

**FINANCIAL SERVICES**  
**SECTION 71**



**AUGUST 2023**  
**COUNCIL**

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SECTION 71 AUGUST 2023

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**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2023/2024 BUDGET FOR THE PERIOD ENDING 31 AUGUST 2023**

**1. PURPOSE**

The purpose of the report is to submit to the mayor the statement of financial performance and implementation of the 2023/24 Budget of the Abaqulusi Local Municipality for the period ending 31 August 2023 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

**2. AUTHORITY**

- Honourable Mayor
- Executive Committee
- Council

**3. LEGAL / STATUTORY REQUIREMENTS**

Municipal Finance Management Act No 56 of 2003.

**4. BACKGROUND**

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a 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 on the financial performance of that municipality.

**5. EXECUTIVE SUMMARY**

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 August 2023 is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Revenue by Source
- 5.3 Expenditure by Type
- 5.4 Debtors Age Analysis
- 5.5 Creditors
- 5.6 Grants Register
- 5.7 Investment Register

## 5. EXECUTIVE SUMMARY

### 5.1 Statement of Financial Performance

Monthly Budget Statement of Financial Performance This table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and expenditure by type. The above revenue by source and expenditure by type can be explained in details as per tables below

KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 - August

Description	Ref	2022/23	Budget Year 2023/24							
		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</b>										
Exchange Revenue										
Service charges - Electricity	207 507	286 529	-	21 228	34 428	44 421	(9 994)	-22%	266 529	
Service charges - Water	46 122	62 253	-	5 493	11 141	9 849	1 292	13%	62 253	
Service charges - Waste Water Management	32 805	36 734	-	3 205	6 378	6 122	255	4%	36 734	
Service charges - Waste management	22 964	28 588	-	2 589	5 440	4 765	675	14%	28 588	
Sale of Goods and Rendering of Services	592	513	-	125	272	85	187	219%	513	
Agency services	-	-	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables	10 971	35 088	-	1 237	2 454	5 848	(3 394)	-58%	35 088	
Interest from Current and Non Current Assets	1 265	1 706	-	63	238	284	(46)	-16%	1 706	
Dividends	-	-	-	-	-	-	-	-	-	
Rent on Land	-	-	-	-	-	-	-	-	-	
Rental from Fixed Assets	937	1 667	-	68	144	278	(134)	-48%	1 667	
Licence and permits	5 820	2 643	-	354	393	441	(48)	-11%	2 643	
Operational Revenue	435	-	-	128	375	-	375	-	-	
<b>Non-Exchange Revenue</b>										
Property rates	102 034	120 645	-	9 682	19 414	19 923	(409)	-2%	120 645	
Surcharges and Taxes	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	18 183	5 531	-	4 924	5 788	922	5 847	634%	5 531	
Licence and permits	-	4 844	-	-	-	807	(807)	-100%	4 844	
Transfers and subsidies - Operational	190 884	219 671	-	1 913	86 794	73 990	13 404	18%	219 671	
Interest	-	-	-	-	-	-	-	-	-	
Fuel Levy	-	-	-	-	-	-	-	-	-	
Operational Revenue	-	-	-	-	-	-	-	-	-	
Gains on disposal of Assets	(148)	-	-	-	-	-	-	-	-	
Other Gains	15 749	-	-	-	-	-	-	-	-	
Discontinued Operations	-	-	-	-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>656 120</b>	<b>786 412</b>	<b>-</b>	<b>61 006</b>	<b>174 240</b>	<b>167 036</b>	<b>7 204</b>	<b>4%</b>	<b>786 412</b>	
<b>Expenditure By Type</b>										
Employee related costs	177 357	188 376	-	14 807	30 874	30 975	(102)	0%	188 376	
Remuneration of councillors	17 865	19 305	-	1 422	2 847	3 218	(371)	-12%	19 305	
Bulk purchases - electricity	215 064	263 142	-	33 240	33 309	43 857	(10 548)	-24%	263 142	
Inventory consumed	46 233	40 210	-	3 366	8 169	10 884	(2 715)	-25%	40 210	
Debt impairment	25 742	7 383	-	-	-	1 227	(1 227)	-100%	7 383	
Depreciation and amortisation	119 765	42 503	-	9 281	18 522	7 084	11 438	161%	42 503	
Interest	255	-	-	329	329	-	329	-	-	
Contracted services	126 726	95 641	-	7 656	13 888	15 485	(1 617)	-10%	95 641	
Transfers and subsidies	0	-	-	-	-	-	-	-	-	
Irrecoverable debts written off	17 719	-	-	-	-	-	-	-	-	
Operational costs	45 503	63 954	-	5 026	8 251	11 259	(2 997)	-27%	63 954	
Losses on Disposal of Assets	-	-	-	-	-	-	-	-	-	
Other Losses	10 428	-	-	-	-	-	-	-	-	
<b>Total Expenditure</b>	<b>802 495</b>	<b>720 495</b>	<b>-</b>	<b>74 508</b>	<b>115 179</b>	<b>123 989</b>	<b>(7 810)</b>	<b>-6%</b>	<b>720 495</b>	
<b>Surplus/(Deficit)</b>	<b>(146 475)</b>	<b>65 917</b>	<b>-</b>	<b>(23 602)</b>	<b>58 061</b>	<b>43 047</b>	<b>15 014</b>	<b>35%</b>	<b>65 917</b>	
Transfers and subsidies - capital (monetary allocations)	32 398	79 440	-	2 708	- 2 706	25 647	(22 940)	-89%	79 440	
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(114 167)</b>	<b>142 357</b>	<b>-</b>	<b>(20 795)</b>	<b>60 767</b>	<b>68 694</b>	<b>-</b>	<b>-</b>	<b>142 357</b>	
Income Tax	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) after income tax</b>	<b>(114 167)</b>	<b>142 357</b>	<b>-</b>	<b>(20 795)</b>	<b>60 767</b>	<b>68 694</b>	<b>-</b>	<b>-</b>	<b>142 357</b>	
Share of Surplus/Deficit attributable to Joint Venture	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(114 167)</b>	<b>142 357</b>	<b>-</b>	<b>(20 795)</b>	<b>60 767</b>	<b>68 694</b>	<b>-</b>	<b>-</b>	<b>142 357</b>	
Share of Surplus/Deficit attributable to Associate	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-	
<b>Surplus/(Deficit) for the year</b>	<b>(114 167)</b>	<b>142 357</b>	<b>-</b>	<b>(20 795)</b>	<b>60 767</b>	<b>68 694</b>	<b>-</b>	<b>-</b>	<b>142 357</b>	

