

FINANCIAL SERVICES
SECTION 71



NOVEMBER 2023
COUNCIL

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**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE
2023/2024 BUDGET FOR THE PERIOD ENDING 30 NOVEMBER 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 30 November 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 30 November 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) - M05 - November										
Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		213,962	266,529	-	19,978	92,906	111,054	(18,748)	-17%	266,529
Service charges - Water		43,331	62,253	-	5,084	26,910	25,149	1,761	7%	62,253
Service charges - Waste Water Management		38,295	36,734	-	3,259	16,139	15,306	833	5%	36,734
Service charges - Waste management		22,127	28,588	-	2,249	12,392	11,912	480	4%	28,588
Sale of Goods and Rendering of Services		591	513	-	162	719	214	505	236%	513
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11,175	35,088	-	1,321	6,186	14,620	(8,434)	-58%	35,088
Interest from Current and Non Current Assets		1,704	1,706	-	50	1,105	711	394	55%	1,706
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1,124	1,667	-	73	395	695	(300)	-43%	1,667
Licence and permits		5,797	2,643	-	347	2,316	1,101	1,214	110%	2,643
Operational Revenue		854	-	-	5,355	5,801	-	5,801	-	-
Non-Exchange Revenue										
Property rates		99,002	120,645	-	9,958	49,895	49,842	153	0%	120,645
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		18,016	5,531	-	3,024	14,417	2,305	12,112	528%	5,531
Licence and permits		-	4,844	-	-	-	2,018	(2,018)	-100%	4,844
Transfers and subsidies - Operational		215,280	219,871	-	(4,561)	82,232	146,530	(64,298)	-44%	219,871
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		2,983	-	-	-	-	-	-	-	-
Other Gains		16,794	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		689,934	786,412	-	46,298	310,912	381,456	(70,644)	-18%	786,412
Expenditure By Type										
Employee related costs		180,462	188,376	-	16,866	80,260	77,063	3,197	4%	188,376
Remuneration of councillors		17,265	19,305	-	1,382	7,076	8,044	(968)	-12%	19,305
Bulk purchases - electricity		215,218	263,142	-	20,406	104,487	109,843	(5,155)	-5%	263,142
Inventory consumed		47,174	40,210	-	5,865	20,211	15,730	4,481	28%	40,210
Debt impairment		3,636	7,363	-	-	-	3,068	(3,068)	-100%	7,363
Depreciation and amortisation		133,438	42,503	-	8,960	45,705	17,710	27,995	156%	42,503
Interest		5,475	-	-	736	2,290	-	2,290	-	-
Contracted services		117,485	95,841	-	6,976	44,119	40,249	3,870	10%	95,841
Transfers and subsidies		0	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73,664	-	-	(27)	(58)	-	(59)	-	-
Operational costs		53,260	63,954	-	6,621	26,213	27,252	(1,039)	-4%	63,954
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		17,909	-	-	-	-	-	-	-	-
Total Expenditure		864,984	720,496	-	67,586	330,302	298,768	31,644	11%	720,496
Surplus/(Deficit)		(176,960)	86,917	-	(21,287)	(19,390)	82,698	(102,088)	-123%	86,917
Transfers and subsidies - capital (monetary allocations)		43,990	76,440	-	(5,705)	(2,998)	51,293	(54,291)	-106%	76,440
Transfers and subsidies - capital (in-kind)		620	-	-	0	0	0	0	-	-
Surplus/(Deficit) after capital transfers & Income Tax		(131,340)	142,367	-	(26,992)	(22,388)	133,992	-	-	142,367
Surplus/(Deficit) after income tax		(131,340)	142,367	-	(26,992)	(22,388)	133,992	-	-	142,367
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(131,340)	142,367	-	(26,992)	(22,388)	133,992	-	-	142,367
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(131,340)	142,367	-	(26,992)	(22,388)	133,992	-	-	142,367

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) - M05 - November

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
Revenue										
Exchange Revenue										
Service charges - Electricity		213,962	266,529	--	19,978	92,306	111,054	(18,748)	-17%	266,529
Service charges - Water		43,331	62,253	--	5,084	28,910	25,149	1,761	7%	62,253
Service charges - Waste Water Management		36,295	36,734	--	3,259	16,139	15,308	833	5%	36,734
Service charges - Waste management		22,127	28,588	--	2,249	12,392	11,912	480	4%	28,588
Sale of Goods and Rendering of Services		591	513	--	162	719	214	505	236%	513
Agency services		--	--	--	--	--	--	--	--	--
Interest		--	--	--	--	--	--	--	--	--
Interest earned from Receivables		11,175	35,088	--	1,321	6,188	14,620	(9,434)	-58%	35,088
Interest from Current and Non Current Assets		1,704	1,706	--	50	1,105	711	394	55%	1,706
Dividends		--	--	--	--	--	--	--	--	--
Rent on Land		--	--	--	--	--	--	--	--	--
Rental from Fixed Assets		1,124	1,667	--	73	395	695	(300)	-43%	1,667
Licence and permits		5,797	2,643	--	347	2,316	1,101	1,214	110%	2,643
Operational Revenue		854	--	--	5,355	5,801	--	5,801	--	--
Non-Exchange Revenue		--	--	--	--	--	--	--	--	--
Property rates		99,002	120,645	--	9,958	49,995	49,842	153	0%	120,645
Surcharges and Taxes		--	--	--	--	--	--	--	--	--
Fines, penalties and forfeits		16,018	5,531	--	3,024	14,417	2,305	12,112	526%	5,531
Licence and permits		--	4,844	--	--	--	2,018	(2,018)	-100%	4,844
Transfers and subsidies - Operational		215,280	219,671	--	(4,561)	82,232	146,530	(64,298)	-44%	219,671
Interest		--	--	--	--	--	--	--	--	--
Fuel Levy		--	--	--	--	--	--	--	--	--
Operational Revenue		--	--	--	--	--	--	--	--	--
Gains on disposal of Assets		2,983	--	--	--	--	--	--	--	--
Other Gains		16,794	--	--	--	--	--	--	--	--
Discontinued Operations		--	--	--	--	--	--	--	--	--
Total Revenue (excluding capital transfers and		669,034	786,412	--	46,298	310,912	361,456	(70,544)	-18%	786,412

Exchange Revenue

Electricity Revenue

The Electricity revenue monthly actual billed for electricity revenue in November 2023 is R19, 9 million. The YTD Actual billed is R92, 3 million which is R18, 7 million less than the YTD Budget of R111 million for the period ended 30 November 2023. Only R12, 3 million was received from consumers which is R7, 6 million less than the amount billed.

