209 796	221 410	-	23 739	107 482	110 705	(3 223)	-2,9%	221 410
Vote 5 - Infrastructure Services		1 596 211	1 831 866	-	215 592	916 375	915 933	442	0,0%	1 831 866
Vote 6 - Sustainable Development and City Enterprises		121 927	369 028	-	13 338	59 319	184 514	(125 195)	-67,9%	369 028
Vote 7 - Electricity		2 570 880	3 305 883	-	237 600	1 479 226	1 652 942	(173 716)	-10,5%	3 305 883
<b>Total Revenue by Vote</b>	2	<b>6 186 119</b>	<b>7 834 337</b>	-	<b>744 749</b>	<b>3 603 734</b>	<b>3 917 168</b>	<b>(313 434)</b>	<b>-8,0%</b>	<b>7 834 337</b>
<b>Expenditure by Vote</b>										
Vote 1 - City Manager	1	158 231	157 775	-	12 576	69 685	78 888	(9 203)	-11,7%	157 775
Vote 2 - City Finance		506 137	846 124	-	28 477	162 876	423 062	(260 186)	-61,5%	846 124
Vote 3 - Corporate Services		150 339	202 819	-	11 501	76 367	101 410	(25 042)	-24,7%	202 819
Vote 4 - Community Services and Social Equity		827 164	801 718	-	66 999	433 962	400 859	33 103	8,3%	801 718
Vote 5 - Infrastructure Services		1 498 620	1 768 789	-	128 400	659 623	884 394	(224 772)	-25,4%	1 768 789
Vote 6 - Sustainable Development and City Enterprises		245 726	291 172	-	23 146	153 879	145 586	8 293	5,7%	291 172
Vote 7 - Electricity		2 543 196	2 731 736	-	201 747	1 463 788	1 365 868	97 920	7,2%	2 731 736
<b>Total Expenditure by Vote</b>	2	<b>5 929 412</b>	<b>6 800 133</b>	-	<b>472 845</b>	<b>3 020 180</b>	<b>3 400 066</b>	<b>(379 886)</b>	<b>-11,2%</b>	<b>6 800 133</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>256 708</b>	<b>1 034 204</b>	-	<b>271 904</b>	<b>583 553</b>	<b>517 102</b>	<b>66 451</b>	<b>12,9%</b>	<b>1 034 204</b>

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 December 2022.

KZN225 Msunduzi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	2021/22		Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates		1 267 462	1 427 089		114 702	695 531	713 544	(18 014)	-3%
Service charges - electricity revenue		2 551 156	3 183 150		216 668	1 413 681	1 591 575	(177 894)	-11%
Service charges - water revenue		789 024	819 610		68 391	419 796	409 805	9 991	2%
Service charges - sanitation revenue		179 996	174 569		16 109	96 899	87 284	9 614	11%
Service charges - refuse revenue		113 062	129 665		9 636	58 122	64 833	(6 710)	-10%
Rental of facilities and equipment		25 415	37 424		1 706	7 351	18 712	(11 361)	-61%
Interest earned - external investments		10 445	17 030		832	3 883	8 515	(4 632)	-54%
Interest earned - outstanding debtors		148 963	225 218		19 415	120 357	112 609	7 748	7%
Dividends received					-	-	-	-	-
Fines, penalties and forfeits		14 489	2 005		167	1 622	1 002	620	62%
Licences and permits		984	1 500		61	743	750	(7)	-1%
Agency services		2 139	668		289	1 500	334	1 166	349%
Transfers and subsidies		681 678	855 842		245 211	550 307	427 921	122 386	29%
Other revenue		66 085	177 000		8 803	52 251	88 500	(36 249)	-41%
Gains		22 383			-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>5 873 281</b>	<b>7 050 770</b>		<b>-</b>	<b>701 991</b>	<b>3 422 042</b>	<b>3 525 385</b>	<b>(103 343)</b>
									-3%
<b>Expenditure By Type</b>									
Employee related costs		1 483 037	1 579 699		115 386	777 729	789 850	(12 121)	-2%
Remuneration of councillors		49 529	59 431		4 130	26 491	29 716	(3 224)	-11%
Debt impairment		569 024	300 000		2 252	9 664	150 000	(140 336)	-94%
Depreciation & asset impairment		365 761	441 964		31 655	188 037	220 982	(32 945)	-15%
Finance charges		26 916	94 217		1 734	10 478	47 109	(36 631)	-78%
Bulk purchases - electricity		2 950 207	2 200 000		172 910	1 279 886	1 100 000	179 886	16%
Inventory consumed		84 308	871 509		64 044	321 711	435 755	(114 043)	-26%
Contracted services		690 969	664 657		53 528	272 906	332 328	(59 423)	-18%
Transfers and subsidies		32 413	63 469		12 204	29 842	31 735	(1 892)	-6%
Other expenditure		149 010	180 000		15 001	103 437	90 000	13 437	15%
Losses		24 255			-	-	-	-	-
<b>Total Expenditure</b>		<b>6 425 429</b>	<b>6 454 947</b>		<b>-</b>	<b>472 845</b>	<b>3 020 180</b>	<b>3 227 473</b>	<b>(207 293)</b>
									-6%
<b>Surplus/(Deficit)</b>		<b>(552 147)</b>	<b>595 823</b>		<b>-</b>	<b>229 146</b>	<b>401 862</b>	<b>297 912</b>	<b>103 950</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		375 725	446 431		42 758	181 692	223 216	(41 524)	-19%
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Transfers and subsidies - capital (in-kind - all))							-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Taxation								-	
<b>Surplus/(Deficit) after taxation</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
									<b>1 042 254</b>
									<b>1 042 254</b>

## Capital Expenditure

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

KZN225 Msunduzi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter

Vote Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Multi-Year expenditure appropriation</u>	2									
Vote 1 - City Manager		1 614	500	-	0	-	250	(250)	-100%	500
Vote 2 - City Finance		4 010	21 289	-	943	8 942	10 644	(1 702)	-16%	21 289
Vote 3 - Corporate Services		2 288	5 602	-	-	445	2 801	(2 355)	-84%	5 602
Vote 4 - Community Services and Social Equity		40 154	40 401	-	2 866	12 807	20 201	(7 394)	-37%	40 401
Vote 5 - Infrastructure Services		308 960	580 999	-	40 314	148 582	290 500	(141 918)	-49%	580 999
Vote 6 - Sustainable Development and City Enterprises		60 542	146 856	-	5 016	22 999	73 428	(50 429)	-69%	146 856
Vote 7 - Electricity		99 778	1 000	-	12 507	34 348	500	33 848	6770%	1 000
<b>Total Capital Multi-year expenditure</b>	4,7	<b>517 347</b>	<b>796 646</b>	<b>-</b>	<b>61 646</b>	<b>228 124</b>	<b>398 323</b>	<b>(170 200)</b>	<b>-43%</b>	<b>796 646</b>
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - City Manager		2 151	3 500	-	-	-	1 750	(1 750)	-100%	3 500
Vote 2 - City Finance		6 345	16 565	-	-	-	8 283	(8 283)	-100%	16 565
Vote 3 - Corporate Services		2 563	12 326	-	-	34	6 163	(6 129)	-99%	12 326
Vote 4 - Community Services and Social Equity		3 553	833	-	-	(0)	417	(417)	-100%	833
Vote 5 - Infrastructure Services		3 549	600	-	-	-	300	(300)	-100%	600
Vote 6 - Sustainable Development and City Enterprises		2 140	2 198	-	-	141	1 099	(958)	-87%	2 198
Vote 7 - Electricity		-	3 250	-	-	-	1 625	(1 625)	-100%	3 250
<b>Total Capital single-year expenditure</b>	4	<b>20 302</b>	<b>39 272</b>	<b>-</b>	<b>-</b>	<b>175</b>	<b>19 636</b>	<b>(19 461)</b>	<b>-99%</b>	<b>39 272</b>
<b>Total Capital Expenditure</b>		<b>537 649</b>	<b>835 918</b>	<b>-</b>	<b>61 646</b>	<b>228 299</b>	<b>417 959</b>	<b>(189 660)</b>	<b>-45%</b>	<b>835 918</b>
<u>Capital Expenditure - Functional Classification</u>										
<i>Governance and administration</i>		18 345	49 638	-	943	9 422	24 819	(15 397)	-62%	49 638
Executive and council		2 639	2 100	-	-	-	1 050	(1 050)	-100%	2 100
Finance and administration		15 706	47 538	-	943	9 422	23 769	(14 347)	-60%	47 538
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		50 951	128 563	-	2 412	19 948	64 281	(44 333)	-69%	128 563
Community and social services		27 991	24 132	-	2 412	12 352	12 066	286	2%	24 132
Sport and recreation		1 041	2 150	-	-	-	1 075	(1 075)	-100%	2 150
Public safety		94	2 875	-	-	-	1 438	(1 438)	-100%	2 875
Housing		21 824	99 406	-	7 596	49 703	(42 107)	-85%	99 406	
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		239 149	104 991	-	26 842	87 630	52 496	35 134	67%	104 991
Planning and development		37 614	44 830	-	4 002	14 306	22 415	(8 109)	-36%	44 830
Road transport		201 377	59 643	-	22 840	73 324	29 822	43 502	146%	59 643
Environmental protection		158	518	-	-	-	259	(259)	-100%	518
<i>Trading services</i>		227 154	548 106	-	29 981	109 606	274 053	(164 447)	-60%	548 106
Energy sources		99 778	241 154	-	12 507	34 348	120 577	(86 229)	-72%	241 154
Water management		58 052	196 583	-	9 638	41 548	98 291	(56 744)	-58%	196 583
Waste water management		54 322	94 269	-	7 836	33 710	47 135	(13 425)	-28%	94 269
Waste management		15 002	16 100	-	-	-	8 050	(8 050)	-100%	16 100
<i>Other</i>		2 050	4 620	-	1 469	1 693	2 310	(617)	-27%	4 620
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>537 649</b>	<b>835 918</b>	<b>-</b>	<b>61 646</b>	<b>228 299</b>	<b>417 959</b>	<b>(189 660)</b>	<b>-45%</b>	<b>835 918</b>
<u>Funded by:</u>										
National Government		291 413	344 634	-	34 475	149 235	172 317	(23 082)	-13%	344 634
Provincial Government		37 077	101 327	-	3 744	11 206	50 664	(39 458)	-78%	101 327
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Transfers recognised - capital		328 491	445 961	-	38 219	160 441	222 981	(62 540)	-28%	445 961
Borrowing	6	49 401	300 000	-	-	-	-	-	-	300 000
Internally generated funds		159 758	89 957	-	23 428	67 858	44 979	22 879	51%	89 957
<b>Total Capital Funding</b>		<b>537 649</b>	<b>835 918</b>	<b>-</b>	<b>61 646</b>	<b>228 299</b>	<b>417 959</b>	<b>(189 660)</b>	<b>-45%</b>	<b>835 918</b>

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

Table C6 displays the financial position of the municipality as at 31 December 2022.  
**KZN225 Msunduzi - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter**

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		289 153	134 860		122 918	134 860
Call investment deposits		32 670			175 330	-
Consumer debtors			1 781 691		1 889 565	1 781 691
Other debtors		567 665	-		5 424	-
Current portion of long-term receivables		1 329 092			-	-
Inventory		366 958	173 496		416 995	173 496
<b>Total current assets</b>		<b>2 585 538</b>	<b>2 090 047</b>	<b>-</b>	<b>2 610 233</b>	<b>2 090 047</b>
<b>Non current assets</b>						
Long-term receivables					(2 660)	-
Investments					-	-
Investment property		925 869	821 671		893 010	821 671
Investments in Associate					-	-
Property, plant and equipment		6 918 275	7 125 684		7 113 556	7 125 684
Biological			1 070		669	1 070
Intangible		20 954	30 700		15 383	30 700
Other non-current assets		354 002	360 375		-	360 375
<b>Total non current assets</b>		<b>8 219 101</b>	<b>8 339 501</b>	<b>-</b>	<b>8 019 957</b>	<b>8 339 501</b>
<b>TOTAL ASSETS</b>		<b>10 804 639</b>	<b>10 429 549</b>	<b>-</b>	<b>10 630 190</b>	<b>10 429 549</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft					-	-
Borrowing		79 163	101 622		37 678	101 622
Consumer deposits		135 729	114 344		141 840	114 344
Trade and other payables		2 161 907	1 106 988		1 969 978	1 106 988
Provisions		136 680	140 398		49 118	140 398
<b>Total current liabilities</b>		<b>2 513 479</b>	<b>1 463 352</b>	<b>-</b>	<b>2 198 614</b>	<b>1 463 352</b>
<b>Non current liabilities</b>						
Borrowing		713 902	499 353		124 582	499 353
Provisions		61 114	809 779		650 434	809 779
<b>Total non current liabilities</b>		<b>775 015</b>	<b>1 309 133</b>	<b>-</b>	<b>775 015</b>	<b>1 309 133</b>
<b>TOTAL LIABILITIES</b>		<b>3 288 494</b>	<b>2 772 485</b>	<b>-</b>	<b>2 973 629</b>	<b>2 772 485</b>
<b>NET ASSETS</b>	2	<b>7 516 145</b>	<b>7 657 063</b>	<b>-</b>	<b>7 656 561</b>	<b>7 657 063</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		7 328 995	7 657 063		7 453 181	7 657 063
Reserves		187 150			203 380	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>7 516 145</b>	<b>7 657 063</b>	<b>-</b>	<b>7 656 561</b>	<b>7 657 063</b>