## 5.2 Financial Performance -Revenue by Source

### Revenue by Source

This table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and details explained below.

KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 - August

Description	Ref	2022/23		Budget Year 2023/24						
		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</b>										
Exchange Revenue										
Service charges - Electricity		207 507	266 529	-	21 226	34 428	44 421	(9 994)	-22%	295 529
Service charges - Water		46 122	62 253	-	5 483	11 141	9 949	1 292	13%	62 253
Service charges - Waste Water Management		32 805	36 734	-	3 206	6 376	6 122	256	4%	36 734
Service charges - Waste management		22 964	28 588	-	2 589	5 440	4 785	675	14%	28 588
Sale of Goods and Rendering of Services		582	513	-	125	272	35	187	219%	513
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		10 971	35 083	-	1 237	2 954	5 848	(3 354)	-59%	35 088
Interest from Current and Non Current Assets		1 265	1 706	-	63	238	384	(45)	-16%	1 706
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		337	1 667	-	68	144	276	(134)	-48%	1 667
License and permits		5 820	2 643	-	354	353	441	(45)	-11%	2 643
Operational Revenue		435	-	-	126	375	-	375	-	-
<b>Non-Exchange Revenue</b>										
Property rates		102 034	120 645	-	9 682	19 414	18 923	(409)	-2%	120 645
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		18 153	5 631	-	4 924	6 769	522	6 847	634%	5 631
License and permits		-	4 844	-	-	-	607	(607)	-100%	4 844
Transfers and subsidies - Operational		198 884	219 671	-	1 913	68 794	73 390	13 404	18%	219 671
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		1 148	-	-	-	-	-	-	-	-
Other Gains		15 749	-	-	-	-	-	-	-	-
<b>Discontinued Operations</b>										
Total Revenue (excluding capital transfers and contributions)		656 129	786 412	-	51 036	174 240	167 036	7 204	4%	786 412

### Exchange Revenue

### Electricity Revenue

The Electricity revenue monthly actual billed for electricity revenue in August 2023 is R21,2 million. The YTD Actual is R34,4 million which is R9,9 million less than the YTD Budget of R44,4 million for the period ended 31 August 2023. Only R8,3 million was received from consumers which is R12,9 million less than the amount billed.

### Water Revenue

The Water revenue monthly actual billed for August 2023 is R5,4 million. The YTD Actual is R11,1 million which is R1,2 million more than the YTD Budget amount of R9,8 million for the period ended 31 August. The payment amount received from consumers of R2,2 million is R8,9 million less than the amount billed.

### Waste Water (Sanitation) Revenue

The Sanitation revenue monthly actual billed for August 2023 is R3,2 million. The YTD Actual is R6,3 million which is R255 thousand more than the YTD Budget amount of R6,1 million for the period ended 31 August 2023, the payment from consumers amounts to R1,7 million which is R1,5 million less than the amount billed.

### **Waste Management (Refuse) Revenue**

The Refuse revenue monthly actual billed for August 2023 is R2,5 million. The YTD Actual is R5,4 million which is R675 thousand more than the YTD Budget amount of R4,7 for the period ended 31 August 2023. The payment from consumers amounts to R1,9 million which is R600 thousand less than the amount billed.

### **Interest earned from receivables**

An amount of R1,2 million is interest billed for consumers whose accounts are in arrears, YTD Budget is R5,8 million thousand and the YTD Actual is R2,4 million only R119 thousand was received from consumers.