Water Revenue

The Water revenue monthly actual billed for November 2023 is R5 million. The YTD Actual billed is R6, 9 million which is R1, 7 million more than the YTD Budget amount of R25, 1 million. The payment amount received from consumers of R2, 7 million is R2, 3 million less than the amount billed.

Sanitation Revenue

The Sanitation revenue monthly actual billed for November 2023 is R3, 2 million. The YTD Actual billed is R16, 1 million which is R833 thousand more than the YTD Budget amount of R15, 3 million for the period ended 30 November 2023, the payment from consumers' amounts to R1, 8 million which is R1, 4 million less than the amount billed.

Refuse Revenue

The Refuse revenue monthly actual billed for November 2023 is R 2, 2 million. The YTD Actual billed is R12, 3 million which is R 480 thousand more than the YTD Budget amount of R11, 9 for the period ended 30 November 2023. The payment from consumers amounts to R1, 9 million which is R300 thousand less than the amount billed.

Interest earned from receivables

An amount of R1,2 million is interest earned from outstanding debtors, YTD Budget is R11,6 million and the YTD Actual is R4,8 million only R102 thousand was received from customers.

Interest from current and non- current assets

The interest earned on available funds on Municipal current account in November 2023 is R218 thousand. The YTD Actual is R1 million which is more than the YTD budget of R569 thousand as per the statement of financial performance.

Rental from fixed assets

The monthly actual revenue for Rental of fixed assets in November 2023 is R92 thousand.

Licenses and Permits

The monthly actual for Licenses and permits amounts to R1 million, the YTD actual on licenses and permits is R1, 9 million.

Operational revenue

The monthly actual on other revenue billed in November 2023 is R69 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 November 2023 is R9,9 million, the YTD Actual billed is R40 million which is R234 thousand less than the YTD Budget amount of R40 million for property rates, yet R7,1 million was receipted from consumers in November 2023 which is R2,8 million less than the amount billed.

Fines, penalties and forfeits

The YTD actual on fines, penalties and forfeits is R2, 1 million.

Overall revenue YTD budget

The revenue for the month of November 2023 is R46 million. The YTD Actual is R262 million and the YTD Budget is R242 million. Included in the Actual revenue includes first tranches of Equitable Share R84, 8 million, R10 million for MIG, R4 million for INEP and R3 million for FMG and R587 thousand for EPWP

BILLING VERSUS PAYMENT

As per table below the amount billed on the month of November is R35, 6 million while actual cash received is R39, 7 million. The collection rate for the month of November was 90% and year to date collection is 81%

Payment Period Nov-23
Total Payments(Including Reversals) -35,681,015.14

Type Of Service	Total Settlements	Billing	Payment Rate (Movement)
RATES GENERAL	-9,186,046.80	9,918,933.04	93%
ELECTRICITY	-8,862,801.95	9,586,005.23	92%
DEMAND/BASIC CHARGES	-3,599,308.12	4,034,064.70	89%
WATER CONSUMP	-1,949,875.61	3,479,785.31	56%
AVAIL WATER	-821,741.29	1,817,093.05	45%
AVAIL SEWER	-1,377,260.23	2,097,227.31	66%
ADD SEWERAGE	-534,691.71	535,154.60	100%
REFUSE	-1,965,155.34	2,885,118.77	68%
INTEREST	-174,544.05	1,847,100.05	9%
ADJUSTMENTS	-	-	0%
V.A.T.	-2,744,691.93	3,470,243.25	79%
DEPOSIT ELEC	-51,537.48	-	-
DEPOSIT WATER	-9,950.93	-	-
SERVICE CHARGE	-	-	-
OLD DEBT	-11,466.98	-	-
PENALTIES LATE PAYMENT	-325,470.55	-	-
COLL. FEES	-	-	-
LEGAL FEES	-311.44	-	-
SUNDRY CHARGE	-33,184.15	500.00	-
INDIGENT SUPPOR	-24,231.20	60,093.78	40%
PAYMENT ADVANCED	-4,008,745.38	-	-
Total	-35,681,015.14	39,731,319.09	90%

Billing vs Payment Summary

Electricity basic charges – 92% was received for electricity consumption for the month of November and 89% on basic electricity.

Water basic charges - 45% of basic water received was received for the month of November 2023 and 56% of water consumption.

Refuse – 68% of the refuse removal billed to consumers was paid

Sanitation – 66% of basic sanitation billed to consumers was paid and 100% for consumption

Rates – 93% of the rates billed to consumers was paid

The overall collection rate for all services is 90% for the month of November 2023 and the year-to-date collection rate is 81%

ESKOM PURCHASES PER AREA					
VRVHEID, BHEKLZULU, LAKESIDE	14,829,801.65	9,239,294.32	5,568,155.79	9,120,874.60	61.50
EMONDLO	5,199,534.29	206,187.73	1,445,114.57	202,766.70	3.90
CORONATION	628,064.31	11,424.02	55,834.95	14,792.03	2.36
HLOBANE	1,099,977.95	129,096.47	62,492.22	105,104.03	9.56
TOTAL	21,757,378.20	9,586,002.54	7,131,597.53	9,443,537.36	77.31