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

KZN225 Msunduzi - Table C1 Consolidated Monthly Budget Statement Summary - Q2 Second Quarter									
Description R thousands	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Financial Performance</b>									
Property rates	1 267 462	1 427 089	-	114 702	695 531	713 544	(18 014)	-3%	1 427 089
Service charges	3 633 237	4 306 994	-	310 805	1 988 497	2 153 497	(165 000)	-8%	4 306 994
Investment revenue	10 445	17 030	-	832	3 883	8 515	(4 632)	-54%	17 030
Transfers and subsidies	681 678	855 842	-	245 211	550 307	427 921	122 386	29%	855 842
Other own revenue	280 459	443 815	-	30 441	183 824	221 907	(38 083)	-17%	443 815
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>5 873 281</b>	<b>7 050 770</b>	-	<b>701 991</b>	<b>3 422 042</b>	<b>3 525 385</b>	<b>(103 343)</b>	-3%	<b>7 050 770</b>
Employee costs	1 483 037	1 591 704	-	117 043	783 960	795 852	(11 892)	-1%	1 591 704
Remuneration of Councillors	49 529	59 431	-	4 130	26 491	29 716	(3 224)	-11%	59 431
Depreciation & asset impairment	365 761	442 798	-	31 729	188 478	221 399	(32 921)	-15%	442 798
Finance charges	26 916	94 217	-	1 734	10 478	47 109	(36 631)	-78%	94 217
Inventory consumed and bulk purchases	3 034 515	3 071 580	-	236 954	1 601 597	1 535 790	65 807	4%	3 071 580
Transfers and subsidies	32 413	47 825	-	10 315	22 412	23 913	(1 501)	-6%	47 825
Other expenditure	1 433 258	1 147 391	-	70 940	386 765	573 696	(186 931)	-33%	1 147 391
<b>Total Expenditure</b>	<b>6 425 429</b>	<b>6 454 947</b>	-	<b>472 845</b>	<b>3 020 180</b>	<b>3 227 473</b>	<b>(207 293)</b>	-6%	<b>6 454 947</b>
<b>Surplus/(Deficit)</b>	<b>(552 147)</b>	<b>595 823</b>	-	<b>229 146</b>	<b>401 862</b>	<b>297 912</b>	<b>103 950</b>	35%	<b>595 823</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	375 725	446 431	-	42 758	181 692	223 216	(41 524)	-19%	446 431
-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(176 423)</b>	<b>1 042 254</b>	-	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	<b>62 426</b>	12%	<b>1 042 254</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(176 423)</b>	<b>1 042 254</b>	-	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	<b>62 426</b>	12%	<b>1 042 254</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>537 696</b>	<b>835 918</b>	-	<b>61 646</b>	<b>228 306</b>	<b>417 959</b>	<b>(189 653)</b>	-45%	<b>835 918</b>
Capital transfers recognised	328 491	445 961	-	38 219	160 441	222 981	(62 540)	-28%	445 961
Borrowing	-	300 000	-	-	-	150 000	(150 000)	-100%	300 000
Internally generated funds	209 206	89 957	-	23 428	67 865	44 979	22 887	51%	89 957
<b>Total sources of capital funds</b>	<b>537 696</b>	<b>835 918</b>	-	<b>61 646</b>	<b>228 306</b>	<b>417 959</b>	<b>(189 653)</b>	-45%	<b>835 918</b>
<b>Financial position</b>									
Total current assets	2 616 323	2 090 047	-		2 614 550				2 090 047
Total non current assets	7 724 864	8 339 501	-		8 028 131				8 339 501
Total current liabilities	2 480 510	1 463 352	-		2 200 089				1 463 352
Total non current liabilities	767 663	1 309 133	-		775 015				1 309 133
Community wealth/Equity	7 093 014	7 657 063	-		7 667 577				7 657 063
<b>Cash flows</b>									
Net cash from (used) operating	-	632 268	-	1 415	(487)	316 134	316 621	100%	632 268
Net cash from (used) investing	-	(835 918)	-	-	(7)	(417 959)	(417 952)	100%	(835 918)
Net cash from (used) financing	-	276 394	-	-	-	138 197	138 197	100%	276 394
<b>Cash/cash equivalents at the month/year end</b>	<b>-</b>	<b>134 860</b>	-	<b>-</b>	<b>(495)</b>	<b>98 489</b>	<b>98 983</b>	<b>101%</b>	<b>72 743</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	450 418	142 347	140 513	199 409	115 517	92 343	486 515	3 961 734	5 588 796
<b>Creditors Age Analysis</b>									
Total Creditors	480 470	187 354	82 896	(61 633)	393 411	-	-	-	1 082 499

KZN225 Msunduzi - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	2021/22		Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
<b>Revenue - Functional</b>											
<i>Governance and administration</i>		1 694 246	2 124 738	-	254 709	1 044 247	1 062 369	(18 122)	-2%	2 124 738	
Executive and council		3 516	5 297	-	257	1 208	2 649	(1 441)	-54%	5 297	
Finance and administration		1 690 730	2 119 441	-	254 452	1 043 039	1 059 721	(16 681)	-2%	2 119 441	
Internal audit		-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		106 794	261 951	-	6 704	43 712	130 976	(87 263)	-67%	261 951	
Community and social services		45 595	21 318	-	5 063	23 694	10 659	13 036	122%	21 318	
Sport and recreation		410	308	-	16	141	154	(13)	-9%	308	
Public safety		12 979	4 191	-	452	3 536	2 096	1 440	69%	4 191	
Housing		47 810	236 134	-	1 173	16 341	118 067	(101 726)	-86%	236 134	
Health		-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		198 084	64 129	-	10 446	45 503	32 065	13 438	42%	64 129	
Planning and development		47 093	56 731	-	7 552	23 305	28 365	(5 060)	-18%	56 731	
Road transport		150 816	-	-	2 878	21 989	-	21 989	-	-	
Environmental protection		175	7 398	-	16	208	3 699	(3 491)	-94%	7 398	
<i>Trading services</i>		4 160 649	5 315 563	-	468 293	2 450 807	2 657 781	(206 974)	-8%	5 315 563	
Energy sources		2 570 880	3 305 883	-	237 600	1 479 226	1 652 942	(173 716)	-11%	3 305 883	
Water management		1 157 405	1 590 735	-	175 212	725 478	795 368	(69 890)	-9%	1 590 735	
Waste water management		281 882	231 533	-	37 279	166 509	115 767	50 742	44%	231 533	
Waste management		150 482	187 411	-	18 203	79 594	93 706	(14 111)	-15%	187 411	
<i>Other</i>	4	26 346	67 955	-	4 597	19 465	33 978	(14 513)	-43%	67 955	
<b>Total Revenue - Functional</b>	2	6 186 119	7 834 337	-	744 749	3 603 734	3 917 168	(313 434)	-8%	7 834 337	
<b>Expenditure - Functional</b>											
<i>Governance and administration</i>		1 074 503	1 423 527	-	65 871	431 658	711 764	(280 106)	-39%	1 423 527	
Executive and council		125 666	117 494	-	10 047	54 448	58 747	(4 299)	-7%	117 494	
Finance and administration		929 231	1 285 221	-	54 044	370 483	642 611	(272 127)	-42%	1 285 221	
Internal audit		19 605	20 812	-	1 779	6 727	10 406	(3 679)	-35%	20 812	
<i>Community and public safety</i>		562 723	613 713	-	52 948	326 488	306 857	19 632	6%	613 713	
Community and social services		141 587	129 634	-	12 046	72 910	64 817	8 093	12%	129 634	
Sport and recreation		138 184	153 119	-	11 153	70 024	76 560	(6 535)	-9%	153 119	
Public safety		203 337	207 854	-	23 823	117 506	103 927	13 579	13%	207 854	
Housing		70 045	110 226	-	5 205	61 045	55 113	5 931	11%	110 226	
Health		9 570	12 879	-	721	5 003	6 439	(1 436)	-22%	12 879	
<i>Economic and environmental services</i>		383 695	375 462	-	28 601	178 600	187 731	(9 131)	-5%	375 462	
Planning and development		75 382	78 767	-	7 141	43 667	39 383	4 283	11%	78 767	
Road transport		285 433	270 632	-	19 556	122 982	135 316	(12 334)	-9%	270 632	
Environmental protection		22 881	26 063	-	1 904	11 951	13 032	(1 081)	-8%	26 063	
<i>Trading services</i>		3 843 130	4 323 068	-	320 059	2 052 159	2 161 534	(109 375)	-5%	4 323 068	
Energy sources		2 518 576	2 707 082	-	199 770	1 450 861	1 353 541	97 321	7%	2 707 082	
Water management		916 076	1 187 780	-	77 199	364 291	593 890	(229 599)	-39%	1 187 780	
Waste water management		289 706	294 535	-	31 417	169 833	147 267	22 566	15%	294 535	
Waste management		118 773	133 672	-	11 672	67 174	66 836	338	1%	133 672	
<i>Other</i>		65 361	64 362	-	5 367	31 275	32 181	(906)	-3%	64 362	
<b>Total Expenditure - Functional</b>	3	5 929 412	6 800 133	-	472 845	3 020 180	3 400 066	(379 886)	-11%	6 800 133	
<b>Surplus/ (Deficit) for the year</b>			256 708	1 034 204	-	271 904	583 553	517 102	66 451	13%	1 034 204

KZN225 Msunduzi - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2  
Second Quarter

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1	-	66	-	-	-	33	(33)	-100,0%	66
Vote 1 - City Manager		1 682 482	2 098 137	-	254 056	1 039 955	1 049 068	(9 113)	-0,9%	2 098 137
Vote 2 - City Finance		4 822	7 947	-	425	1 376	3 974	(2 597)	-65,4%	7 947
Vote 3 - Corporate Services		209 796	221 410	-	23 739	107 482	110 705	(3 223)	-2,9%	221 410
Vote 4 - Community Services and Social Equity		1 596 211	1 831 866	-	215 592	916 375	915 933	442	0,0%	1 831 866
Vote 5 - Infrastructure Services		121 927	369 028	-	13 338	59 319	184 514	(125 195)	-67,9%	369 028
Vote 6 - Sustainable Development and City Enterprises		2 570 880	3 305 883	-	237 600	1 479 226	1 652 942	(173 716)	-10,5%	3 305 883
<b>Total Revenue by Vote</b>	2	<b>6 186 119</b>	<b>7 834 337</b>	-	<b>744 749</b>	<b>3 603 734</b>	<b>3 917 168</b>	<b>(313 434)</b>	<b>-8,0%</b>	<b>7 834 337</b>
<b>Expenditure by Vote</b>										
Vote 1 - City Manager	1	158 231	157 775	-	12 576	69 685	78 888	(9 203)	-11,7%	157 775
Vote 2 - City Finance		506 137	846 124	-	28 477	162 876	423 062	(260 186)	-61,5%	846 124
Vote 3 - Corporate Services		150 339	194 296	-	11 501	76 367	97 148	(20 781)	-21,4%	194 296
Vote 4 - Community Services and Social Equity		827 164	801 718	-	66 999	433 962	400 859	33 103	8,3%	801 718
Vote 5 - Infrastructure Services		1 498 620	1 768 789	-	128 400	659 623	884 394	(224 772)	-25,4%	1 768 789
Vote 6 - Sustainable Development and City Enterprises		2 543 196	291 172	-	23 146	153 879	145 586	8 293	5,7%	291 172
Vote 7 - Electricity		245 726	2 731 736	-	201 747	1 463 788	1 365 868	97 920	7,2%	2 731 736
<b>Total Expenditure by Vote</b>	2	<b>5 929 412</b>	<b>6 791 610</b>	-	<b>472 845</b>	<b>3 020 180</b>	<b>3 395 805</b>	<b>(375 624)</b>	<b>-11,1%</b>	<b>6 791 610</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>256 708</b>	<b>1 042 727</b>	-	<b>271 904</b>	<b>583 553</b>	<b>521 363</b>	<b>62 190</b>	<b>11,9%</b>	<b>1 042 727</b>

KZN225 Msunduzi - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	2021/22		Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<b>Revenue By Source</b>									
Property rates		1 267 462	1 427 089		114 702	695 531	713 544	(18 014)	-3%
Service charges - electricity revenue		2 551 156	3 183 150		216 668	1 413 681	1 591 575	(177 894)	-11%
Service charges - water revenue		789 024	819 610		68 391	419 796	409 805	9 991	2%
Service charges - sanitation revenue		179 996	174 569		16 109	96 899	87 284	9 614	11%
Service charges - refuse revenue		113 062	129 665		9 636	58 122	64 833	(6 710)	-10%
Rental of facilities and equipment		25 415	37 424		1 706	7 351	18 712	(11 361)	-61%
Interest earned - external investments		10 445	17 030		832	3 883	8 515	(4 632)	-54%
Interest earned - outstanding debtors		148 963	225 218		19 415	120 357	112 609	7 748	7%
Dividends received					-	-	-	-	-
Fines, penalties and forfeits		14 489	2 005		167	1 622	1 002	620	62%
Licences and permits		984	1 500		61	743	750	(7)	-1%
Agency services		2 139	668		289	1 500	334	1 166	349%
Transfers and subsidies		681 678	855 842		245 211	550 307	427 921	122 386	29%
Other revenue		66 085	177 000		8 803	52 251	88 500	(36 249)	-41%
Gains		22 383			-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>5 873 281</b>	<b>7 050 770</b>		<b>-</b>	<b>701 991</b>	<b>3 422 042</b>	<b>3 525 385</b>	<b>(103 343)</b>
									-3%
<b>Expenditure By Type</b>									
Employee related costs		1 483 037	1 591 704		117 043	783 960	795 852	(11 892)	-1%
Remuneration of councillors		49 529	59 431		4 130	26 491	29 716	(3 224)	-11%
Debt impairment		569 024	300 000		2 252	9 664	150 000	(140 336)	-94%
Depreciation & asset impairment		365 761	442 798		31 729	188 478	221 399	(32 921)	-15%
Finance charges		26 916	94 217		1 734	10 478	47 109	(36 631)	-78%
Bulk purchases - electricity		2 950 207	2 200 000		172 910	1 279 886	1 100 000	179 886	16%
Inventory consumed		84 308	871 580		64 044	321 711	435 790	(114 079)	-26%
Contracted services		690 969	665 671		53 551	273 046	332 836	(59 790)	-18%
Transfers and subsidies		32 413	47 825		10 315	22 412	23 913	(1 501)	-6%
Other expenditure		149 010	181 720		15 137	104 055	90 860	13 195	15%
Losses		24 255			-	-	-	-	-
<b>Total Expenditure</b>		<b>6 425 429</b>	<b>6 454 947</b>		<b>-</b>	<b>472 845</b>	<b>3 020 180</b>	<b>3 227 473</b>	<b>(207 293)</b>
									-6%
<b>Surplus/(Deficit)</b>									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(552 147)	595 823		-	229 146	401 862	297 912	103 950
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies,		375 725	446 431			42 758	181 692	223 216	(41 524)
Transfers and subsidies - capital (in-kind - all)							-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Taxation								-	
<b>Surplus/(Deficit) after taxation</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>		<b>(176 423)</b>	<b>1 042 254</b>		<b>-</b>	<b>271 904</b>	<b>583 553</b>	<b>521 127</b>	

KZN225 Msunduzi - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - Q2 Second Quarter