### **Interest from current and non-current assets**

The interest earned from investments in August 2023 is R63 thousand. The YTD Actual is R238 thousand.

### **Rental from fixed assets**

The monthly actual revenue received for Rental of fixed assets in August 2023 is R68 thousand.

### **Licenses and Permits**

The monthly actual for Licenses and permits amounts to R354 thousand, the YTD actual on licenses and permits for August 2023 is R393 thousand.

### **Operational (Other) revenue**

The monthly actual other revenue received in August 2023 is R128 thousand. Other revenue is made up of numerous miscellaneous items (e.g., town planning fees, tender documents, valuation of land, cemetery fees, subsidies, etc.) and also gains on disposal of assets are included.

### **Non-Exchange Revenue Property Rates**

#### **Property Rate**

The Property Rates monthly actual billed for property rates in August 2023 is R9,6 million, the YTD Actual billed is R19,4 million which is R409 thousand less than the YTD Budget amount of R19,8 million for property rates, yet R6,6 million was receipted from consumers in August 2023 which is R3 million less than the amount billed.

#### **Fines, penalties and forfeits**

The YTD actual on fines, penalties and forfeits is R4,9 million and the YTD actual received is R6,7 million.

#### **Overall revenue YTD budget**

The revenue for the month of August 2023 is R51 million. The YTD Actual is R174,2 million and the YTD Budget is R167 million. Included in the Actual revenue is the first tranche of

Equitable Share of R84,8 million, R10 million for MIG, R3 million for FMG and R4 million for INEP.

### BILLING VERSUS PAYMENT

As per table below the amount billed on the month of August is R40,9 million while actual cash received is R34,1 million. Total revenue billed to date is R40,9 million while only R34,1 million is the actual cash received to date. The collection rate for the month of August was 83% and year to date collection is 85%

Payment Period	Aug-22		
Adjustment Period	Aug-22		
Total Payments(Including Reversals)	-34 179 622.87		
<b>Type Of Service</b>	<b>Total Settlements</b>	<b>Billing</b>	<b>Payment Rate (Billing)</b>
RATES GENERAL	-6 663 623.42	9 645 153.91	69%
ELECTRICITY	-8 332 173.36	10 536 829.72	79%
DEMAND/BASIC CHARGES	-3 725 775.05	3 936 791.12	95%
WATER CONSUMP	-1 507 911.29	3 611 491.33	42%
AVAIL WATER	-738 672.07	1 908 180.68	39%
AVAIL SEWER	-1 417 392.39	2 273 278.35	62%
ADD SEWERAGE	-381 263.81	500 840.06	76%
REFUSE	-1 975 548.62	3 055 236.09	65%
INTEREST	-119 229.32	1 783 389.54	7%
ADJUSTMENTS	-1 127.83		
V.A.T.	-2 409 675.65	3 692 493.33	65%
DEPOSIT ELEC	-70 208.60		
DEPOSIT WATER	-10 869.00		
SERVICE CHARGE	-		
PENALTIES LATE PAYMENT	-190 042.11		
COLL. FEES	-		
LEGAL FEES	-11 038.14		
SUNDRY CHARGE	-64 338.25	500.00	
INDIGENT SUPPOR	-17 880.64	41 332.20	
PAYMENT ADVANCED	-6 542 853.32		
<b>Total</b>	<b>-34 179 622.87</b>	<b>40 985 516.33</b>	<b>83%</b>

#### February Billing vs Payment Summary

Electricity basic charges – 80% was received for electricity consumption for the month of August and 87% on basic electricity.

Water basic charges - 39% of basic water received was received for the month of August 2023 and 42% of water consumption.

Refuse – 65% of the refuse removal billed to consumers was paid  
 Sanitation – 62% of basic sanitation billed to consumers was paid and 78% for consumption  
 Rates – 69% of the rates billed to consumers was paid  
 The overall collection rate for all services is 83% for the month of August 2023 and the year-to-date collection rate is 85%

ELECTRICITY REPORT FOR THE MONTH OF AUGUST 2023					
ESKOM PURCHASES PER AREA					
AREAR	PURCHASES	BILLING /CONVENTION	PREPAID	RECEIVED/COLLECT	PERCENTAGE
VRYHEID,BHEKUZULU,LAKESIDE	22 041 783.92	10 135 366.65	6 202 174.27	10 044 104.08	45.57
EMONDLO	7 123 148.42	315 239.90	1 708 994.32	410 579.76	5.76
CORONATION	859 087.46	63 780.52	99 070.60	22 410.33	2.61
HLOBANE	1 742 294.86	22 410.33	55 382.97	230 849.68	13.25
<b>TOTAL</b>	<b>31 766 314.66</b>	<b>10 536 797.40</b>	<b>8 065 622.16</b>	<b>10 707 943.85</b>	<b>67.19</b>