5.3 Expenditure by Type

KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 - November										
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										
Expenditure By Type										
Employee related costs		180,462	188,376	-	16,866	80,260	77,063	3,197	4%	188,376
Remuneration of councillors		17,265	19,305	-	1,382	7,076	8,044	(968)	-12%	19,305
Bulk purchases - electricity		215,218	263,142	-	20,406	104,487	109,643	(5,155)	-5%	263,142
Inventory consumed		47,174	40,210	-	5,665	20,211	15,730	4,481	28%	40,210
Debt impairment		3,636	7,363	-	-	-	3,068	(3,068)	-100%	7,363
Depreciation and amortisation		133,438	42,503	-	8,960	45,705	17,710	27,995	158%	42,503
Interest		5,475	-	-	738	2,290	-	2,290	-	-
Contracted services		117,485	95,641	-	6,976	44,119	40,249	3,870	10%	95,641
Transfers and subsidies		0	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73,664	-	-	(27)	(59)	-	(59)	-	-
Operational costs		53,260	63,954	-	6,621	28,213	27,252	(1,039)	-4%	63,954
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		17,909	-	-	-	-	-	-	-	-
Total Expenditure		864,984	720,495	-	67,585	330,302	298,758	31,544	11%	720,495

Employee related costs

The monthly actual incurred expenditure for Employee costs is R16, 8 million for the month of November 2023.

Remuneration of Councillors

The monthly actual incurred expenditure for the remuneration of Councillor is R1, 3 million for the month of November 2023.

Bulk Purchases

An amount of R20, 4 million was paid to Eskom during November 2023.

Other Materials (Inventory Consumed)

The monthly actual incurred expenditure for Other Materials (Inventory Consumed) amounts to R 5, 6 million in November 2023. This is expenditure for repairs and maintenance.

Debt impairment

The monthly actual incurred expenditure for Debt impairment is R0 thousand for the month of November.

Depreciation and Asset impairment

There expenditure for depreciation and asset impairment for the month of November is R8, 9 million.

Interest

The monthly actual incurred for interest amount to R736 thousand in November 2023

Contracted Services

The monthly actual incurred expenditure for Contracted services amounts to R 6, 9 million in November 2023

Transfers and Subsidies

The expenditure for free basic services off sets against the Revenue therefore there is no expenditure.

Operational expenditure

The monthly expenditure incurred on other expenditure amounts to R 6, 6 million in November 2023.

Overall expenditure

The expenditure for the month of November 2023 is R 67, 5 million.

Surplus/ (Deficit)

The Deficit for the month of November 2023 is R 26, 9 million.

Cash on Hand

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

CASH ON HAND

	OPENING BALANCE 1 NOVEMBER 2023	REVENUE	EXPENDITURE	BANK BALANCE 30 NOVEMBER 2023
ABSA	1,491,642.80	40,092,805.97	39,716,499.93	1,867,948.84
NEDBANK	805,114.98	21,569,396.58	21,139,548.06	1,234,963.50
TOTAL BANK BALANCE	2,296,757.78	61,662,202.55	60,856,047.99	3,102,912.34

As at 30 November 2023 the municipality has R3, 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 and R10 million for INEP.

Capital expenditure

The expenditure for November 2023 is R 2, 1 million for MIG projects funded from grant funding and the total to date spent on MIG is R 8, 4 million.

KZN263 Abaqulusi - Table C6 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 - October

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
R thousands										
Multi-Year expenditure appropriation	1									
Vote 1 - VOTE1	2									
Vote 2 - Finance & Administration										
Vote 3 - Community & Social Services										
Vote 4 - Energy Sources										
Vote 5 - Housing										
Vote 6 - Internal Audit										
Vote 7 - Other										
Vote 8 - Planning and Development										
Vote 9 - Public Safety										
Vote 10 - Road Transport										
Vote 11 - Sport and Recreation										
Vote 12 - Waste Management										
Vote 13 - Waste Water Management										
Vote 14 - Water Management										
Vote 15 -										
Total Capital Multi-year expenditure	4,7									
Single Year expenditure appropriation	2									
Vote 1 - VOTE1		(479)								
Vote 2 - Finance & Administration		7,812	1,000		101	776	500	276	55%	1,000
Vote 3 - Community & Social Services		1,195	15,917		439	1,002	5,306	(4,303)	-81%	15,917
Vote 4 - Energy Sources		3,399	17,680		1,729	1,729	6,060	(4,331)	-71%	17,680
Vote 5 - Housing										
Vote 6 - Internal Audit										
Vote 7 - Other										
Vote 8 - Planning and Development		333	2,000				1,000	(1,000)	-100%	2,000
Vote 9 - Public Safety										
Vote 10 - Road Transport		56,917	30,343		2,639	6,909	9,948	(3,038)	-31%	30,343
Vote 11 - Sport and Recreation			16,500				5,500	(5,500)	-100%	16,500
Vote 12 - Waste Management										
Vote 13 - Waste Water Management										
Vote 14 - Water Management										
Vote 15 -										
Total Capital single-year expenditure	4	69,176	83,440		4,907	10,417	28,313	(17,897)	-63%	83,440
Total Capital Expenditure		69,176	83,440		4,907	10,417	28,313	(17,897)	-63%	83,440
Capital Expenditure - Functional Classification		7,333	1,000		101	776	600	276	55%	1,000
Governance and administration		(479)								
Executive and council		7,812	1,000		101	776	500	276	55%	1,000
Finance and administration										
Internal audit		1,195	32,417		439	1,002	10,606	(9,603)	-91%	32,417
Community and public safety		1,195	15,917		439	1,002	5,306	(4,303)	-81%	15,917
Community and social services			16,500				5,500	(5,500)	-100%	16,500
Sport and recreation										
Public safety										
Housing										
Health		57,249	32,343		2,639	6,909	10,948	(4,038)	-37%	32,343
Economic and environmental services		333	2,000			1,000	(1,000)	-100%	2,000	
Planning and development		56,917	30,343		2,639	6,909	9,948	(3,038)	-31%	30,343
Road transport										
Environmental protection		3,399	17,680		1,729	1,729	6,060	(4,331)	-71%	17,680
Trading services		3,399	17,680		1,729	1,729	6,060	(4,331)	-71%	17,680
Energy sources										
Water management										
Waste water management										
Waste management										
Other										
Total Capital Expenditure - Functional Classification	3	69,176	83,440		4,907	10,417	28,313	(17,897)	-63%	83,440
Funded by:										
National Government		37,322	65,940		4,789	7,142	21,980	(14,838)	-68%	65,940
Provincial Government		333	10,500				3,833	(3,833)	-100%	10,500
District Municipality										
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm										
Transfers recognised - capital		37,654	76,440		4,789	7,142	25,813	(18,671)	-72%	76,440
Borrowing	6									
Internally generated funds		23,515	7,000		119	3,275	2,500		31%	7,000
Total Capital Funding		61,169	83,440		4,907	10,417	28,313	(17,897)	-63%	83,440