Vote Description R thousands	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD %	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - City Manager		1 614	500	-	0	-	250	(250)	-100%	500
Vote 2 - City Finance		4 010	21 289	-	943	8 942	10 644	(1 702)	-16%	21 289
Vote 3 - Corporate Services		2 288	5 602	-	-	445	2 801	(2 355)	-84%	5 602
Vote 4 - Community Services and Social Equity		40 154	40 401	-	2 866	12 807	20 201	(7 394)	-37%	40 401
Vote 5 - Infrastructure Services		308 960	580 999	-	40 314	148 582	290 500	(141 918)	-49%	580 999
Vote 6 - Sustainable Development and City Enterprises		60 542	146 856	-	5 016	22 999	73 428	(50 429)	-69%	146 856
Vote 7 - Electricity		99 778	1 000	-	12 507	34 348	500	33 848	6770%	1 000
<b>Total Capital Multi-year expenditure</b>	4,7	517 347	796 646	-	61 646	228 124	398 323	(170 200)	-43%	796 646
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - City Manager		2 151	3 500	-	-	-	1 750	(1 750)	-100%	3 500
Vote 2 - City Finance		6 345	16 565	-	-	-	8 283	(8 283)	-100%	16 565
Vote 3 - Corporate Services		2 563	833	-	-	34	417	(382)	-92%	833
Vote 4 - Community Services and Social Equity		3 553	12 326	-	-	(0)	6 163	(6 163)	-100%	12 326
Vote 5 - Infrastructure Services		3 549	600	-	-	-	300	(300)	-100%	600
Vote 6 - Sustainable Development and City Enterprises		2 188	2 198	-	-	148	1 099	(951)	-87%	2 198
Vote 7 - Electricity		-	3 250	-	-	-	1 625	(1 625)	-100%	3 250
<b>Total Capital single-year expenditure</b>	4	20 349	39 272	-	-	183	19 636	(19 454)	-99%	39 272
<b>Total Capital Expenditure</b>		537 696	835 918	-	61 646	228 306	417 959	(189 653)	-45%	835 918
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		18 345	49 638	-	943	9 422	24 819	(15 397)	-62%	49 638
Executive and council		2 639	2 100	-	-	-	1 050	(1 050)	-100%	2 100
Finance and administration		15 706	47 538	-	943	9 422	23 769	(14 347)	-60%	47 538
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		50 998	128 563	-	2 412	19 955	64 281	(44 326)	-69%	128 563
Community and social services		27 991	24 132	-	2 412	12 352	12 066	286	2%	24 132
Sport and recreation		1 041	2 150	-	-	-	1 075	(1 075)	-100%	2 150
Public safety		142	2 875	-	-	7	1 438	(1 430)	-99%	2 875
Housing		21 824	99 406	-	-	7 596	49 703	(42 107)	-85%	99 406
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		239 149	104 991	-	26 842	87 630	52 496	35 134	67%	104 991
Planning and development		37 614	44 830	-	4 002	14 306	22 415	(8 109)	-36%	44 830
Road transport		201 377	59 643	-	22 840	73 324	29 822	43 502	146%	59 643
Environmental protection		158	518	-	-	-	259	(259)	-100%	518
<b>Trading services</b>		227 154	548 106	-	29 981	109 606	274 053	(164 447)	-60%	548 106
Energy sources		99 778	241 154	-	12 507	34 348	120 577	(86 229)	-72%	241 154
Water management		58 052	196 583	-	9 638	41 548	98 291	(56 744)	-58%	196 583
Waste water management		54 322	94 269	-	7 836	33 710	47 135	(13 425)	-28%	94 269
Waste management		15 002	16 100	-	-	-	8 050	(8 050)	-100%	16 100
Other		2 050	4 620	-	1 469	1 693	2 310	(617)	-27%	4 620
<b>Total Capital Expenditure - Functional Classification</b>	3	537 696	835 918	-	61 646	228 306	417 959	(189 653)	-45%	835 918
<b>Funded by:</b>										
National Government		291 413	344 634	-	34 475	149 235	172 317	(23 082)	-13%	344 634
Provincial Government		37 077	101 327	-	3 744	11 206	50 664	(39 458)	-78%	101 327
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Transfers recognised - capital	6	328 491	445 961	-	38 219	160 441	222 981	(62 540)	-28%	445 961
Borrowing		-	300 000	-	-	-	150 000	(150 000)	-100%	300 000
Internally generated funds		209 206	89 957	-	23 428	67 865	44 979	22 887	51%	89 957
<b>Total Capital Funding</b>		537 696	835 918	-	61 646	228 306	417 959	(189 653)	-45%	835 918

KZN225 Msunduzi - Table C6 Consolidated Monthly Budget Statement - Financial Position - Q2 Second

Description	Ref	2021/22		Budget Year 2022/23		
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		15 140	134 860		123 015	134 860
Call investment deposits		257 921			179 548	—
Consumer debtors		1 959 578	1 781 691		1 889 565	1 781 691
Other debtors		15 129	—		5 427	—
Current portion of long-term receivables					—	—
Inventory		368 555	173 496		416 995	173 496
<b>Total current assets</b>		<b>2 616 323</b>	<b>2 090 047</b>	<b>—</b>	<b>2 614 550</b>	<b>2 090 047</b>
<b>Non current assets</b>						
Long-term receivables		(14 920)			(2 660)	—
Investments					—	—
Investment property		877 142	821 671		893 010	821 671
Investments in Associate					—	—
Property, plant and equipment		6 747 450	7 125 684		7 121 730	7 125 684
Biological		693	1 070		669	1 070
Intangible		18 198	30 700		15 383	30 700
Other non-current assets		96 300	360 375		—	360 375
<b>Total non current assets</b>		<b>7 724 864</b>	<b>8 339 501</b>	<b>—</b>	<b>8 028 131</b>	<b>8 339 501</b>
<b>TOTAL ASSETS</b>		<b>10 341 187</b>	<b>10 429 549</b>	<b>—</b>	<b>10 642 681</b>	<b>10 429 549</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft					—	—
Borrowing		79 163	101 622		37 678	101 622
Consumer deposits		136 091	114 344		141 840	114 344
Trade and other payables		2 211 812	1 106 988		1 970 388	1 106 988
Provisions		53 444	140 398		50 182	140 398
<b>Total current liabilities</b>		<b>2 480 510</b>	<b>1 463 352</b>	<b>—</b>	<b>2 200 089</b>	<b>1 463 352</b>
<b>Non current liabilities</b>						
Borrowing		124 582	499 353		124 582	499 353
Provisions		643 082	809 779		650 434	809 779
<b>Total non current liabilities</b>		<b>767 663</b>	<b>1 309 133</b>	<b>—</b>	<b>775 015</b>	<b>1 309 133</b>
<b>TOTAL LIABILITIES</b>		<b>3 248 173</b>	<b>2 772 485</b>	<b>—</b>	<b>2 975 104</b>	<b>2 772 485</b>
<b>NET ASSETS</b>	2	<b>7 093 014</b>	<b>7 657 063</b>	<b>—</b>	<b>7 667 577</b>	<b>7 657 063</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		6 891 396	7 657 063		7 464 197	7 657 063
Reserves		201 618			203 380	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>7 093 014</b>	<b>7 657 063</b>	<b>—</b>	<b>7 667 577</b>	<b>7 657 063</b>

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

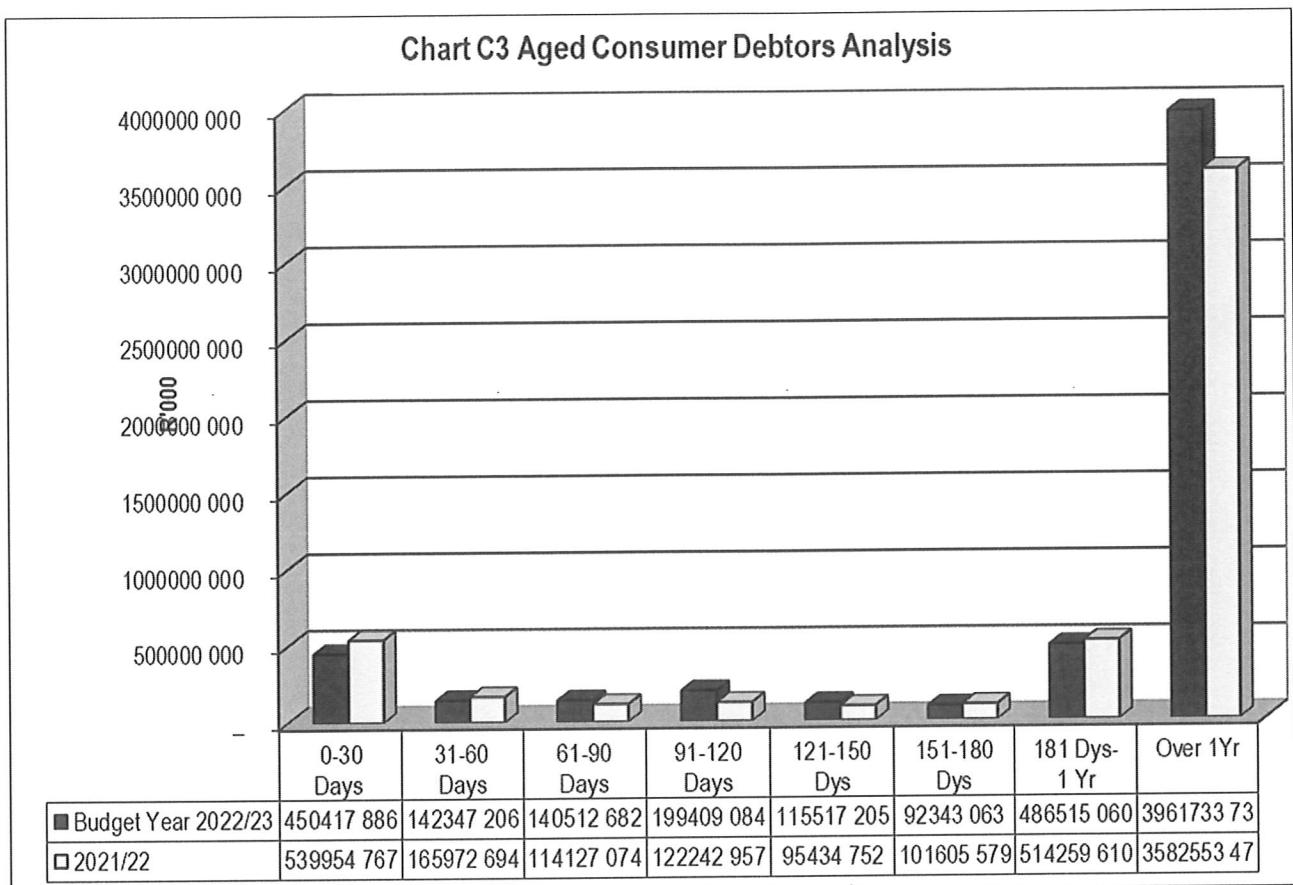
The table presented below summarises the Debtors Age Analysis as at 31 December 2022.

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

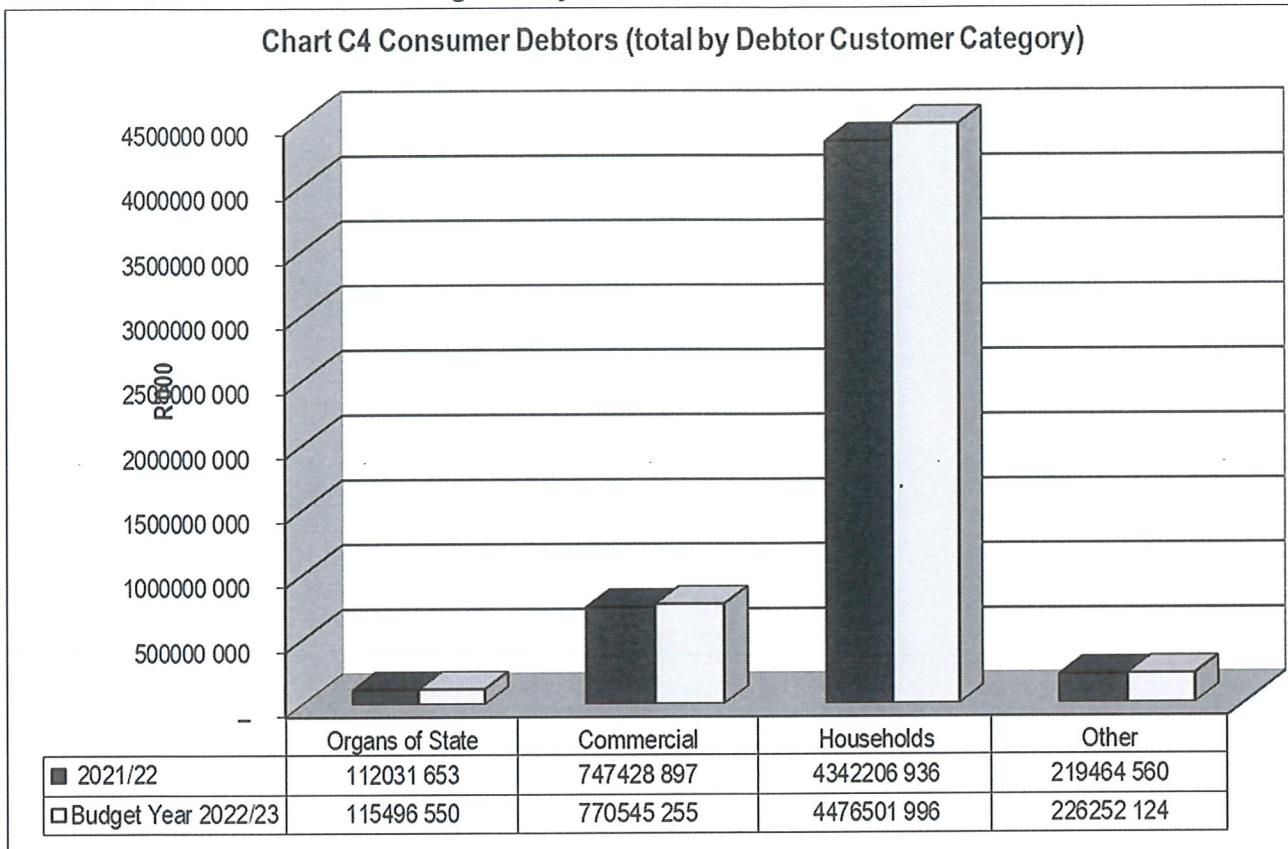
KZN225 Msunduzi - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

R thousands	Description	NT Code	Budget Year 2022/23						Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr			
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water	1200	127 714	42 639	63 642	134 022	51 932	35 327	188 934	1 639 166	2 283 376	2 049 381	1 298 381
Trade and Other Receivables from Exchange Transactions - Electricity	1300	110 110	20 093	20 796	12 712	12 317	8 470	52 044	181 415	417 958	266 558	116 235
Receivables from Non-exchange Transactions - Property Rates	1400	131 589	47 088	24 118	22 139	22 450	21 928	96 964	722 072	1 088 348	885 553	540 427
Receivables from Exchange Transactions - Waste Water Management	1500	28 740	6 492	6 219	6 170	5 391	4 665	27 335	28 795	343 808	302 557	212 142
Receivables from Exchange Transactions - Waste Management	1600	14 698	4 066	3 296	3 049	4 863	2 699	15 073	145 619	193 363	171 303	119 906
Receivables from Exchange Transactions - Property Rental Debtors	1700	1 230	485	559	499	803	738	4 119	43 695	52 127	49 953	36 233
Interest on Arrear Debtor Accounts	1810	40 589	21 184	21 623	20 769	17 737	18 292	99 739	778 593	1 018 527	935 131	594 406
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	
Other	1900	(4 252)	300	259	49	24	223	2 308	192 379	191 290	194 983	191 295
<b>Total By Income Source</b>	<b>2000</b>	<b>450 418</b>	<b>142 347</b>	<b>140 513</b>	<b>199 409</b>	<b>115 517</b>	<b>92 343</b>	<b>468 515</b>	<b>3 961 734</b>	<b>5 588 796</b>	<b>4 855 518</b>	<b>-</b>
<b>2021/22 - totals only</b>												<b>3 109 026</b>
<b>Debtors Age Analysis By Customer Group</b>												
Organs of State	2200	(5 094)	8 212	4 691	3 459	4 514	2 702	5 046	91 967	115 497	107 688	70 975
Commercial	2300	212 840	26 786	24 499	17 900	15 853	11 979	74 752	385 936	770 545	506 421	271 870
Households	2400	244 669	102 226	106 973	172 772	91 562	73 881	388 795	3 295 624	4 476 302	4 022 634	2 611 603
Other	2500	(1 997)	5 123	4 351	5 278	3 588	3 781	17 922	188 207	226 252	218 776	154 578
<b>Total By Customer Group</b>	<b>2600</b>	<b>450 418</b>	<b>142 347</b>	<b>140 513</b>	<b>199 409</b>	<b>115 517</b>	<b>92 343</b>	<b>468 515</b>	<b>3 961 734</b>	<b>5 588 796</b>	<b>4 855 518</b>	<b>-</b>
												<b>3 109 026</b>

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



## Chart 2: Year on Year Debtors Age Analysis



The information presented in the chart above reflects an increase in the outstanding debtor's balances when compared to the prior month balance bringing the total outstanding debtors balance to R 5.589 billion.