### 5.3 Expenditure by Type

KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 - August

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R: thousands										
<b>Expenditure By Type</b>										
Employee related costs		177 357	188 376	-	14 807	30 674	30 975	(102)	0%	188 376
Remuneration of councillors		17 865	19 308	-	1 422	2 847	3 218	(371)	-12%	19 306
Bulk purchases - electricity		219 064	263 142	-	33 240	33 309	43 857	(10 548)	-24%	263 142
Inventory consumed		46 233	40 210	-	3 366	8 199	10 884	(2 715)	-25%	40 210
Debt impairment		25 742	7 353	-	-	1 227	-	(1 227)	-100%	7 353
Depreciation and amortisation		118 706	42 503	-	9 281	18 522	7 084	11 438	161%	42 503
Interest		255	-	-	329	329	-	329	-	-
Contracted services		126 726	89 641	-	7 066	13 868	15 465	(1 617)	-10%	89 641
Transfers and subsidies		0	-	-	-	-	-	-	-	-
Irrecoverable debts written off		17 719	-	-	-	-	-	-	-	-
Operational costs		45 903	69 854	-	5 026	3 251	11 258	(2 997)	-27%	69 854
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		10 428	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>802 593</b>	<b>720 495</b>	<b>-</b>	<b>74 508</b>	<b>116 179</b>	<b>123 989</b>	<b>(7 810)</b>	<b>-6%</b>	<b>720 495</b>

#### Employee related costs

The monthly actual incurred expenditure for Employee costs is R14,8 million for the month of August 2023, the YTD Actual is R30,8 which is R102 thousand less than the budget of R30,9 million.

#### Remuneration of Councillors

The monthly actual incurred expenditure for the remuneration of Councillor is R1,4 million for the month of August. The YTD Actual is R2,8 million which is less than R3,2 million less than the budget of R3,2 million.



### **Bulk Purchases**

An amount of R33,2 million was paid to Eskom during August 2023 for July and previous bills.

### **Other Materials (Inventory Consumed)**

The monthly actual incurred expenditure for Other Materials (Inventory Consumed) amounts to R3,3 million in August 2023. This is expenditure for repairs and maintenance. The YTD Actual spent on Inventory Consumed is R8,1 million and the YTD Budget is R10,8 million.

### **Contracted Services**

The monthly actual incurred expenditure for Contracted services amounts to R7 million in August 2023, the YTD Actual is R13,8 million which is R1,6 million less than the YTD Budget of R15,4 million.

### **Transfers and Subsidies**

The monthly expenditure for transfers and subsidies for the month of August 2023 is R0.

### **Operational costs (Other) expenditure**

The monthly expenditure incurred on other expenditure amounts to R5 million in August 2023, the YTD Actual is R8,2 million and the YTD Budget is R11,2 million.

### **Overall expenditure**

The expenditure for the month of August 2023 is R74,5 million, the YTD Actual expenditure is R116,1 million and the YTD Budget R123,9 million.

### **Surplus/ (Deficit)**

The Deficit for the month of August 2023 is R23,5 million, the YTD Actual reflects a surplus of R58 million due to the 1<sup>st</sup> tranche of Equitable Share, 1<sup>st</sup> tranche of MIG, 1<sup>st</sup> tranche of INEP and the full FMG having been received.

### **Cash on Hand**

During the month of August 2023, the following revenue and expenditure was processed through the bank accounts of the municipality:

<b>CASH ON HAND</b>				
	<b>OPENING BALANCE 1 AUGUST 2023</b>	<b>REVENUE</b>	<b>EXPENDITURE</b>	<b>BANK BALANCE 31 AUGUST 2023</b>
ABSA	5 347 737.20	77 016 452.05	78 663 675.82	3 700 513.43
NEDBANK	822 254.28	20 640 361.09	20 520 565.44	942 049.93
<b>TOTAL BANK BALANCE</b>	<b>6 169 991.48</b>	<b>97 656 813.14</b>	<b>99 184 241.26</b>	<b>4 642 563.36</b>

As at 31 August 2023 the municipality has R6,1 million cash available in the bank accounts for operating purposes.

## Capital Expenditure

The capital budget for the 2023/24 financial year is R47,3 million. The capital is broken down between Grant funding (R51,8 million) and own funding (R7 million)

To date R10 million has been received for MIG R3 million and R4 million for INEP.

## Capital expenditure

The expenditure for August 2023 is R960 thousand for MIG projects funded from grant funding and the total to date spent on MIG is R2,7 million.

## 5.4 Debtors

The amount of R350,6 million YTD is still owing to the municipality by the debtors. Debtors age analysis is attached as Annexure 3.

## 5.5 Creditors

The total amount owing to creditors as per the Creditors age analysis as at the end of August 2023 amounts to R17 million for current and the total owed to creditors amounts to R38,4 million as detailed in the supporting Annexure 4.