5.4 Debtors

The amount of R380, 3 million YTD is still owing to the municipality by the debtors. Debtor's 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 November 2023 amounts to R111, 5 million as detailed in the supporting Annexure 4.

Top twenty		
CREDITOR NAME	AMOUNT	SERVICES
Eskom Holdings SOC Ltd - KwaZulu Natal	6,196,557.02	Electricity Purchases
Qomkufa Security	3,148,256.05	Security Services
ENGAPHELI MOYA SOLUTIONS	2,179,162.06	Prepaid meters for Coronation
EKAYA PROMOTIONS	1,617,037.20	Supply of EPWP uniforms and stores materials
KUHLEMCEBO ENGINEERS	1,545,207.47	Electification of ward 7 emakhwathini
Conlog	1,448,137.50	Supply of Meters
AUDITOR-GENERAL	1,405,580.28	Audit fees
Munsoft	1,141,260.86	software license , business and advisory and postage fees
Mthokozisi Grey Enterprise	966,000.00	Supply of Chemicals
FLEET HORIZON SOLUTIONS (PTY)	960,247.87	Lease of Vehicles
ZITAPI CORPORATION (PTY)LTD	898,993.00	Supply of Cables
IDRIS CASSIM MEER	832,826.09	Session on security and Gardening services
MELA OKUHLE TRADING ENTERPRISE	672,516.73	Upgrading of Extension 16 SASCO
DLV PROJECT MANAGERS AND ENGINEERS PTY LTD	663,590.00	Upgrading of Extension 16 SASCO
COMPETITION CONSTRUCTION CC	640,908.80	Tarring of Zama to Kwabalele
BI INFRASTRUCTURE CONSULTANTS	618,563.05	Rehabilitation of President street
MSUFTU TRANSPORT (PTY)LTD	562,500.00	Gardening services
HRHB BUSINESS SERVICEAS & PROJ	324,743.00	Supply of road signs
LMK PROJECTS AND TRADING	324,074.35	Electrical Supplies
AMAKHOSI PILCO TRADING	295,940.00	Supply of Road Markings
TOTAL	26,442,101.33	

5.6 Grants Register

The total grants received to date for current financial period amounts to R32,6 million this amount excludes the Equitable share, YTD spent is R20,3 million

Abaqulusi Local Municipality						
Grant Register for the period 1 July 2023 to 30 June 2024						
TYPE OF GRANT RECEIVED	Opening balance per AFS/CL	Received in the bank	Expenditure Incl VAT	Salaries and other	TOTAL Expenditure incl VAT	Consolidated Closing balance
Integrated National Electrification Programme Grant						
Provincial housing	256.84	10,000,256.84	3,512,898.18		3,512,898.18	6,487,615.50
Provincial housing	107,393.00					107,393.00
old years housing grants	3,630,437.51	186,687.45				3,817,124.96
BHEKUMTHETHO Rural Housing Project	60,000.00					60,000.00
Library	-	-	-	-	-	-
MIG	-	4,763,000.00	-	2,444,274.92	2,444,274.92	-
FMG	-	10,000,000.00	8,411,044.54		8,411,044.54	2,318,725.08
Museum	-	3,000,000.00				1,588,955.46
EPWP	-	249,000.00		1,499,897.12	1,499,897.12	1,500,102.88
Sports And Recreation	-	1,645,000.00		266,100.55	266,100.55	(17,100.55)
Human Settlement Gluckstad	26,241.64	2,833,333.33		1,981,878.66	1,981,878.66	(336,878.66)
LED MARKET STALLS GRANT	-	-		2,272,914.74	2,272,914.74	586,660.23
	1,617,545.97					
	5,441,874.96	32,677,277.62	11,923,942.72	8,465,065.99	20,389,008.71	1,617,545.97
						17,730,143.87

Grant's expenditure

Finance Management Grant (FMG)

This grant is used to pay for the finance management interns, acquisition, upgrading and maintenance of financial management system and other training programs related to municipal finance. The FMG grant allocated and gazetted in terms of DORA amounts to R3 million which was received in September, the municipality spent R61 thousand in the month of November 2023. While the YTD expenditure is R 1,4 million.

Municipal Infrastructure Grant (MIG)

This is the conditional grant that funds the capital projects. The MIG grant gazetted in terms of DORA amounts to R51,8 million and the current allocation received to date amounts to R10 million.

The actual expenditure amount for the month of November 2023 is R 2,1 million, while the YTD expenditure is R 8,4 million.

Art and Culture Grants

The library grant funds the operational costs of libraries and the current allocation is R4, 7 million and received in November. The grant funds its operational costs. There is expenditure for the month November amounting to R484 thousand paid and YTD R2,4 million.

Museum grant current allocation is R249 thousand and has been received in October. There is expenditure for the month of November amounting to R52 thousand paid YTD is R266 thousand.

Sports and Recreation grant has an amount of R 8,5 million that is allocated for this financial year. The expenditure for the month of November 2023 is nil YTD is R2, 2 million.

EPWP GRANT

The EPWP grant gazetted in terms of DORA amounts to R2, 3 million and the current allocation has been received in October R587 thousand and R1 million.

The expenditure is R 586 thousand for the month of November and the YTD is R1, 9 million.