Total debt owed to the municipality ranked from highest to lowest for current budget year reflects that households owe 80% of the total municipal debt as detailed below:

- ✓ Households            80%
- ✓ Commercial          14%
- ✓ Organs of State      2%
- ✓ Other                4%

## 2.2 Creditors Analysis

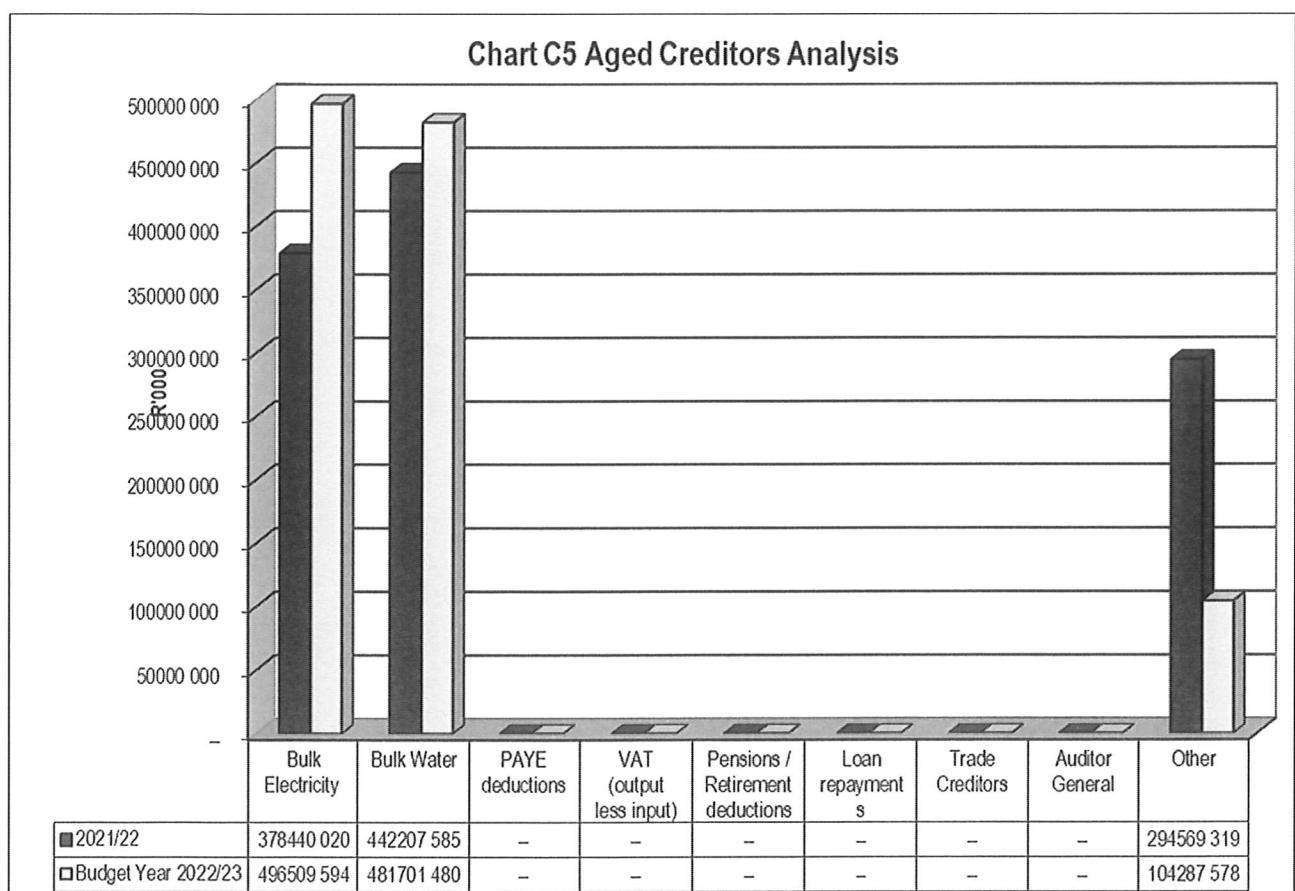
Table SC 4 below presents the aged creditors as at 31 December 2022

KZN25 Msunduzi - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

Description R thousands	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	302 060	194 449	-	-	-	-	-	-	496 510	378 440
Bulk Water	0200	132 112	(23 499)	65 033	(67 430)	375 485	-	-	-	481 701	442 208
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	46 298	16 404	17 863	5 797	17 926	-	-	-	104 288	294 569
<b>Total By Customer Type</b>	<b>1000</b>	<b>480 470</b>	<b>187 354</b>	<b>82 896</b>	<b>(61 633)</b>	<b>393 411</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 082 499</b>	<b>1 115 217</b>

The chart below presents a comparison of the age creditors between the current and prior year and for December 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 December 2022.

KZN225 Msunduzi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second Quarter

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rand)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality										290 978	355	(401 750)	285 748	175 330
Municipality sub-total										290 978		(401 750)	285 748	175 330
Entities										2 332	15		1 870	4 217
Entities sub-total										2 332		-	1 870	4 217
TOTAL INVESTMENTS AND INTEREST	2									293 310		(401 750)	287 618	179 548

The total consolidated investment balances as at 31 December 2022 is R179.548 million

## 2.4 Allocation and Grant receipts and Expenditure

**Grant Receipts:** The total year to date operational and capital grant receipts for the month of December 2022 amounted to R753.463 million that is inclusive of equitable share of R503.480 million operating transfers and grants of R60.084 million and Capital transfers of R 189.898 million.

KZN225 Msunduzi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:										
Local Government Equitable Share		631 359	940 499	—	234 373	543 465	470 249	73 215	15,6%	940 499
Finance Management		616 262	924 145		232 019	503 480	462 072	41 408	9,0%	924 145
Municipal Systems Improvement		1 900	1 950			1 950	975	975	100,0%	—
EPWP Incentive		3 516	5 231		2 354	3 662	2 616	1 047	40,0%	5 231
Water Services Infrastructure Grant (WSIG)-OPERATING						26 100	—	26 100		
Energy Efficiency and Demand Management							—	—		
Operating costs-MIG		9 681	9 173			8 273	4 586	3 686	80,4%	9 173
Provincial Government:		26 247	138 064	—	737	20 100	69 032	(50 100)	-72,6%	138 064
Housing Accreditation-OPERATING		3 853	19 253		737	1 104	9 627	(8 523)	-88,5%	19 253
Human Settlements - Accredited Municipal RO			36 850				18 425	(18 425)	-100,0%	36 850
Housing Projects -OPERATING		9 106	71 083			2 051	35 541	(33 491)	-94,2%	71 083
Arts and Culture- Community Library Services		12 863	10 070			15 438	5 035	10 403	206,6%	10 070
Community Library Service and Provincialsation Library-OPERATING		425	809			339	404	(65)	-16,2%	809
Tatham Art Gallery-OPERATING						1 000	—	1 000		
Municipal Employment Initiative - OPERATING						168	—	168		
SETA- Bursaries for Non Employees- OPERATING										
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]								—		
Other grant providers:		—	—	—	—	—	—	—	—	—
Total Operating Transfers and Grants	5	657 606	1 078 563	—	235 110	563 564	539 281	23 115	4,3%	1 078 563
<b>Capital Transfers and Grants</b>										
National Government:		305 550	341 634	—	—	175 568	170 817	4 751	2,8%	341 634
Municipal Infrastructure Grant (MIG)		199 650	217 980			125 727	108 990	16 737	15,4%	217 980
Public Transport and Systems		11 900	34 500			24 941	17 250	7 691	44,6%	34 500
Neighbourhood Development Partnership		34 000					—	—		
Dept of Mineral/Electricity		20 000	29 154			15 000	14 577	423	2,9%	29 154
Integrated National Electrification Pogramme		40 000	60 000			9 900	30 000	(20 100)	-67,0%	60 000
Municipal Systems Improvement							—	—		
Water Services Infrastructure Grant (WSIG)-CAPITAL										
Energy Efficiency and Demand Management							—	—		
Provincial Government:		48 143	104 797	—	10 000	14 330	52 399	(38 068)	-72,7%	104 797
Airport Development Project							—	—		
Sport and Recreation							—	—		
KZNPA			6 000				3 000	(3 000)	-100,0%	6 000
Housing-Military Veterans		1 000	3 000				1 500	(1 500)	-100,0%	3 000
PMB Airport- CAPITAL							—	—		
Arts and Culture-Museum Subsidies							—	—		
COGTA							—	—		
Manaye Area Precinct Upgrade-CAPITAL							—	—		
Human Settlement							1 000	(1 000)	-100,0%	2 000
Housing Accreditation-CAPITAL							46 899	(46 899)	-100,0%	93 797
Capital Provincial KZN Treasury										
Economic development tourism							—	—		
Eastwood Primary Substation-CAPITAL		15 000			10 000	10 000	—	10 000		
Jika Joe Community Residential Units-CAPITAL		12 986				4 130	—	4 130		
Greater Edendale Development Initiative-CAPITAL		8 159					—	—		
Youth Enterprise Park-CAPITAL		188					—	—		
Corridor Development- CAPITAL		6 600					—	—		
Municipal Disaster Relief Grant-CAPITAL		620					—	—		
Community Library Service and Provincialsation Library-CAPITAL		3 500					—	—		
Provincial Government:		90				200	—	200		
Arts and Culture-Museum Subsidies - Tatham Art Gallery							—	—		
District Municipality:		—	—	—	—	—	—	—	—	—
[insert description]							—	—		
Other grant providers:		—	—	—	—	—	—	—	—	—
[insert description]							—	—		
Total Capital Transfers and Grants	5	353 694	446 431	—	10 000	189 898	223 216	(33 317)	-14,9%	446 431
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	1 011 300	1 524 994	—	245 110	753 463	762 497	(10 202)	-1,3%	1 524 994

**Grants Expenditure:** The YTD budget grant expenditure for the month of December 2022 amounted to R300 425 million (excluding equitable share) and YTD actual expenditure amounted to R228 119 million.

KZN225 Msunduzi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

Description R thousands	Ref	2021/22	Budget Year 2022/23								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>EXPENDITURE</b>											
<b>Operating expenditure of Transfers and Grants</b>											
National Government:		31 229	940 499	-	10 174	33 553	470 249	(436 696)	-92,9%	940 499	
Local Government Equitable Share			924 145				462 072	(462 072)	-100,0%	924 145	
Finance Management		1 900	1 950		85	503	975	(472)	-48,4%	1 950	
Municipal Systems Improvement			5 231				2 616	(2 616)	-100,0%	5 231	
EPWP Incentive		3 516			257	1 208	-	1 208		-	
Water Services Operating Subsidy		18 782			8 092	27 927	-	27 927		-	
Public Transport Infrastructure		500				-	-	-		-	
Energy Efficiency and Demand Management			9 173				4 586	(4 586)	-100,0%	9 173	
Operating costs-MIG		6 531			1 740	3 915	-	3 915		-	
Provincial Government:		33 944	138 064	-	3 018	13 274	69 032	(55 758)	-80,8%	138 064	
Provincial Government							-	-		-	
Expanded Public Works Grant		62					-	-		-	
Human Settlements - Title Deeds Restoration			19 253				9 627	(9 627)	-100,0%	19 253	
Housing Accreditation-OPERATING		4 663	36 850		221	846	18 425	(17 579)	-95,4%	36 850	
Human Settlements - Accredited Municipal RO			71 083				35 541	(35 541)	-100,0%	71 083	
Housing Projects -OPERATING		9 106	10 070			2 051	5 035	(2 984)	-59,3%	10 070	
Arts and Culture- Community Library Services						-	-	-		-	
Community Library Service and Provincialsation Library-OPERATING		15 382			1 283	6 701	-	6 701		-	
Arts and Culture-Museum Subsidies			809				404	(404)	-100,0%	809	
Tatham Art Gallery-OPERATING		422				-	-	-		-	
Greater Edendale Development Initiative-OPERATING		3 223			1 346	3 508	-	3 508		-	
Operation Duliusulando-OPERATING						-	-	-		-	
SETA-Bursaries for Non Employees- OPERATING		1 087			168	168	-	168		-	
COGTA						-	-	-		-	
District Municipality:		-	-	-	-	-	-	-		-	
Other grant providers:		-	-	-	-	-	-	-		-	
<b>Total operating expenditure of Transfers and Grants:</b>		65 173	1 078 563	-	13 192	46 827	539 281	(492 454)	-91,3%	1 078 563	
<b>Capital expenditure of Transfers and Grants</b>											
National Government:		331 771	341 634	-	38 527	169 680	170 817	(1 137)	-0,7%	341 634	
Municipal Infrastructure Grant (MIG)		203 223	217 980		25 415	132 627	108 990	23 637	21,7%	217 980	
Public Transport and Systems		62 323				-	-	-		-	
Neighbourhood Development Partnership		35 000	34 500		4 602	14 855	17 250	(2 395)	-13,9%	34 500	
Dept of Mineral/Electricity						-	-	-		-	
Integrated National Electrification Programme		11 230	29 154		6 957	19 224	14 577	4 647	31,9%	29 154	
Municipal Systems Improvement						-	-	-		-	
Water Services Infrastructure Grant (WSIG)-CAPITAL		19 995	60 000		1 553	2 974	30 000	(27 026)	-90,1%	60 000	
Energy Efficiency and Demand Management						-	-	-		-	
Provincial Government:		37 077	104 797	-	4 046	11 611	52 399	(40 787)	-77,8%	104 797	
KZNP			6 000				3 000	(3 000)	-100,0%	6 000	
Housing-Military Veterans						-	-	-		-	
PMB Airport- CAPITAL		326			1 469	1 469	-	1 469		-	
Arts and Culture-Museum Subsidies			3 000				1 500	(1 500)	-100,0%	3 000	
COGTA						-	-	-		-	
Manaye Area Precinct Upgrade-CAPITAL						-	-	-		-	
Human Settlement			2 000				1 000	(1 000)	-100,0%	2 000	
Housing Accreditation-CAPITAL		1 786	93 797			141	46 899	(46 757)	-99,7%	93 797	
Capital Provincial KZN Treasury						-	-	-		-	
Economic development tourism						-	-	-		-	
Eastwood Primary Substation-CAPITAL		9 079			2 275	4 400	-	4 400		-	
Jika Joe Community Residential Units-CAPITAL		14 019				3 591	-	3 591		-	
Greater Edendale Development Initiative-CAPITAL		2 546				1 605	-	1 605		-	
Youth Enterprise Park-CAPITAL		140				-	-	-		-	
Informal Economy Instructure Development-CAPITAL		1 700			302	406	-	406		-	
Municipal Disaster Relief Grant-CAPITAL						-	-	-		-	
Community Library Service and Provincialsation Library-CAPITA		7 399				-	-	-		-	
Provincial Government:		81				-	-	-		-	
District Municipality:		-	-	-	-	-	-	-		-	
Other grant providers:		-	-	-	-	-	-	-		-	
<b>Total capital expenditure of Transfers and Grants</b>		368 848	446 431	-	42 573	181 292	223 216	(41 924)	-18,8%	446 431	
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		434 021	1 524 994	-	55 765	228 119	762 497	(534 379)	-70,1%	1 524 994	