TOP 20 AUGUST 2023		
CREDITOR NAME	AMOUNT	SERVICE
Eskom Holdings SOC Ltd - KwaZulu Natal	30 624 511.31	Electricity purchases
ESSEN TRADING	1 934 875.00	Supply and delivery of cold asphalt
Qomkufa Security	1 575 198.97	Security Services
YIMPIE PROJECTS CC	1 573 332.48	Wip mark and president street
EKAYA PROMOTIONS	1 439 396.35	Electrical Infrastructure
AQUA TRANSPORT AND HIRE (PTY)L	868 819.25	Rehabilitation of landfill site Vryheid ward 8
EMANXULUMENI TRADING	824 500.00	Hire of water tankers
striving to satisfy trading and projects 106 cc	758 100.36	Bulk mains pipe work
IQHINA CONSULTING ENGINEERS AND PROJECT MANAGE	648 262.62	Shoba community hall ward 7
LIANA CONSULTING (PTY) LTD	640 082.95	Refuse removal
MULTIVEST	560 903.04	Stock items for water department
nxumalo & partners attorneys & conveyancers	485 761.15	Legal advice and litigation
MAGNACORP 115	476 697.41	5 taxis and 75 breakfast for people
MATSIYA CONSTRUCTION ENGINEERI	469 810.18	Electrical Repairs
UNITED AS THE BEST TRADING AND PROJECTS	450 345.60	Supply and delivery of crusher stone
SALGA	400 000.00	Council membership fee
FLEET HORIZON SOLUTIONS (PTY)	363 811.96	Lease of vehicles
ZAMADLOMO CONSTRUCTION AND PRO	329 670.00	Repairs to road for inventory consumed
IDRIS CASSIM MEER	285 000.00	public safety outsource security
ENGAPHELI MOYA SOLUTIONS	264 690.95	water sampling
Total	44 973 769.58	

## 5.6 Grants Register

The total grants received to date for current financial period amounts to R17 million this amount excludes the Equitable share, YTD spent is R4,8 million

Abaqulusi Local Municipality							
Grant Register for the period 1 July 2023 to 30 June 2024							
TYPE OF GRANT RECEIVED	Opening balance per AFS/GL	Received in the bank	Expenditure Incl VAT	Salaries and other	TOTAL Expenditure Incl VAT	Consolidated Closing balance	
Integrated National Electrification Programme Grant	256.84	4 000 000.00	-	-	-	4 000 256.84	
Provincial housing	107 393.00	-	-	-	-	107 393.00	
Provincial housing	3 630 437.51	-	-	-	-	3 630 437.51	
old years housing grants	60 000.00	-	-	-	-	60 000.00	
BHEKUMTHETHO Rural Housing Project	-	-	-	-	-	-	
Library	-	-	-	990 246.85	990 246.85	(990 246.85)	
MIG	-	10 000 000.00	2 706 448.12	-	2 706 448.12	7 293 551.88	
FMG	-	3 000 000.00	-	93 882.23	93 882.23	2 906 117.77	
Museum	-	-	-	104 413.70	104 413.70	(104 413.70)	
EPWP	-	-	-	911 798.82	911 798.82	(911 798.82)	
Sports And Recreation	26 241.64	-	-	-	-	26 241.64	
Human Settlement Gluckstad	-	-	-	-	-	-	
LED MARKET STALLS GRANT	1 617 545.97	-	-	-	-	1 617 545.97	
	<b>5 441 874.96</b>	<b>17 000 000.00</b>	<b>2 706 448.12</b>	<b>2 100 341.60</b>	<b>4 806 789.72</b>	<b>17 635 085.24</b>	

### **EPWP GRANT**

The EPWP grant gazetted in terms of DORA amounts to R2,3 million and the current allocation has not yet been received in August.

There is expenditure of R464 thousand for the month of August which was paid from internal funding.

### **INEP GRANT**

INEP grant current allocation is R16,6 million, an amount of R 4 million has been received as the 1<sup>st</sup> tranche in the current financial year respectively. There is no expenditure for the month of August 2023.

### **LED GRANT**

An amount of R2 million has been received to date. There is no income or expenditure for the month of August 2023.

### **Small Town Rehabilitation programme**

Small town Rehabilitation allocation is R3 million for the year, no income or expenditure is incurred in the month of August 2023.

### **Other Grants from various government departments rollover from the previous year (Human Settlements)**

Other grants from various government departments rollover from the previous year are reflected on the grant register.

### 5.7 Investment Register

Abaqulusi Municipality Investment Register						
INVESTMENT REGISTER 1 July 2023 to 31 July 2024						
MAIN SUMMARY						
INSTITUTION	BALANCE AT	MOVEMENTS	BALANCE AT	INTEREST	JULY	AUGUST
	2023/07/01		2023/07/31	EARNED		
Bank						
NEDBANK	3 697 779.83	0.00	3 748 515.98	50 736.15	25 281.74	25 454.41
ABSA CALL	2 348.83	0.00	2 369.49	20.66	10.14	10.52
ABSA CALL	243.11	0.00	243.11	0.00	0.00	0.00
NEDBANK	4 111.15	0.00	4 167.57	56.42	28.21	28.21
STANDARD BANK	72 362.77	0.00	72 362.77	0.00	0.00	0.00
NEDBANK	4 470.61	0.00	4 531.99	61.38	30.69	30.69
NEDBANK	802 257.39	0.00	813 265.18	11 007.79	5 485.14	5 522.65
STANDARD BANK	4 662.88	0.00	4 662.88	0.00	0.00	0.00
NEDBANK	7 872 082.11	0.00	7 980 092.62	108 010.51	53 821.27	54 189.24
ABSA LIQUIDITY PLUS	2 867 757.30	8 000 000.00	11 053 113.80	185 356.50	29 646.63	155 709.87
	15 328 075.98	8 000 000.00	23 683 325.39	355 249.41	114 303.82	240 945.59