INEP GRANT

INEP grant current allocation is R16,6 million, an amount of R 4 million and R6 million has been received as the 1st and 2nd tranche in the current financial year respectively. The expenditure for the month of November 2023 is R1, 5 million YTD is R 3,5 million.

LED GRANT

There is no expenditure for the month of November 2023 and to date the grant has not been received.

Small Town Rehabilitation programme

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

Other Grants from various government departments rollover from the previous year

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

5.7 Investment Register

Abaquiesi Municipality Investment Register
 INVESTMENT REGISTER 1 July 2023 to 31 June 2024
 MAIN SUMMARY

INSTITUTION	BALANCE AT		MOVEMENTS	BALANCE AT		INTEREST							
	7/1/2023	2023/11/30		EARNED	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER				
Bank													
NEDBANK	3,697,779.83	3,824,252.78	0.00	126,472.95	25,281.74	25,454.41	24,801.90	25,798.20	25,136.70				
ABSA CALL	2,348.83	2,400.99	0.00	52.16	10.14	10.52	10.57	10.27	10.66				
ABSA CALL	243.11	243.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
NEDBANK	4,111.15	4,251.90	0.00	140.75	28.21	28.21	27.60	28.83	27.90				
STANDARD BANK	74,828.42	74,828.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
NEDBANK	4,470.61	4,623.60	0.00	152.99	30.69	30.69	30.00	31.31	30.30				
NEDBANK	802,257.39	829,696.73	0.00	27,439.34	5,485.14	5,522.65	5,380.80	5,597.05	5,453.70				
NEDBANK	4,799.67	4,799.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
STANDARD BANK	7,872,082.11	8,141,325.66	0.00	269,243.55	53,821.27	54,189.24	52,799.70	54,920.84	53,512.50				
NEDBANK	2,867,757.30	10,905,277.59	7,537,751.39	499,768.90	29,646.63	155,709.87	149,336.86	63,947.71	101,127.83				
ABSA LIQUIDITY PLUS	15,330,678.42	23,791,700.45	7,537,751.39	923,270.64	114,303.82	240,945.59	232,387.43	150,334.21	185,299.59				

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 November 2023 amounts to R185 thousand and for the year-to-date R 923 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 R 23,7 million in investments, this is for the cash backing of unspent grants and ESKOM guarantees

Annexure

STANDBY OVERTIME REPORT PER DEPARTMENT

ABAQULUSI MUNICIPALITY - O/T REPORT NOVEMBER 2023

DEPT	JULY	AUG	SEPT	OCT	NOV	TOTAL TO DATE
CORPORATE	97,302.43	67,776.43	61,866.46	60,125.55	93,262.00	380,332.87
HR	5,903.21	5,891.10	16,656.36	18,531.47	16,979.16	63,961.30
MUN MGR	-	-	-	-	-	-
MAYOR & COUNCIL	-	-	-	-	-	-
FINANCE	64,498.15	2,087.16	2,471.70	-	-	4,558.86
MUSEUM	-	12,733.99	13,127.04	14,482.32	12,459.68	117,301.18
SPORT & REC	-	-	-	-	-	-
HALLS & REC	-	33,457.05	32,519.85	-	-	65,976.90
CEMETERY	36,300.00	-	-	-	-	-
SOLID WASTE	70,952.93	72,756.71	80,891.45	34,415.14	15,244.68	85,959.82
LIBRARY	-	-	-	87,615.26	42,014.16	354,230.51
P/SAFETY	156,241.95	166,451.13	162,089.11	207,771.68	86,503.28	779,057.15
HOUSING	-	-	-	-	-	-
FLEET	-	-	-	-	-	-
ROADS	203,784.95	173,594.28	169,186.45	172,108.87	86,233.94	804,910.49
MOTOR LIC	-	-	-	-	-	-
SANITATION	277,578.73	287,102.14	290,367.30	305,996.75	232,408.95	1,393,453.87
WATER	243,858.10	238,282.08	245,694.06	257,483.36	169,780.49	1,155,098.07
ELECTRICITY	212,873.96	281,726.09	277,719.39	291,325.77	86,122.70	1,149,767.91
BACK PAY OVERTIME	-	-	-	-	-	-
TOTAL	1,369,294.41	1,341,858.14	1,352,591.17	1,449,856.17	841,009.04	6,354,608.93

ABAQULUSI MUNICIPALITY - STAND BY REPORT NOVEMBER 2023

DEPT	JULY	AUG	SEPT	OCT	NOV	TOTAL TO DATE
CORPORATE	-	-	-	-	-	-
HR	-	-	-	-	-	-
MUN MGR	-	-	-	-	-	-
MAYOR & COUNCIL	-	-	-	-	-	-
FINANCE	25,073.46	26,986.17	30,459.45	25,115.17	27,251.73	134,885.38
MUSEUM	-	-	-	-	-	-
SPORT & REC	-	-	-	-	-	-
HALLS & REC	-	-	-	-	-	-
CEMETERY	-	-	-	-	-	-
SOLID WASTE	1,582.89	1,249.65	6,469.75	1,416.27	416.55	11,135.11
LIBRARY	-	-	-	-	-	-
P/SAFETY	77,641.52	77,353.00	51,126.92	79,938.21	70,822.19	356,881.84
HOUSING	-	-	-	-	-	-
FLEET	-	-	-	-	-	-
ROADS	1,918.28	2,369.64	4,367.06	3,228.56	3,567.08	15,450.62
MOTOR LIC	-	-	-	-	-	-
SANITATION	54,461.23	52,561.97	49,345.82	61,392.26	60,313.45	278,074.73
WATER	47,095.72	41,132.31	57,110.12	42,260.29	45,084.41	232,682.85
ELECTRICITY	91,208.91	104,281.60	120,753.55	105,627.73	104,791.88	526,663.67
BACK PAY OVERTIME	-	-	-	-	-	-
TOTAL	298,982.01	305,934.34	319,632.67	318,978.49	312,246.69	1,555,774.20