## Councillor and Board Member and Employee Benefits

KZN225 Msunduzi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q2 Second Quarter

Summary of Employee and Councillor remuneration	Ref	2021/22		Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands									
	1	A	B	C					D
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages		38 472	3 290		3 334	21 568	1 645	19 923	1211%
Pension and UIF Contributions		3 050	3 123		204	1 298	1 562	(264)	-17%
Medical Aid Contributions		1 645	7 584		145	852	3 792	(2 940)	-78%
Motor Vehicle Allowance		3 551	37 225		210	1 243	18 613	(17 370)	-93%
Cellphone Allowance		2 712	847		232	1 498	424	1 074	254%
Housing Allowances		100	7 362		7	42	3 681	(3 639)	-99%
Other benefits and allowances		—			(2)	(10)	—	(10)	—
<b>Sub Total - Councillors</b>		<b>49 529</b>	<b>59 431</b>	—	<b>4 130</b>	<b>26 491</b>	<b>29 716</b>	<b>(3 224)</b>	<b>-11%</b>
% increase	4		20,0%						59 431 20,0%
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages		8 516	9 757		714	4 152	4 879	(727)	-15%
Pension and UIF Contributions		805	898		67	350	449	(98)	-22%
Medical Aid Contributions		107	100		53	284	50	234	468%
Performance Bonus		250			150	391	—	391	—
Motor Vehicle Allowance		2 034	839		76	427	420	8	2%
Cellphone Allowance		107	88		9	49	44	5	10%
Housing Allowances		192	24		17	100	12	87	716%
Other benefits and allowances		28			—	—	—	—	—
Post-retirement benefit obligations					—	—	—	—	—
<b>Sub Total - Senior Managers of Municipality</b>		<b>12 039</b>	<b>11 706</b>	—	<b>1 086</b>	<b>5 752</b>	<b>5 853</b>	<b>(101)</b>	<b>-2%</b>
% increase	4		-2,8%						11 706 -2,8%
<b>Other Municipal Staff</b>									
Basic Salaries and Wages		875 423	919 050		76 496	467 357	459 525	7 832	2%
Pension and UIF Contributions		168 338	193 655		15 032	90 635	96 827	(6 192)	-6%
Medical Aid Contributions		129 063	97 380		5 831	34 612	48 690	(14 078)	-29%
Overtime		110 789	104 445		9 209	64 410	52 222	12 188	23%
Performance Bonus		66 563	81 379		(42)	66 841	40 689	26 151	64%
Motor Vehicle Allowance		28 706	35 361		2 560	15 110	17 680	(2 570)	-15%
Cellphone Allowance		4 606	4 917		411	2 412	2 458	(46)	-2%
Housing Allowances		4 245	4 628		382	2 285	2 314	(29)	-1%
Other benefits and allowances		47 151	37 582		2 677	17 710	18 791	(1 081)	-6%
Long service awards		24 907	18 382		1 745	10 605	9 191	1 414	15%
Post-retirement benefit obligations					—	—	—	—	—
<b>Sub Total - Other Municipal Staff</b>		<b>1 459 790</b>	<b>1 496 777</b>	—	<b>114 301</b>	<b>771 977</b>	<b>748 388</b>	<b>23 588</b>	<b>3%</b>
% increase	4		2,5%						1 496 777 2,5%
<b>Total Parent Municipality</b>		<b>1 521 359</b>	<b>1 567 914</b>	—	<b>119 516</b>	<b>804 220</b>	<b>783 957</b>	<b>20 263</b>	<b>3%</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>			~ 100						~ 100
<b>Board Members of Entities</b>									
Basic Salaries and Wages		232	12 005		54	130	6 002	(5 873)	-98%
<b>Sub Total - Board Members of Entities</b>		<b>232</b>	<b>12 005</b>	—	<b>54</b>	<b>130</b>	<b>6 002</b>	<b>(5 873)</b>	<b>-98%</b>
% increase	4		5067,7%						5067,7%
<b>Senior Managers of Entities</b>									
Basic Salaries and Wages		768	818		124	433	409	24	6%
Pension and UIF Contributions		29	36		3	15	18	(3)	-16%
Medical Aid Contributions		350					175	(175)	-100%
Overtime		30	39		3	15	20	(5)	-24%
Performance Bonus		10	12		1	5	6	(1)	-10%
Motor Vehicle Allowance							—	—	—
Cellphone Allowance							—	—	—
Post-retirement benefit obligations							—	—	—
<b>Sub Total - Senior Managers of Entities</b>		<b>837</b>	<b>1 255</b>	—	<b>130</b>	<b>468</b>	<b>627</b>	<b>(159)</b>	<b>-25%</b>
% increase	4		49,9%						1 255 49,9%
<b>Other Staff of Entities</b>									
Basic Salaries and Wages		8 109	8 348		1 288	4 540	4 174	366	9%
Pension and UIF Contributions		555	682		48	290	341	(51)	-15%
Medical Aid Contributions		1 036	1 278		88	538	639	(101)	-16%
Overtime		376			31	161	—	161	—
Motor Vehicle Allowance		102	148		9	51	74	(23)	-31%
Cellphone Allowance		79	74		9	53	37	16	43%
Housing Allowances		55				—	—	—	—
Other benefits and allowances						—	—	—	—
<b>Sub Total - Other Staff of Entities</b>		<b>10 311</b>	<b>10 530</b>	—	<b>1 473</b>	<b>5 633</b>	<b>5 265</b>	<b>368</b>	<b>7%</b>
% increase	4		2,1%						10 530 2,1%
<b>Total Municipal Entities</b>		<b>11 380</b>	<b>23 789</b>	—	<b>1 656</b>	<b>6 231</b>	<b>11 895</b>	<b>(5 664)</b>	<b>-48%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>1 532 740</b>	<b>1 591 704</b>	—	<b>121 173</b>	<b>810 451</b>	<b>795 852</b>	<b>14 600</b>	<b>2%</b>
% increase	4		3,8%						1 591 704 3,8%
<b>TOTAL MANAGERS AND STAFF</b>		<b>1 482 978</b>	<b>1 520 268</b>	—	<b>116 988</b>	<b>783 831</b>	<b>760 134</b>	<b>23 697</b>	<b>3%</b>
									<b>1 520 268</b>

## **Councillor Allowances**

The expenditure on councillor allowances has variance of -11% as at 31 December 2022, which is a little bit higher than acceptable threshold of -10%. The year to date budget for remuneration of councillor's is R29.716 million while the actual expenditure incurred was R26.491 million resulting in a little under expenditure performance.

## **Employee Benefits**

The total consolidated salaries actual expenditure as at 31 December 2022 amounted to R783.960 million, against the year to date budget of R795.852 million, resulting in a slight under-expenditure of R11.892 million.

## 2.5 Parent Municipality Financial Performance

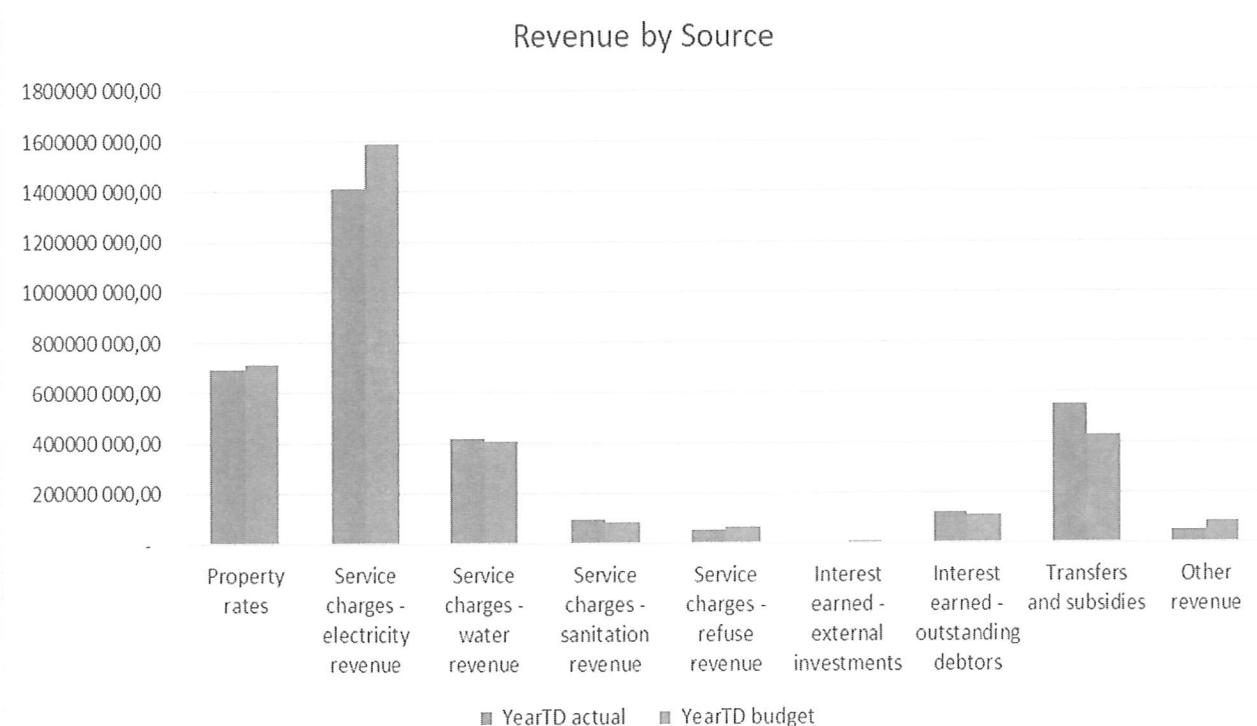
### REVENUE ANALYSIS

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

#### 2.5.1 FINANCIAL PERFORMANCE

**Chart 4: Revenue Analysis**



**Service Charges – Electricity Revenue:** This is a major revenue source of the Municipality contributing 41% to the actual Year operating revenue basket. The year to date revenue earned from electricity service charges had a -11% variance when compared to the Year to date Budget, which is not acceptable variance as it is more than 10%.

**Property Rates** is the second largest contributor to the operating revenue basket making up 20% of the total operating revenue. There is a -3% variance when comparing year to date actual and year to date budget which an acceptable variance.

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

**Service Charges - Water revenue:** The revenue earned from water charges shared 12% of the total operating revenue. There is a slight over performance of 2% when comparing YTD actual to YTD Budget.

**Service Charges - sanitation revenue:** reflects an over performance of 11% when comparing the YTD actual revenue to the YTD budget.

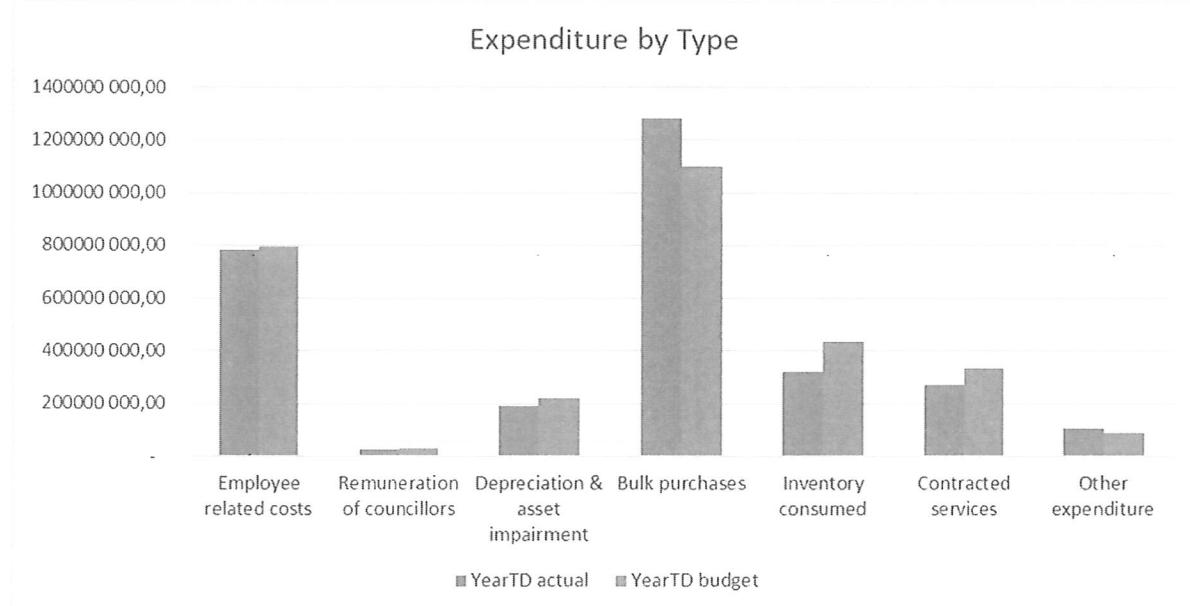
**Service Charges - refuse revenue** reflects an under performance of -10% when comparing the YTD actual revenue to the YTD budget.