Interest earned on the above interest register relates to amounts invested with various financial institutions registered with South African Banking Council. Municipal investments are done as per the approved Investment policy of the council. The interest earned on investment accounts for August 2023 amounts to R240 thousand and for the year-to-date R355 thousand has been received.

This amount is not part of the statement of financial performance as it is capitalised monthly to the principal amount invested. The municipality has a total of R23,6 million in investments, this is for the cash backing of unspent grants and ESKOM guarantees.

## ANNEXURE 2

NO.	SUBSTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TOTAL	TRIP DETAILS
MASUKU BT	5 344.30		3 248.00	1 574.30	522.00	5 344.30	LGSETA PROVINCIAL STAKEHOLDER ENGAGEMENT ROADSHOW
MAKHUVHA PH	3 534.10	60.00	3 248.00	226.10	-	3 534.10	ATTENDING WORKSHOP ON MATERIAL IRREGULARITIES
	1 684.64		1 411.40	112.24	161.00	1 684.64	ATTENDING UIFW MEETING
	5 218.74	60.00	4 659.40	338.34	161.00	5 218.74	
MTSHALI SS	161.00		-	-	161.00	161.00	FETCHING EMPLOYEE FROM DURBAN
SIBYALP	2 088.00		-	-	2 088.00	2 088.00	MFMP TRAINING JULY 2023
KHOZA CP	2 088.00		-	-	2 088.00	2 088.00	MFMP TRAINING JULY 2023
ZONDI M	2 088.00		-	-	2 088.00	2 088.00	MFMP TRAINING JULY 2023
BUTHELEZI NC	2 088.00		-	-	2 088.00	2 088.00	MFMP TRAINING JULY 2023

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NO.	SUBSTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TOTAL	TRIP DETAILS
	S VANDAYAR-DOOKHILAL	-	1 206.40	683.54	161.00	2 050.94	DISTRICT PLANNING AND DEVELOPMENT FORUM
	MADINANA NN		2 896.60	-	161.00	3 057.60	ATTENDING COURT MATTER - PINETOWN
			2 731.08	-	161.00	2 892.08	ATTENDING COURT MATTER - PIETERMARITZBURG
			3 248.00	662.20	161.00	4 071.20	ABAQULUSI//MEC COGTAS139 CONSULTATION
			3 062.40	624.36	161.00	3 847.76	ABAQULUSI//MEC COGTAS139 HIGH COURT
	13 868.64	-	11 938.08	1 286.56	644.00	13 868.64	
	SNDAMASE		-	-	1 044.00	1 044.00	MFMP GRADUATION
	IMS KHUZWAYO		-	-	1 044.00	1 044.00	MFMP GRADUATION
	CS THUNGO		3 385.03	0.00	1 044.00	4 429.02	MFMP GRADUATION
			2 781.90	-	493.00	3 274.90	SCM FORUM
			6 166.93	0.00	1 537.00	7 703.92	
	MTHEMBU TS		3 062.40	235.62	522.00	3 820.02	ATTENDING HIGH COURT MATTER
		83.50	3 248.00	249.90	522.00	4 103.40	BARGAINING COUNCIL FACILITATION
			3 062.40	235.62	161.00	3 459.02	SIGN OFF EXAMINERS REGISTRATION CERTIFICATES
		83.50	9 372.80	721.14	1 205.00	11 382.44	
	MADONSELA NR		1 206.40	167.18	161.00	1 534.58	DDM TECHNICAL HUB MEETING
	MTHEMBU MPE		1 411.40	799.68	161.00	2 372.08	UIFW TOP 10 MEETING
	MTHIYANE ZB		696.00	337.35	161.00	1 194.35	PROVINCIAL RURAL HORSE RIDING COMPETITION 2023
			1 206.40	600.86	161.00	1 968.26	ATTENDING IGS DISTRICT SELECTION 2023
			1 902.40	938.21	322.00	3 162.61	