ANNEXURE 2

S&T NOVEMBER 2023

NO.	SUBSTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TOTAL	TRIP DETAILS
MADINANA NN	4400.80	107.00	3248.00	884.80	161.00	4400.80	ATSALGABC OBO SAMWU // ABAQULUSI MATTER 18/40
	4868.64	0.00	3735.20	972.44	161.00	4868.64	SAMWU SANDILE H MTSHALI // ABAQULUSI MATTER 4/1
	4338.10	83.50	3248.00	845.60	161.00	4338.10	SAMWU SANDILE H MTSHALI // ABAQULUSI MATTER 4/1
NDLOU WL	13607.54	190.50	10231.20	2702.84	483.00	13607.54	
	483.00	0.00	0.00	0.00	483.00	483.00	TRANSPORT LIBRARIANS & CYBER CADETS TO TRAINING
	161.00	0.00	0.00	0.00	161.00	161.00	TRANSPORTING FOR TRAINING 22/10
	161.00	0.00	0.00	0.00	161.00	161.00	TRANSPORTING LC ZWANE
	161.00	0.00	0.00	0.00	161.00	161.00	TRANSPORTING PARTICIPANTS FOR BOXING
MTSHALI SS	1127.00	0.00	0.00	0.00	161.00	161.00	TRANSPORTING PARTICIPANTS FOR OVER 40 NETBALL
	161.00	0.00	0.00	0.00	1127.00	1127.00	
	161.00	0.00	0.00	0.00	161.00	161.00	DELIVER LETTER TO ZG DLAMINI - ULUNDI
BUTHELEZI BA	322.00	0.00	0.00	0.00	161.00	161.00	TAKE OFFICIAL TO PIETERMARITZBURG
	3771.76	124.00	3062.40	63.36	322.00	322.00	
	161.00	124.00	0.00	0.00	522.00	3771.76	VAB ORIENTATION
MTHIYANE ZB	3932.76	124.00	3062.40	63.36	161.00	161.00	BID COMMITTEE TRAINING
	7306.00	66.00	3248.00	1904.00	683.00	3932.76	
	7978.95	112.00	5076.16	2790.79	2088.00	7306.00	SAMA NATIONAL CONFERENCE
	4907.06	0.00	3062.40	1683.66	0.00	7978.95	PROVINCIAL GOLDEN GAMES
	3770.88	0.00	2329.28	1280.60	161.00	4907.06	COLLECTING OF MOA - LIBRARIES
	9183.56	59.00	5549.44	3253.12	161.00	3770.88	ATTENDING UMKHOSI WELEMBE
	1886.84	0.00	1113.60	612.24	322.00	9183.56	COLLECTION AND SUBMISSION OF MOA FROM DSAC
	35033.29	237.00	20378.88	11524.41	161.00	1886.84	BID COMMITTEE TRAINING
					2893.00	35033.29	

MDLULI MS	5066.50	0.00	2978.50	0.00	2088.00	5066.50	SAMA CONFERENCE
THUNGO CS	1287.84	0.00	1126.84	0.00	161.00	1287.84	BID COMMITTEE TRAINING
CLLR SHELEMBE S	6443.50	0.00	3248.00	3034.50	161.00	6443.50	ATTENDING CO - GOVERNANCE MEETING
MASUKU BT	6703.46	0.00	3651.77	2007.69	1044.00	6703.46	KZN LGSETA PROVINCIAL SDF FORUM
JIVANE ZO	1904.87	0.00	1382.88	-0.01	522.00	1904.87	ATTEND TYRE SAFETY WORKSHOP
MASUKU KE	522.00	0.00	0.00	0.00	522.00	522.00	ATTEND TYRE SAFETY WORKSHOP AND ROADBLOCK
HLELA S	522.00	0.00	0.00	0.00	522.00	522.00	ATTEND TYRE SAFETY WORKSHOP AND ROADBLOCK
MSIMANGO TP	1966.84	0.00	1444.84	0.00	522.00	1966.84	ATTEND TYRE SAFETY WORKSHOP AND ROADBLOCK
XULU B	161.00	0.00	0.00	0.00	161.00	161.00	FETCH INTERNS - DURBAN 28/10
MTSHALI V	1515.86	0.00	1206.40	148.46	161.00	1515.86	DISABILITY MONTH PLANNING MEETING - ULUNDI
CELE NP	1798.74	0.00	1206.40	431.34	161.00	1798.74	DISTRICT MUNICIPALITY RAPID RESPONSE TEAM MEETING - ULUNDI
DLAMINI SP	1568.34	0.00	1020.80	386.54	161.00	1568.34	DISTRICT PUBLIC PARTICIPATION FORUM - NONGOMA
	3367.08	0.00	2277.20	817.88	322.00	3367.08	
	5380.20	0.00	3248.00	2132.20	0.00	5380.20	TECHNICAL MUNIMEC
MTHEMBU MPE	2159.36	0.00	1206.40	791.96	161.00	2159.36	PUBLIC PROTECTOR ROADSHOWS
CLLR KHUMALO MD	7539.56	0.00	4454.40	2924.16	161.00	7539.56	
CLLR DUBE L	5161.80	0.00	3248.00	1913.80	0.00	5161.80	SAICA WATER INVENTORY LOSS UPDATE
	1790.16	0.00	1206.40	583.76	0.00	1790.16	PULIC PROTECTOR ROADSHOWS
	5380.20	0.00	3248.00	2132.20	0.00	5380.20	SALGA KZN LABPOUR RELATIONS
BIYELA NS	5380.20	0.00	3248.00	2132.20	0.00	5380.20	JOINT EXCO ON WATER & SANITATION
SOSIBO ANP	10760.40	0.00	6496.00	4264.40	0.00	10760.40	
SIBIYA LP	1771.00	0.00	0.00	0.00	1771.00	1771.00	TRAFFIC TRAINING MEALS
KHOZA C	4375.31	0.00	2604.31	0.00	1771.00	4375.31	TRAFFIC TRAINING
ZONDI M	3132.00	0.00	0.00	0.00	3132.00	3132.00	MFMP TRAINING - OCTOBER 2023
BUTHELEZI INC	3132.00	0.00	0.00	0.00	3132.00	3132.00	MFMP TRAINING - OCTOBER 2023
NGCOBO NN	3132.00	0.00	0.00	0.00	3132.00	3132.00	MFMP TRAINING - OCTOBER 2023
	3132.00	0.00	0.00	0.00	3132.00	3132.00	MFMP TRAINING - OCTOBER 2023