**Interest earned – outstanding debtors** contributed 4% to the total operating revenue whilst **other revenue** contributed 2% to the total operating revenue received as at 31 December 2022.

## OPERATIONAL EXPENDITURE

The chart below presents the Sixth Month YTD operational expenditure movements against the YTD budgets.

**Chart 5: Expenditure by category**



**Bulk Purchases:** YTD budget figure was R 1.100 billion while the actual costs incurred R1.280 billion resulting in over-expenditure of R180.000 million. The budget for Bulk Purchases will need to be adjusted upwards in the mid-year adjustment.

**Employee Related Costs:** There is an under expenditure of R12.121 million in respect of actual YTD expenditure on employee related costs against the YTD budget. This is due to post that are vacant and yet to be filled. An improvement should be noted in the remaining six months of the financial year since some of these positions have been filled. A detailed line item and business unit analysis of the employee related cost is contained in the MFMA S66 report on staff benefits.

**Other Expenditure's** YTD budget figure was R90.000 million while the actual costs incurred was R103.437million resulting in over-expenditure of R13.437 million.

**Finance Charges:** YTD budgeted figure for finance charges for as 31 December 2022 amounted to R47.109 million and the Actual YTD was R10.478 million which resulted in variance of R36.631 million.

**Contracted Services:** YTD Actual for contracted services amounted to R272.906 million, whilst the budget amounted to R332.328 million, which resulted in variance of R59.423 million.

**Inventory Consumed:** YTD actual figure for inventory consumed as at 31 December amounted to R321.711 million, which is inclusive of water bulk purchases of R280.388 million.

## 2.6 Municipal Entity Financial Performance

Safe City Msunduzi NPC - Table F1 Monthly Budget Statement Summary - M06 December

Description R thousands	2019/20		Current Year 2020/21						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	90	80	-	15	85	40	0	112%	80
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 417	14 810	-	3 219	6 439	6 439	(0)	0%	14 810
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 507</b>	<b>14 890</b>	<b>-</b>	<b>3 235</b>	<b>6 524</b>	<b>6 479</b>	<b>45</b>	<b>1%</b>	<b>14 890</b>
Employee costs	11 450	12 005	-	1 656	6 231	5 236	995	19%	12 005
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	926	834	-	74	441	417	24	6%	834
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	1 536	2 805	-	159	758	1 045	(287)	-27%	2 805
<b>Total Expenditure</b>	<b>13 911</b>	<b>15 644</b>	<b>-</b>	<b>1 889</b>	<b>7 430</b>	<b>6 698</b>	<b>732</b>	<b>11%</b>	<b>15 644</b>
<b>Surplus/(Deficit)</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	166	318	-	-	7	138	(131)	-95%	318
Transfers recognised - capital	284	284	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>284</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	4 853	1 351	-		4 317				1 351
Total non current assets	8 590	7 792	-		8 174				7 792
Total current liabilities	1 495	1 879	-		1 475				1 879
Total non current liabilities	-	-	-		-				-
Community wealth/Equity	11 948	7 263	-		11 016				7 263
<b>Cash flows</b>									
Net cash from (used) operating	(426)	(251)	-	1 415	(487)	40	(527)	-1319%	(251)
Net cash from (used) investing	(95)	(318)	-	-	(7)	(138)	131	-95%	(318)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>1 280</b>	<b>1 232</b>	<b>1 801</b>	<b>1 415</b>	<b>(495)</b>	<b>(98)</b>	<b>(397)</b>	<b>404%</b>	<b>1 232</b>

## 2.7 Capital Programme Performance

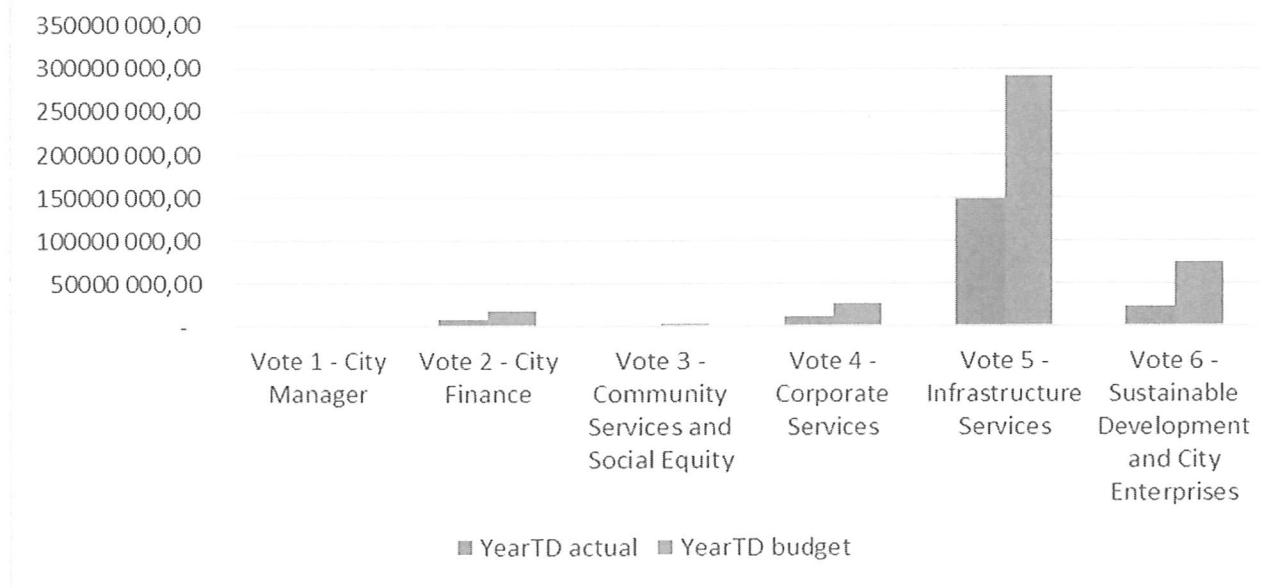
This next section looks at the performance of the capital expenditure programme. This performance is illustrated in the table and charts that follow.

KZN225 Msunduzi - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - Q2 Second Quarter

Month	R thousands	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<u>Monthly expenditure performance trend</u>									
July		69 660			6 058	6 058	69 660	63 602	91,3%
August		69 660			19 686	25 744	139 320	113 576	81,5%
September		69 660			35 232	60 976	208 980	148 004	70,8%
October		69 660			50 883	111 859	278 639	166 781	59,9%
November		69 660			54 801	166 660	348 299	181 640	52,2%
December		69 660			61 646	228 306	417 959	189 653	45,4%
January		69 660				487 619		-	
February		69 660				557 279		-	
March		69 660				626 939		-	
April		69 660				696 599		-	
May		69 660				766 259		-	
June		69 660				835 918		-	
Total Capital expenditure		-	835 918	-	228 306				

The Total Capital Expenditure as at the end of December amounted to R228.306 million.

### Capital Expenditure by Vote



KZN225 Msunduzi - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - Q2

Description R thousands	Ref 1	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>134 513</b>	<b>45 665</b>	—	<b>13 739</b>	<b>46 985</b>	<b>22 833</b>	(24 152)	-105,8%	<b>45 665</b>
Roads Infrastructure		89 582	8 500	—	392	391	4 250	3 859	90,8%	8 500
Roads		89 582	8 500	—	392	391	4 250	3 859	90,8%	8 500
Electrical Infrastructure		5 503	19 015	—	12 507	34 348	9 508	(24 841)	-261,3%	19 015
Power Plants		5 503	19 015	—	12 507	34 348	9 508	(24 841)	-261,3%	19 015
Water Supply Infrastructure		22 506	5 000	—	85	4 743	2 500	(2 243)	-89,7%	5 000
Dams and Weirs							—	—	—	—
Boreholes							—	—	—	—
Reservoirs							—	(4 743)	—	—
Pump Stations							—	—	—	—
Water Treatment Works							—	—	—	—
Bulk Mains							—	—	—	—
Distribution							2 500	2 500	100,0%	5 000
Distribution Points							—	—	—	—
PRV Stations							—	—	—	—
Capital Spares							—	—	—	—
Sanitation Infrastructure		7 231	—	—	756	7 502	—	(7 502)	—	—
Pump Station							—	—	—	—
Reticulation							—	—	—	—
Waste Water Treatment Works							—	—	—	—
Outfall Sewers							756	7 502	—	—
Toilet Facilities							—	(7 502)	—	—
Capital Spares							—	—	—	—
Solid Waste Infrastructure		—	10 150	—	—	—	5 075	5 075	100,0%	10 150
Landfill Sites			10 150	—			5 075	5 075	100,0%	10 150
Coastal Infrastructure		9 691	3 000	—	—	—	1 500	1 500	100,0%	3 000
Sand Pumps							—	—	—	—
Piers							—	—	—	—
Revetments							—	—	—	—
Promenades							1 500	1 500	100,0%	3 000
Capital Spares							—	—	—	—
<b>Community Assets</b>		<b>9 060</b>	<b>20 726</b>	—	<b>3 943</b>	<b>10 825</b>	<b>10 363</b>	(462)	-4,5%	<b>20 726</b>
Community Facilities		8 486	20 726	—	3 943	10 825	10 363	(462)	-4,5%	20 726
Halls		3 383	19 976	—	2 866	9 748	9 988	240	2,4%	19 976
Cemeteries/Crematoria		2 544	—	—	—	—	—	—	—	—
Police							1 077	1 077	—	—
Markets		2 558	750	—	—	—	—	375	375	100,0%
Sport and Recreation Facilities		574	—	—	—	—	—	—	—	—
Indoor Facilities							—	—	—	—
Outdoor Facilities							—	—	—	—
Capital Spares							—	—	—	—
<b>Heritage assets</b>		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		<b>11 561</b>	<b>5 075</b>	—	(453)	<b>7 069</b>	<b>2 538</b>	(4 531)	-178,6%	<b>5 075</b>
Operational Buildings		295	5 075	—	(453)	3 478	2 538	(940)	-37,0%	5 075
Municipal Offices		295	5 075	—	(453)	3 478	2 538	(940)	-37,0%	5 075
Housing		11 266	—	—	—	3 591	—	(3 591)	—	—
Staff Housing						3 591	—	(3 591)	—	—
Social Housing						—	—	—	—	—
Capital Spares						—	—	—	—	—
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets								—	—	—
<b>Intangible Assets</b>		<b>1 041</b>	<b>3 750</b>	—	—	<b>7 986</b>	<b>1 875</b>	(6 111)	-325,9%	<b>3 750</b>
Servitudes						7 986	—	(7 986)	—	—
Licences and Rights						—	—	—	—	—
Computer Software and Applications		1 041	3 750	—	—	—	1 875	1 875	100,0%	3 750
Computer Equipment		1 041	3 750	—	—	—	1 875	1 875	100,0%	3 750
<b>Furniture and Office Equipment</b>		<b>6 493</b>	<b>5 669</b>	—	—	—	<b>2 835</b>	<b>2 835</b>	100,0%	<b>5 669</b>
Furniture and Office Equipment		6 493	5 669	—	—	—	2 835	2 835	100,0%	5 669
<b>Machinery and Equipment</b>		<b>2 334</b>	<b>10 556</b>	—	—	175	<b>5 278</b>	<b>5 103</b>	96,7%	<b>10 556</b>
Machinery and Equipment		2 334	10 556	—	—	175	5 278	5 103	96,7%	10 556
<b>Transport Assets</b>		<b>41 032</b>	<b>62 500</b>	—	942	<b>1 444</b>	<b>31 250</b>	<b>29 806</b>	95,4%	<b>62 500</b>
Transport Assets		41 032	62 500	—	942	1 444	31 250	29 806	95,4%	62 500
<b>Land</b>		<b>10 306</b>	<b>41 972</b>	—	—	(0)	<b>20 986</b>	<b>20 986</b>	100,0%	<b>41 972</b>
Land		10 306	41 972	—	—	(0)	20 986	20 986	100,0%	41 972
<b>Zoo's, Marine and Non-biological Animals</b>		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals						—	—	—	—	—
<b>Total Capital Expenditure on new assets</b>	1	<b>216 340</b>	<b>195 913</b>	—	<b>18 171</b>	<b>74 484</b>	<b>97 957</b>	<b>23 472</b>	24,0%	<b>195 913</b>