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NO.	SUBSISTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TOTAL	TRIP DETAILS
	1 576.48		1 141.44	274.04	161.00	1 576.48	ZULULAND DISTRICT ATHLETICS MEETING - ULUNDI
	1 956.24		1 447.68	347.56	161.00	1 956.24	PROVINCIAL RURAL HORSE RIDING COMPETITION 2023
	1 657.04		1 206.40	289.64	161.00	1 657.04	ZULULAND DISTRICT MUNICIPALITY LEGACY CUP - ULUNDI
	2 634.19		1 967.36	505.83	161.00	2 634.19	KZN DSAC CONSULTATIVE DISTRICTS - RICHARDSBAY
	1 677.58		1 206.40	310.18	161.00	1 677.58	ZULULAND DISTRICT INDIGENOUS GAMES - PHONGOLA
	9 501.53	-	6 969.28	1 727.25	805.00	9 501.53	
	4 010.36	107.00	3 129.36	0.00	774.00	4 010.36	SUBMITTING CLAIM FORMS AT GEFF
	4 010.36	124.00	3 063.33	49.03	774.00	4 010.36	VISITING INJURED EMPLOYEE AT GREY'S HOSPITAL
	2 464.59	-	1 967.36	336.23	161.00	2 464.59	JOB EVALUATION RICHARDSBAY
	1 573.58		1 206.40	206.18	161.00	1 573.58	YCOP INTERVIEWS
	4 038.17	-	3 173.76	542.41	322.00	4 038.17	
	84 960.67	374.50	57 447.52	8 827.65	18 311.00	84 960.67	

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OVERTIME REPORT PER DEPARTMENT

ABAQULUSI MUNICIPALITY - O/T REPORT AUGUST 2023				
DEPT	JULY	AUG	TOTAL TO DATE	
CORPORATE	97 302.43	67 776.43	165 078.86	
HR	5 903.21	5 891.10	11 794.31	
MUN MGR	-	-	-	
MAYOR & COUNCIL	-	2 087.16	2 087.16	
FINANCE	64 498.15	2 733.99	67 232.14	
MUSEJUM	-	-	-	
SPORT & REC	-	-	-	
HALLS & REC	-	-	-	
CEMETERY	36 300.00	33 457.05	69 757.05	
SOLID WASTE	70 952.93	72 756.71	143 709.64	
LIBRARY	-	-	-	
P/SAFETY	156 241.95	146 451.13	302 693.08	
HOUSING	-	-	-	
FLEET	-	-	-	
ROADS	203 784.95	143 594.24	347 379.19	
MOTOR LIC	-	-	-	
SANITATION	277 578.73	237 102.14	514 680.87	
WATER	243 858.10	218 282.06	462 140.16	
ELECTRICITY	212 873.96	191 726.09	404 600.05	
BACK PAY OVERTIME				
TOTAL	1 369 294.41	1 121 858.10	2 491 152.51	

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**STANDBY REPORT FOR AUGUST 2023**

**ABAQULUSI MUNICIPALITY - STANDBY REPORT AUGUST 2023**

DEPT	JULY	AUG	TOTAL TO DATE
CORPORATE	-	-	-
HR	-	-	-
MUN MGR	-	-	-
MAYOR & COUNCIL	-	-	-
FINANCE	25 073.46	26 986.17	52 059.63
MUSEUM	-	-	-
SPORT & REC	-	-	-
HALLS & REC	-	-	-
CEMETERY	-	-	-
SOLID WASTE	1 582.89	1 249.65	2 832.54
LIBRARY	-	-	-
PSAFETY	77 641.52	77 353.00	154 994.52
HOUSING	-	-	-
FLEET	-	-	-
ROADS	1 918.28	2 369.64	4 287.92
MOTOR LIC	-	-	-
SANITATION	54 461.23	52 561.97	107 023.20
WATER	47 095.72	41 132.31	88 228.03
ELECTRICITY	91 208.91	104 281.60	195 490.51
BACK PAY OVERTIME			
<b>TOTAL</b>	<b>298 982.01</b>	<b>305 934.34</b>	<b>604 916.35</b>