DHLADHLA JA	5124.12	0.00	3159.84	1803.28	161.00	5124.12	ATTENDING ZDM SALGA GAMES
	3243.78		2329.28	753.50	161.00	3243.78	ATTENDING UMKHOSI WELEMBE
	1512.02		1020.80	330.22	161.00	1512.02	ATTENDING ZDM MAYORAL CUP PLENNARY MEETING
MHLONGO S	9879.92	0.00	6509.92	2887.00	483.00	9879.92	
	2338.36		1967.36	371.00	0.00	2338.36	JOB EVALUATION 6/7 NOV
	4382.50		3248.00	612.50	522.00	4382.50	SAMWU SANDILE H MITSHALI // ABAQULUSI MATTER
SOLIM P	6720.86	0.00	5715.36	983.50	522.00	6720.86	
DLAMINI BE	2499.36		1967.36	371.00	161.00	2499.36	DISPOSAL OF TERMINATED RECORDS
MAKHUYHA PH	1405.22		883.22	0.00	522.00	1405.22	ZDM COMPLIANCE & AUDIT CHECKS
MAGUBANE DT	6229.10	83.50	3248.00	1853.60	1044.00	6229.10	KZN MUNICIPAL RISK FORUM
NTSHANGASE LH	3371.70	13.50	2314.20	0.00	1044.00	3371.70	KZN MUNICIPAL RISK FORUM
CLLR KHUMALO HB	3658.16	0.00	3136.16	0.00	522.00	3658.16	SALGA BUSINESS BREAKFAST
CLLR MITSHALI LWC	3144.40		3144.40	0.00	0.00	3144.40	JOINT EXCO ON WATER & SANITATION
	5392.80		3248.00	2144.80	0.00	5392.80	JOINT EXCO ON WATER & SANITATION
	158925.89	648.50	88974.24	33948.15	35355.00	158925.89	

Annexure 3

Debtors Age analysis

KZN263 Abaqulusi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 - November

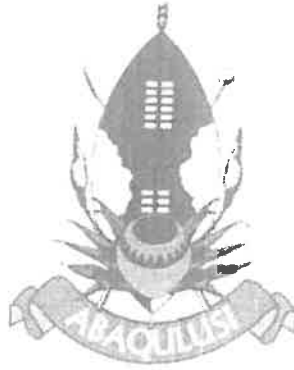
R thousands	Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days	
Debtors Age Analysis By Income Source													
	Trade and Other Receivables from Exchange Transactions - Water	1200	5,829	4,148	3,592	3,703	3,727	1,200	1,153	35,398	58,760	45,182	
	Receivables from Other Receivables from Exchange Transactions - Electricity	1300	15,353	4,868	5,345	2,825	1,967	1,438	1,253	14,927	47,978	22,411	
	Receivables from Non-exchange Transactions - Property Rates	1400	7,954	3,719	2,895	2,220	2,036	1,643	1,715	81,784	103,965	89,398	
	Receivables from Exchange Transactions - Waste Water Management	1500	3,201	1,983	1,678	1,554	1,435	1,294	5,916	36,549	53,610	46,748	
	Receivables from Exchange Transactions - Waste Management	1600	3,104	1,853	1,623	1,490	1,398	1,172	1,117	28,323	41,080	34,500	
	Interest on Arrear Debtor Accounts	1700	1,882	1,835	1,784	1,781	1,796	1,641	1,615	39,990	52,324	46,823	
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1810	2,191	1,806	1,817	1,721	1,773	1,105	243	11,987	22,644	16,830	
	Other	1820	39,613	20,212	18,735	15,295	14,134	9,493	13,011	249,958	380,362	301,892	20
	Total By Income Source	2000											
	2022/23 - totals only		5,770	3,860	2,937	2,870	1,829	1,875	1,387	59,286	79,813	67,246	
	Debtors Age Analysis By Customer Group		17,797	6,507	7,076	4,494	4,625	964	1,111	28,522	71,096	39,716	
	Organs of State	2300	15,948	9,846	8,721	7,832	7,680	6,654	10,513	162,151	229,443	194,930	20
	Commercial	2400											
	Households	2500											
	Other												

ANNEXURE 4

CREDITORS AGE ANALYSIS

KZN263 Abaqulusi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 - November
 R thousands

Description	NT Code	Budget Year 2023/24										Total	Over 1 Year	Prior year totals for chart (same)		
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	1 Year	Over 1 Year	Total					
Creditors Age Analysis By																
Bulk Electricity	0100	23,759	53,001	-	12,161	-	-	-	-	-	4,092	3,463	1,344	97,819	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	9,467	2,890	152	8	62	59	266	841	13,744	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	33,226	55,891	152	12,169	62	4,150	3,729	2,184	111,563	-	-	-	-	-	-



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 November 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

DATE



QUALITY CERTIFICATE

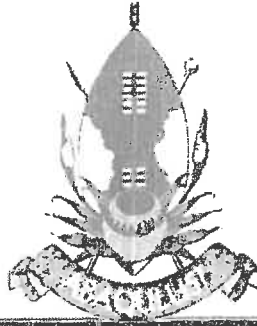
I, **SP Dlamini**, Acting Municipal Manager of **ABAQULUSI MUNICIPALITY**, hereby certify that I have read the document and certify that I agree and understand the contents contained herein: (mark as appropriate)

- The November 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 November 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

ACTING MUNICIPAL MANAGER
ABAQULUSI MUNICIPALITY, KZN263

DATE: 2024-01-15



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 November 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 November 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