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

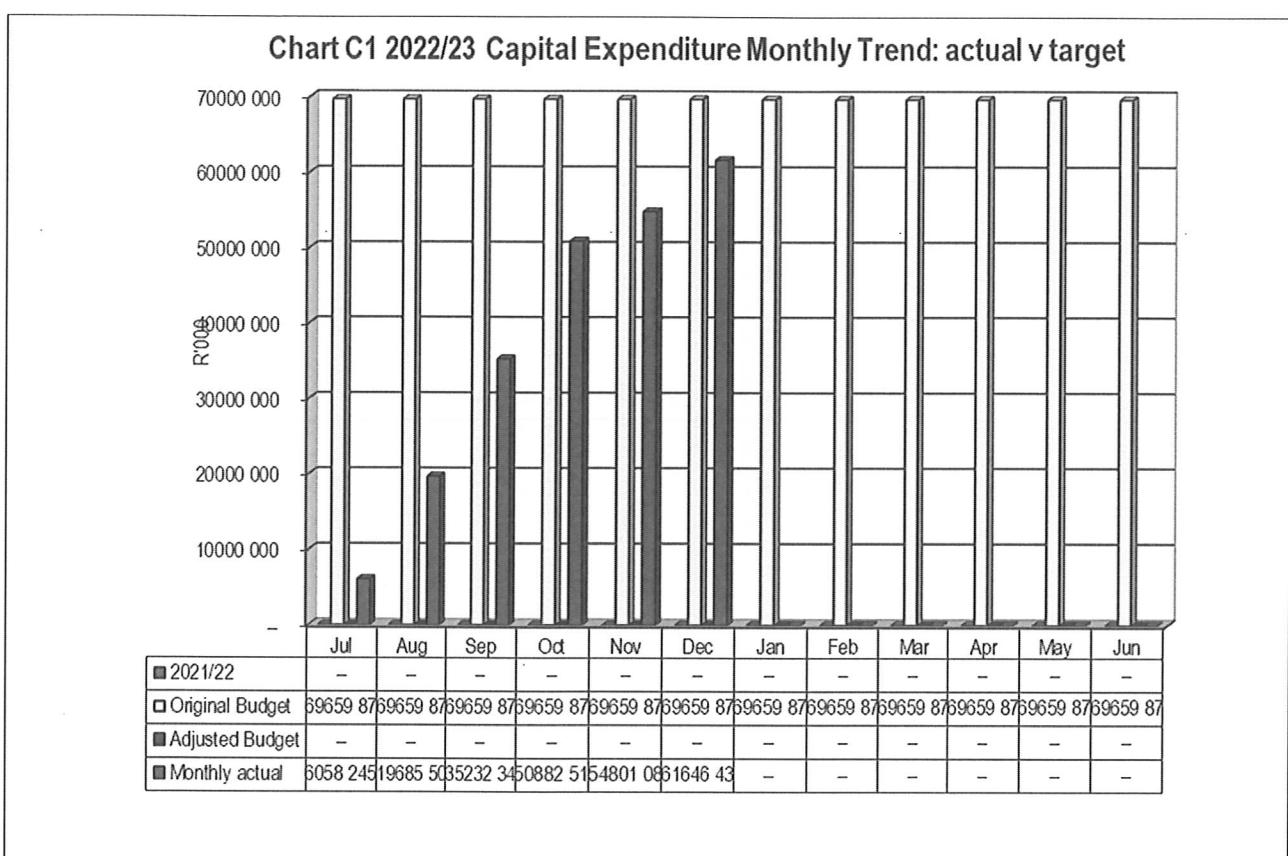
Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		207 869	146 427	—	20 337	53 925	73 213	19 288	26,3%	146 427
Roads Infrastructure		126 480	38 000	—	20 337	53 925	19 000	(34 925)	-183,8%	38 000
Roads		120 377	38 000	—	20 337	53 925	19 000	(34 925)	-183,8%	38 000
Road Structures		6 103	—	—	—	—	—	—	—	—
Electrical Infrastructure		1 244	—	—	—	—	—	—	—	—
Power Plants		—	—	—	—	—	—	—	—	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		1 244	—	—	—	—	—	—	—	—
Water Supply Infrastructure		12 311	62 427	—	—	—	31 213	31 213	100,0%	62 427
Dams and Weirs		312	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	32 427	—	—	—	16 213	16 213	100,0%	32 427
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		—	—	—	—	—	—	—	—	—
Bulk Mains		—	—	—	—	—	—	—	—	—
Distribution		12 000	30 000	—	—	—	15 000	15 000	100,0%	30 000
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		67 834	46 000	—	—	—	23 000	23 000	100,0%	46 000
Pump Station		27 453	30 000	—	—	—	15 000	15 000	100,0%	30 000
Reficulation		—	—	—	—	—	—	—	—	—
Waste Water Treatment Works		20 744	—	—	—	—	—	—	—	—
Outfall Sewers		19 638	16 000	—	—	—	8 000	8 000	100,0%	16 000
<b>Community Assets</b>		881	—	—	—	175	—	(175)	—	—
Community Facilities		741	—	—	—	175	—	(175)	—	—
Halls		741	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		140	—	—	—	—	175	—	(175)	—
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		140	—	—	—	—	—	—	—	—
<b>Heritage assets</b>		—	—	—	—	—	—	—	—	—
Monuments		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		4 337	5 424	—	—	—	2 712	2 712	100,0%	5 424
Operational Buildings		4 337	515	—	—	—	258	258	100,0%	515
Municipal Offices		3 724	515	—	—	—	258	258	100,0%	515
Training Centres		613	—	—	—	—	—	—	—	—
Housing		—	4 909	—	—	—	2 454	2 454	100,0%	4 909
Staff Housing		—	4 909	—	—	—	2 454	2 454	100,0%	4 909
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
<b>Biological or Cultivated Assets</b>		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
<b>Intangible Assets</b>		2 962	—	—	—	—	—	—	—	—
Servitudes		2 962	—	—	—	—	—	—	—	—
Licences and Rights		2 962	—	—	—	—	—	—	—	—
Computer Software and Applications		2 962	—	—	—	—	—	—	—	—
<b>Computer Equipment</b>		—	—	—	—	—	—	—	—	—
Computer Equipment		—	—	—	—	—	—	—	—	—
<b>Furniture and Office Equipment</b>		—	—	—	—	—	—	—	—	—
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
<b>Machinery and Equipment</b>		—	—	—	—	—	—	—	—	—
Machinery and Equipment		—	—	—	—	—	—	—	—	—
<b>Transport Assets</b>		—	—	—	—	—	—	—	—	—
Transport Assets		—	—	—	—	—	—	—	—	—
<b>Land</b>		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
<b>Zoo's, Marine and Non-biological Animals</b>		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
<b>Total Capital Expenditure on renewal of existing assets</b>	1	216 049	151 851	—	20 337	54 100	75 925	21 826	28,7%	151 851

KZN225 Msunduzi - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - Q2

Description	Ref	2021/22		Adjusted Budget	Monthly actual	Budget Year 2022/23				
		Audited Outcome	Original Budget			YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>87 780</b>	<b>371 886</b>	—	19 136	84 017	185 943	101 926	54,8%	<b>371 886</b>
Roads Infrastructure		29 784	63 118	—	2 503	20 726	31 559	10 833	34,3%	63 118
Roads		29 784	33 243		2 503	20 726	16 622	(4 105)	-24,7%	33 243
Road Structures			29 875				14 937	14 937	100,0%	29 875
Road Furniture							—	—	—	—
Capital Spares							—	—	—	—
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection							—	—	—	—
Storm water Conveyance							—	—	—	—
Attenuation							—	—	—	—
Electrical Infrastructure		34 906	134 414	—	—	—	67 207	67 207	100,0%	134 414
Power Plants		10 381	15 139				7 570	7 570	100,0%	15 139
HV Substations		2 546	3 000				1 500	1 500	100,0%	3 000
HV Switching Station			14 300				7 150	7 150	100,0%	14 300
HV Transmission Conductors							—	—	—	—
MV Substations		21 979	69 548				34 774	34 774	100,0%	69 548
MV Switching Stations			32 427				16 213	16 213	100,0%	32 427
MV Networks							—	—	—	—
LV Networks							—	—	—	—
Capital Spares							—	—	—	—
Water Supply Infrastructure		—	109 803	—	9 553	37 083	54 902	17 819	32,5%	109 803
Dams and Weirs							—	—	—	—
Boreholes							—	—	—	—
Reservoirs			2 000		9 553	37 083	1 000	(36 083)	-3608,3%	2 000
Pump Stations							—	—	—	—
Water Treatment Works							—	—	—	—
Bulk Mains							—	—	—	—
Distribution			107 803				53 902	53 902	100,0%	107 803
Distribution Points							—	—	—	—
PRV Stations							—	—	—	—
Capital Spares							—	—	—	—
Sanitation Infrastructure		19 788	64 550	—	7 080	26 208	32 275	6 067	18,8%	64 550
Pump Station			46 198				23 099	23 099	100,0%	46 198
Reticulation			18 353		7 080	26 208	9 176	(17 032)	-185,6%	18 353
Solid Waste Infrastructure		19 788	—	—	—	—	—	—	—	—
Landfill Sites		3 302	—				—	—	—	—
Landfill Sites		3 302	—				—	—	—	—
<b>Community Assets</b>		<b>17 527</b>	<b>7 600</b>	—	—	—	<b>3 800</b>	<b>3 800</b>	<b>100,0%</b>	<b>7 600</b>
Community Facilities		17 527	7 600	—	—	—	3 800	3 800	100,0%	7 600
Halls		7 781	—				—	—	—	—
Libraries		7 000	—				—	—	—	—
Cemeteries/Crematoria		2 746	1 000				500	500	100,0%	1 000
Police							—	—	—	—
Parks			6 600				3 300	3 300	100,0%	6 600
<b>Other assets</b>		—	93 997	—	4 002	15 705	46 999	31 293	66,6%	93 997
Operational Buildings		—	200	—	4 002	15 705	100	(15 605)	-15605,1%	200
Municipal Offices			200		4 002	15 705	100	(15 605)	-15605,1%	200
Pay/Enquiry Points							—	—	—	—
Housing		—	93 797	—	—	—	46 899	46 899	100,0%	93 797
Staff Housing			93 797				—	—	—	—
Social Housing							46 899	46 899	100,0%	93 797
Capital Spares							—	—	—	—
<b>Biological or Cultivated Assets</b>							—	—	—	—
Biological or Cultivated Assets							—	—	—	—
<b>Intangible Assets</b>							<b>7 336</b>	<b>7 336</b>	<b>100,0%</b>	<b>14 672</b>
Servitudes							—	—	—	—
Licences and Rights							7 336	7 336	100,0%	14 672
Water Rights							—	—	—	—
Effluent Licenses							—	—	—	—
Solid Waste Licenses							—	—	—	—
Computer Software and Applications							7 336	7 336	100,0%	14 672
Load Settlement Software Applications							—	—	—	—
Unspecified							—	—	—	—
<b>Computer Equipment</b>							—	—	—	—
Computer Equipment							—	—	—	—
<b>Furniture and Office Equipment</b>							—	—	—	—
Furniture and Office Equipment							—	—	—	—
<b>Machinery and Equipment</b>							—	—	—	—
Machinery and Equipment							—	—	—	—
<b>Transport Assets</b>							—	—	—	—
Transport Assets							—	—	—	—
<b>Land</b>							—	—	—	—
Land							—	—	—	—
<b>Zoo's, Marine and Non-biological Animals</b>							—	—	—	—
Zoo's, Marine and Non-biological Animals							—	—	—	—
Total Capital Expenditure on upgrading of existing	1	105 307	488 155	—	23 138	99 722	244 077	144 355	59,1%	488 155

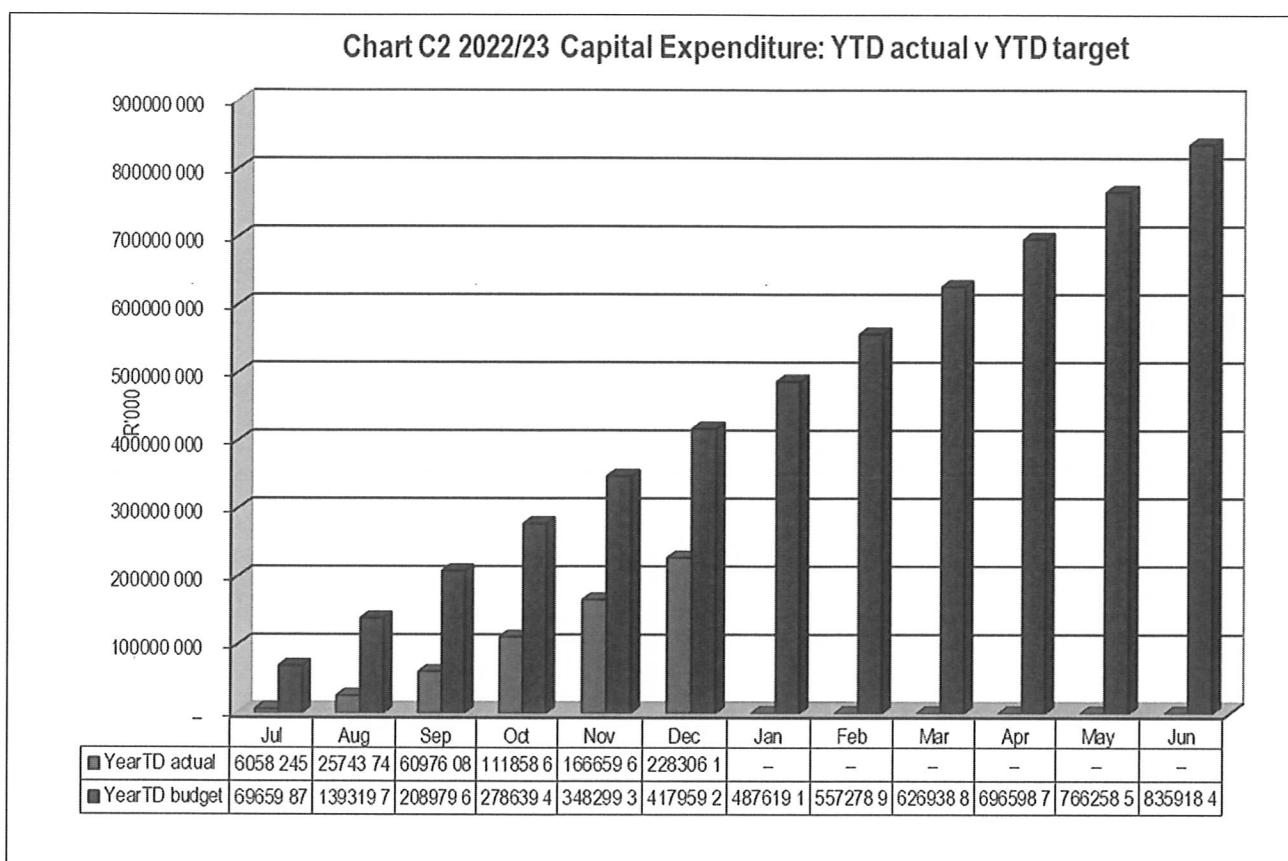
The chart below displays a comparison between the previous year's capital expenditure performances to that of the current year for the month under review.