**ANNEXURE 3  
DEBTORS AGE ANALYSIS**

**KZN263 Abaqulusi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 - August**

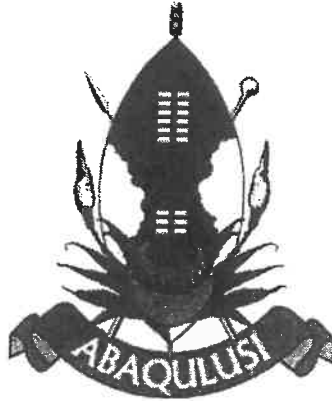
R thousands	NT Code	Description	Budget Year 2023/24										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts, I.L.O. Council Policy	
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dps-1 Yr	Over 1Yr	Total					
		<b>Debtors Age Analysis By Income Source</b>														
	1200	Trade and Other Receivables from Exchange Transactions - Water	6 275	4 884	1 359	1 301	1 098	1 087	1 087	1 087	1 087	33 429	50 457	37 956	-	
	1300	Trade and Other Receivables from Exchange Transactions - Electricity	16 942	4 836	2 957	1 586	670	4 273	1 105	1 105	1 105	13 483	44 124	19 188	-	
	1400	Receivables from Non-exchange Transactions - Property Rates	8 255	4 379	2 144	1 714	1 589	1 515	1 714	1 714	1 714	78 811	100 220	65 442	-	
	1500	Receivables from Exchange Transactions - Waste Water Management	3 141	1 903	1 479	9 463	1 219	1 182	1 482	1 482	1 482	34 265	51 113	44 590	-	
	1600	Receivables from Exchange Transactions - Property Rental Debtors	3 077	1 776	1 311	1 242	1 181	1 133	1 090	1 090	1 090	27 223	38 033	31 609	-	
	1700	Interest on Arrear Debtor accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	
	1810	Recoverable Unaudited, Irregular, fruitless and wasteful expenditure	1 818	1 622	1 653	1 564	1 528	1 501	1 470	1 470	1 470	35 824	47 189	41 887	-	
	1820	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	
	1900	Other	1 985	2 128	2 685	326	250	212	236	236	11 711	19 504	12 734	-		
	<b>2000</b>	<b>Total By Income Source</b>	<b>43 474</b>	<b>21 603</b>	<b>12 697</b>	<b>14 206</b>	<b>7 536</b>	<b>7 839</b>	<b>8 242</b>	<b>8 242</b>	<b>234 045</b>	<b>350 641</b>	<b>272 668</b>	-		
	<b>202223</b>	<b>totals only</b>	<b>33 074</b>	<b>16 068</b>	<b>12 680</b>	<b>9 940</b>	<b>8 040</b>	<b>7 073</b>	<b>32 462</b>	<b>228 709</b>	<b>348 078</b>	<b>287 226</b>	-			
		<b>Debtors Age Analysis By Customer Group</b>														
	2200	Organs of State	7 745	5 382	2 406	1 869	1 570	1 330	1 525	1 525	56 998	77 125	62 192	-		
	2300	Commercial	19 631	7 108	2 911	1 025	821	877	1 467	1 467	26 004	80 643	30 904	-		
	2400	Households	16 068	9 313	7 389	11 513	5 145	5 530	5 250	5 250	151 944	212 272	179 482	-		
	2500	Other	-	-	-	-	-	-	-	-	-	-	-	-		
	<b>2600</b>	<b>Total By Customer Group</b>	<b>43 474</b>	<b>21 803</b>	<b>12 697</b>	<b>14 206</b>	<b>7 536</b>	<b>7 839</b>	<b>8 242</b>	<b>8 242</b>	<b>234 045</b>	<b>360 641</b>	<b>272 668</b>	-		

ANNEXURE 4

CREDITORS AGE ANALYSIS

KZN263 Abaqulusi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 - August

Description	NT Code	Budget Year 2023/24										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>R thousands</b>													
<b>Creditors Age Analysis By Customer Type</b>													
Bulk Electricity	0100	12 219	-	4 092	11 717	1 344	-	-	-	-	-	29 371	29 728
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	5 423	667	174	1 866	-	-	-	-	-	936	-	1 788
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>17 642</b>	<b>667</b>	<b>4 265</b>	<b>13 583</b>	<b>1 344</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>936</b>	<b>38 437</b>	<b>43 280</b>



### CONFIRMATION CERTIFICATE

I, **MPE Mthembu** Chief Financial Officer of (**ABAQULUSI MUNICIPALITY**.) have checked the Report and done the Review Session with my Department. (*Mark as appropriate*)

The August 2023 Monthly Report

Quarterly Report on the implementation of the  
Financial State of affairs to the Municipality

Mid-year Performance Assessment

Medium Term Report

I hereby confirm that the above is a true reflection of the Finance Section and in full compliance with Schedule 2 of the Municipal Systems Act.

\_\_\_\_\_  
MPE MTHEMBU

CHIEF FINANCIAL OFFICER

**ABAQULUSI MUNICIPALITY KZN263**

11.09.2023

\_\_\_\_\_  
DATE

SECTION 71 AUGUST 2023



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### QUALITY CERTIFICATE

I, **ZG Dhlamini**, Municipal Manager of **ABAQULUSI MUNICIPALITY**, hereby certify that I have read the document and certify that I agree and understand the contents contained herein: (mark as appropriate)

- The August 2023 Monthly Report
- Quarterly report on the implementation of the budget and financial state of affairs to the municipality
- In – year report

For the month of August 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

\_\_\_\_\_  
**MUNICIPAL MANAGER**

**ABAQULUSI MUNICIPALITY, KZN263**

DATE: \_\_\_\_\_

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SECTION 71 AUGUST 2023



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### QUALITY CERTIFICATE

I, **SE MKHWANAZI**, Mayor of **ABAQULUSI MUNICIPALITY**, hereby certify that I have read the document and certify that I agree and understand the contents contained herein: (mark as appropriate)

- The August 2023 Monthly Report
  
- Quarterly report on the implementation of the budget and financial state of affairs to the municipality
  
- In – year report

For the month of August 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

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**HONOURABLE MAYOR**

**ABAQULUSI MUNICIPALITY, KZN263**

DATE: \_\_\_\_\_

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