**Chart 6: Capital Expenditure Monthly Trend**



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

**Chart 7: Capital Expenditure: YTD Actual vs. YTD Target**



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

Safe City Msunduzi NPC - Table F1 Monthly Budget Statement Summary - M06 December

Description	2019/20	Current Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	90	80	-	15	85	40	0	112%	80
Transfers recognised - operational	-	-	-	-	-	-	-	-	-
Other own revenue	12 417	14 810	-	3 219	6 439	6 439	(0)	0%	14 810
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 507</b>	<b>14 890</b>	<b>-</b>	<b>3 235</b>	<b>6 524</b>	<b>6 479</b>	<b>45</b>	<b>1%</b>	<b>14 890</b>
Employee costs	11 450	12 005	-	1 656	6 231	5 236	995	19%	12 005
Remuneration of Board Members	-	-	-	-	-	-	-	-	-
Depreciation and asset impairment	926	834	-	74	441	417	24	6%	834
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	1 536	2 805	-	159	758	1 045	(287)	-27%	2 805
<b>Total Expenditure</b>	<b>13 911</b>	<b>15 644</b>	<b>-</b>	<b>1 889</b>	<b>7 430</b>	<b>6 698</b>	<b>732</b>	<b>11%</b>	<b>15 644</b>
<b>Surplus/(Deficit)</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(1 404)</b>	<b>(754)</b>	<b>-</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313%</b>	<b>(754)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>166</b>	<b>318</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>138</b>	<b>(131)</b>	<b>-95%</b>	<b>318</b>
Transfers recognised - capital	284	284	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>284</b>	<b>284</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	4 853	1 351	-		4 317				1 351
Total non current assets	8 590	7 792	-		8 174				7 792
Total current liabilities	1 495	1 879	-		1 475				1 879
Total non current liabilities	-	-	-		-				-
Community wealth/Equity	11 948	7 263	-		11 016				7 263
<b>Cash flows</b>									
Net cash from (used) operating	(426)	(251)	-	1 415	(487)	40	(527)	-1319%	(251)
Net cash from (used) investing	(95)	(318)	-	-	(7)	(138)	131	-95%	(318)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>1 280</b>	<b>1 232</b>	<b>1 801</b>	<b>1 415</b>	<b>(495)</b>	<b>(98)</b>	<b>(397)</b>	<b>404%</b>	<b>1 232</b>

Safe City Msunduzi NPC - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	2019/20 Audited Outcome	Current Year 2020/21							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates							–		
Service charges - electricity revenue							–		
Service charges - water revenue							–		
Service charges - sanitation revenue							–		
Service charges - refuse revenue							–		
Rental of facilities and equipment							–		
Interest earned - external investments	90	80		15	85	40	45	112,3%	80
Interest earned - outstanding debtors							–		
Dividends received							–		
Fines, penalties and forfeits							–		
Licences and permits							–		
Agency services							–		
Transfers and subsidies							–		
Other revenue	12 417	14 810		3 219	6 439	6 439	(0)	0,0%	14 810
<b>Gains</b>							–		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 507</b>	<b>14 890</b>	<b>–</b>	<b>3 235</b>	<b>6 524</b>	<b>6 479</b>	<b>45</b>	<b>0,7%</b>	<b>14 890</b>
<b>Expenditure By Type</b>									
Employee related costs	11 450	12 005		1 656	6 231	5 236	995	19,0%	12 005
Remuneration of Directors							–		
Debt impairment							–		
Depreciation & asset impairment	926	834		74	441	417	24	5,7%	834
Finance charges							–		
Bulk purchases							–		
Other materials							–		
Contracted services	261	1 014		23	140	171	(30)	-17,8%	1 014
Transfers and subsidies							–		
Other expenditure	1 107	1 790		136	618	875	(256)	-29,3%	1 790
<b>Losses</b>	<b>168</b>						–		
<b>Total Expenditure</b>	<b>13 911</b>	<b>15 644</b>	<b>–</b>	<b>1 889</b>	<b>7 430</b>	<b>6 698</b>	<b>732</b>	<b>10,9%</b>	<b>15 644</b>
<b>Surplus/(Deficit)</b>	<b>(1 404)</b>	<b>(754)</b>	<b>–</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313,5%</b>	<b>(754)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)							–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations,							–		
Transfers and subsidies - capital (in-kind - all)							–		
<b>Surplus/(Deficit) before taxation</b>	<b>(1 404)</b>	<b>(754)</b>	<b>–</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>	<b>313,5%</b>	<b>(754)</b>
Taxation							–		
<b>Surplus/(Deficit) for the year</b>	<b>(1 404)</b>	<b>(754)</b>	<b>–</b>	<b>1 346</b>	<b>(907)</b>	<b>(219)</b>	<b>(687)</b>		<b>(754)</b>

Safe City Msunduzi NPC - Table F3 Monthly Budget Statement - Capital Expenditure - M06 December

Description R thousands	2019/20 Audited Outcome	Current Year 2020/21							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure by Asset Class/Sub-class</u>									
<u>Infrastructure</u>	-	-	-	-	-	-	-	-	-
<u>Community Assets</u>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
Monuments	-	-	-	-	-	-	-	-	-
Historic Buildings	-	-	-	-	-	-	-	-	-
Works of Art	-	-	-	-	-	-	-	-	-
Conservation Areas	-	-	-	-	-	-	-	-	-
Other Heritage	-	-	-	-	-	-	-	-	-
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property	-	-	-	-	-	-	-	-	-
Unimproved Property	-	-	-	-	-	-	-	-	-
<u>Other assets</u>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Municipal Offices	-	-	-	-	-	-	-	-	-
Pay/Enquiry Points	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
<u>Intangible Assets</u>	-	-	-	-	-	-	-	-	-
Servitudes	-	-	-	-	-	-	-	-	-
Unspecified	-	-	-	-	-	-	-	-	-
<u>Computer Equipment</u>	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
<u>Furniture and Office Equipment</u>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
<u>Machinery and Equipment</u>	166	318	-	-	7	138	131	94,7%	318
Machinery and Equipment	166	318	-	-	7	138	131	94,7%	318
<u>Transport Assets</u>	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
<u>Land</u>	-	-	-	-	-	-	-	-	-
Land	-	-	-	-	-	-	-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	<b>166</b>	<b>318</b>	-	-	<b>7</b>	<b>138</b>	<b>131</b>	<b>94,7%</b>	<b>318</b>

<b>Funded by:</b>									
National Government								-	
Provincial Government								-	
Parent Municipality								-	
District Municipality	284	284						-	
<b>Transfers recognised - capital</b>	<b>284</b>	<b>284</b>	-	-	-	-	-	-	-
<b>Borrowing</b>								-	
<b>Internally generated funds</b>								-	
<b>Total Capital Funding</b>	<b>284</b>	<b>284</b>	-	-	-	-	-	-	-

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment.
3. Include finance leases and PPP capital funding component of unitary payment
4. Total Capital Funding must balance with Total Capital Expenditure
6. Include contributions from Public Entities; e.g. Eskom

Safe City Msunduzi NPC - Table F4 Monthly Budget Statement - Financial Position - M06 December

Vote Description	2019/20	Current Year 2020/21			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	86	92		97	92
Call investment deposits	1 195	1 256		4 217	1 256
Consumer debtors	3 570				
Other debtors	3	3		3	3
Current portion of long-term receivables					
Inventory					
<b>Total current assets</b>	<b>4 853</b>	<b>1 351</b>	<b>-</b>	<b>4 317</b>	<b>1 351</b>
<b>Non current assets</b>					
Long-term receivables					
Investments					
Investment property					
Investment in Associate					
Property, plant and equipment	8 590	7 792		8 174	7 792
Biological					
Intangible					
Other non-current assets					
<b>Total non current assets</b>	<b>8 590</b>	<b>7 792</b>	<b>-</b>	<b>8 174</b>	<b>7 792</b>
<b>TOTAL ASSETS</b>	<b>13 443</b>	<b>9 142</b>	<b>-</b>	<b>12 491</b>	<b>9 142</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					
Borrowing					
Consumer deposits					
Trade and other payables	431	-		410	-
Provisions	1 064	1 879		1 064	1 879
<b>Total current liabilities</b>	<b>1 495</b>	<b>1 879</b>	<b>-</b>	<b>1 475</b>	<b>1 879</b>
<b>Non current liabilities</b>					
Borrowing					
Provisions					
<b>Total non current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>1 495</b>	<b>1 879</b>	<b>-</b>	<b>1 475</b>	<b>1 879</b>
<b>NET ASSETS</b>	<b>11 948</b>	<b>7 263</b>	<b>-</b>	<b>11 016</b>	<b>7 263</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	11 948	7 263		11 016	7 263
Reserves					
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>11 948</b>	<b>7 263</b>	<b>-</b>	<b>11 016</b>	<b>7 263</b>

References

1. Net assets must balance with Total Community Wealth/Equity

Safe City Msunduzi NPC - Table F5 Monthly Budget Statement - Cash Flows - M06 December

Description	2019/20 Audited Outcome	Current Year 2020/21							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates							–		
Service charges							–		
Other revenue	14 100	14 810		3 219	6 439	6 439	(0)	0,0%	14 810
Transfers and Subsidies - Operational							–		
Transfers and Subsidies - Capital							–		
Interest	90	80		15	85	40	45	112,3%	80
Dividends							–		
<b>Payments</b>									
Suppliers and employees	(14 616)	(15 140)		(1 820)	(7 011)	(6 439)	(572)	8,9%	(15 140)
Finance charges							–		
Dividends paid							–		
Transfers and Grants							–		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>(426)</b>	<b>(251)</b>	<b>–</b>	<b>1 415</b>	<b>(487)</b>	<b>40</b>	<b>(527)</b>	<b>-1318,6%</b>	<b>(251)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	70			–	–	–	–		
Decrease (increase) in non-current receivables							–		
Decrease (increase) in non-current investments							–		
<b>Payments</b>									
Capital assets	(166)	(318)		–	(7)	(138)	131	-94,7%	(318)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(95)</b>	<b>(318)</b>	<b>–</b>	<b>–</b>	<b>(7)</b>	<b>(138)</b>	<b>131</b>	<b>-94,7%</b>	<b>(318)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans							–		
Borrowing long term/refinancing							–		
Increase (decrease) in consumer deposits	–			–	–	–	–		
<b>Payments</b>									
Repayment of borrowing							–		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(522)</b>	<b>(569)</b>	<b>–</b>	<b>1 415</b>	<b>(495)</b>	<b>(98)</b>	<b>(397)</b>	<b>403,5%</b>	<b>(569)</b>
Cash/cash equivalents at the year begin:	1 801	1 801	1 801						1 801
Cash/cash equivalents at the year end:	1 280	1 232	1 801	1 415	(495)	(98)	(397)	403,5%	1 232

Safe City Msunduzi NPC - Supporting Table F5 Entity investment portfolio monthly statement - M06 December

Investments by maturity Name of institution & investment ID  R thousands	Current Year 2020/21						
	Period of investment Months	Type of investment	Expiry date of investment	Accrued interest for the month	Yield %	Market value	
						Begin	Change
FNB - Money Market				15		2 332	
Total investments							4 217

Safe City Msunduzi NPC - Supporting Table F6 Entity Board member allowances & staff benefits - M06 December

Safe City Msunduzi NPC - Supporting Table F7 Entity monthly actuals &amp; revised targets - M06 December

Description		Current Year 2020/21												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2020/21	Budget Year +f 2021/22	Budget Year +2 2022/23
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget							
<b>Revenue By Source</b>																
Service charges																
Rental of facilities and equipment																
Other revenue	6	3 232	21	0	13	15										
Gains															(3 288)	
<b>Total Revenue</b>	<b>6</b>	<b>3 232</b>	<b>21</b>	<b>0</b>	<b>13</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3 288)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditure By Type</b>																
Employee related costs																
Remuneration of Board Members																
Debt impairment																
Depreciation & asset impairment																
Finance charges																
Dividends paid																
Bulk purchases																
Other materials																
Contracted services	12	26	36	3	23	23										
Transfers and grants																
Other expenditure	60	59	104	38	115	136										
Losses																
<b>Total expenditure</b>	<b>968</b>	<b>1 030</b>	<b>1 077</b>	<b>650</b>	<b>1 024</b>	<b>1 815</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6 053)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital expenditure</b>																
Capital assets																
<b>Total capital expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash flow</b>																
Ratepayers and other																
Transfers and Subsidies																
Interest																
Suppliers, employees and other																
Finance charges																
Dividends paid																
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>(961)</b>	<b>(1 022)</b>	<b>(1 057)</b>	<b>(650)</b>	<b>(1 020)</b>	<b>(1 805)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 584</b>	<b>-</b>	<b>-</b>	<b>-</b>
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments																
Proceeds on disposal of PPE																
Capital assets																
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowing long term/refinancing/short term																
Repayment of borrowing																
Increase in consumer deposits																
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>(961)</b>	<b>(1 022)</b>	<b>(1 057)</b>	<b>(650)</b>	<b>(1 020)</b>	<b>(1 805)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 584</b>	<b>-</b>	<b>-</b>	<b>-</b>

Safe City Msunduzi NPC - Supporting Table F8a Entity capital expenditure on new assets by asset class - M06 December

Description R thousands	2019/20 Audited Outcome	Current Year 2020/21						YTD variance %	YTD variance	Full Year Forecast
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-	-
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure	-	-	-	-	-	-	-	-	-	-
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-	-
Halls										
Centres										
Outdoor Facilities										
Capital Spares										
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	-
Improved Property										
Unimproved Property										
<b>Other assets</b>	-	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-	-
Municipal Offices										
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets										
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>	-	-	-	-	-	-	-	-	-	-
Computer Equipment										
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment										
<b>Machinery and Equipment</b>	166	318	-	-	7	138	131	94,7%	318	
Machinery and Equipment	166	318	-	-	7	138	131	94,7%	318	
<b>Transport Assets</b>	-	-	-	-	-	-	-	-	-	-
Transport Assets										
<b>Land</b>	-	-	-	-	-	-	-	-	-	-
Land										
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals										
<b>Total Capital Expenditure on new assets</b>	166	318	-	-	7	138	131	94,7%	318	

- Supporting Table F8d Entity Depreciation by asset class - M06 December

Description R thousands	2019/20 Audited Outcome	Current Year 2020/21							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Data Centres									
Core Layers									
Distribution Layers									
Capital Spares									
<b>Community Assets</b>	-	-	-	-	-	-	-	-	-
Community Facilities	-	-	-	-	-	-	-	-	-
Halls									
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Indoor Facilities									
Outdoor Facilities									
Capital Spares									
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Monuments									
Historic Buildings									
Works of Art									
Conservation Areas									
Other Heritage									
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Improved Property									
Unimproved Property									
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Staff Housing									
Social Housing									
Capital Spares									
<b>Biological or Cultivated Assets</b>	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets									
<b>Intangible Assets</b>	-	-	-	-	-	-	-	-	-
Servitudes									
Licences and Rights									
<b>Computer Equipment</b>	9	9	-	1	6	4	(1)	-25,6%	-
Computer Equipment	9	9		1	6	4	(1)	-25,6%	-
<b>Furniture and Office Equipment</b>	5	5	-	1	5	2	(3)	-121,5%	-
Furniture and Office Equipment	5	5		1	5	2	(3)	-121,5%	-
<b>Machinery and Equipment</b>	896	805	-	71	423	402	(21)	-5,2%	-
Machinery and Equipment	896	805		71	423	402	(21)	-5,2%	-
<b>Transport Assets</b>	16	16	-	1	7	8	1	13,0%	-
Transport Assets	16	16		1	7	8	1	13,0%	-
<b>Land</b>	-	-	-	-	-	-	-	-	-
Land									
<b>Zoo's, Marine and Non-biological Animals</b>	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
<b>Total Depreciation</b>	926	834	-	74	441	417	(24)	-5,7%	-

## 2.8 Municipal Manager's Quality's Certification

### Quality Certificate

I, L. MAPHOLOBA, the municipal manager of MSUNDUZI LOCAL MUNICIPALITY, hereby certify that –

- the monthly budget statement

for the month of DECEMBER 2022/ SECTION 52D/ SECTION 71/ SECTION 72 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: LULAMILE MAPHOLOBA

Municipal manager of: MSUNDUZI MUNICIPALITY

Signature: 

Date: 16/01/2023