HONOURABLE MAYOR

ABAQULUSI MUNICIPALITY, KZN263

DATE: _____

**SECTION 71 REPORT DECEMBER
2023**

FOR CONSIDERATION

082



FINANCIAL SERVICES

Interoffice memorandum
FINANCIAL SECTION

ENQUIRIES	:	FINANCE DEPARTMENT
REFERENCE	:	4/7/3/3
TELEPHONE	:	034 9822133x2235
FAX.	:	086 645 2165
EMAIL	:	finance@abaqulusi.gov.za
DATE	:	Monday, 08 January 2024

ABAQULUSI MUNICIPALITY
CORPORATE SERVICE
FILE NO: 4/7/3/3
DATE RECEIVED 09 JAN 2023
FO-ATTENTION
MM: [] MAYOR []
DIR. MAYOR [] DIR. CORP. [] DIR. TECH. [] DIR. COM. [] DIR. LAW []

82160

TO : COUNCIL
SUBJECT : SECTION 71 REPORT
DECEMBER 2023

1. PURPOSE

The purpose of this memorandum is to comply with Section 71 of the MFMA, by providing an interim statement to the Mayor and Council containing certain financial particulars to achieve MFMA compliance

2. LEGISLATIVE/STATUTORY REQUIREMENTS

Strategic Objective: "To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate."

Section 71 of the MFMA requires that:

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 and National treasury a statement in a 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;
- Any allocations received;
- Actual expenditure on allocations received;

SECTION 71 REPORT DEC 2023

- (f) Actual borrowings; and
- (g) Any other budget information as may be required by National and Provincial Treasury for monitoring purposes.

Therefore, the December 2023 report is based on financial information available at the time of preparation. The financial results for the period ending 31 December 2023 are summarised as per the attached document.

3. INTERNAL DEPARTMENTS CONSULTED

All Departments

4. FINANCIAL IMPLICATIONS

Financial implications are as per the attached monthly section 71 report.

5. CONSTITUTION AND LEGAL FACTORS

Approving this report ensures compliance to the legislative requirements.

6. COMMUNICATION

In compliance to legislative requirements (Section 71 of the MFMA) this document is provided to all stakeholders by placing it on the Abaqulusi Municipal website.

7. CONCLUSION

This report meets with the requirements of the MFMA, Section 71 by submitting the 'IN-YEAR REPORT' to Council on the implementation of the budget and the financial status of the municipality

8. RECOMMENDATIONS

It is recommended that COUNCIL:

- 8.1 Adopts the Section 71 report for the period ending 31 December 2023;
- 8.2 Delegate the Accounting Officer to submit the Section 71 report within 1 day of tabling to the National Treasury portal.

PREPARED BY


LM TUPPER
MANAGER FINANCIAL PLANNING

2024/01/08
DATE

**COMMENTS CHIEF FINANCIAL OFFICER
SUPPORTED/~~NOT SUPPORTED~~
APPROVED/~~NOT APPROVED~~**


MPE MTHEMBU
CHIEF FINANCIAL OFFICER

DATE

**COMMENTS MUNICIPAL MANAGER
SUPPORTED/~~NOT SUPPORTED~~
APPROVED/~~NOT APPROVED~~**


SP DLAMINI
ACTING MUNICIPAL MANAGER

2024-01-10
DATE

FINANCIAL SERVICES

SECTION 71



DECEMBER 2023

COUNCIL

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**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE
2023/2024 BUDGET FOR THE PERIOD ENDING 31 DECEMBER 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 December 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 December 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) - M06 - December

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
Rt thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		213 962	266 529	-	19 631	111 937	133 264	(21 326)	-16%	266 529
Service charges - Water		43 331	62 263	-	4 765	31 675	30 600	1 075	4%	62 253
Service charges - Waste Water Management		36 265	36 734	-	3 232	19 371	18 367	1 004	5%	36 734
Service charges - Waste management		22 127	28 588	-	2 211	14 603	14 294	309	2%	28 588
Sale of Goods and Rendering of Services		591	513	-	163	881	256	625	244%	513
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11 175	35 088	-	1 217	7 402	17 544	(10 142)	-58%	35 088
Interest from Current and Non Current Assets		1 704	1 706	-	422	1 527	853	674	79%	1 706
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-
Licence and permits		1 124	1 667	-	75	469	834	(364)	-44%	1 667
Operational Revenue		5 797	2 643	-	403	2 719	1 397	1 322	106%	2 643
Non-Exchange Revenue		854	-	-	0	5 801	-	5 801	-	-
Property rates		99 002	120 645	-	9 976	59 971	60 038	(67)	0%	120 645
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		18 016	5 531	-	2 641	17 058	2 766	14 292	517%	5 531
Licence and permits		-	4 844	-	-	-	2 422	(2 422)	-100%	4 844
Transfers and subsidies - Operational		215 280	219 671	-	79 443	161 675	146 530	15 145	10%	219 671
Interest		-	-	-	-	-	-	-	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		2 983	-	-	-	-	-	-	-	-
Other Gains		16 794	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		689 034	786 412	-	124 177	436 089	429 080	5 999	1%	786 412
Expenditure By Type										
Employee related costs		180 462	188 376	-	24 942	105 202	93 200	12 002	13%	188 376
Remuneration of councillors		17 265	19 305	-	1 421	8 497	9 653	(1 156)	-12%	19 305
Bulk purchases - electricity		215 218	263 142	-	15 393	122 861	131 571	(8 690)	-7%	263 142
Inventory consumed		47 174	40 210	-	7 522	27 733	22 892	4 841	21%	40 210
Debt impairment		3 636	7 363	-	-	-	3 682	(3 682)	-100%	7 363
Depreciation and amortisation		133 438	42 503	-	9 259	54 964	21 252	33 712	159%	42 503
Interest		5 475	-	-	1 083	3 383	3 383	-	-	-
Contracted services		117 485	95 641	-	6 910	51 029	47 938	3 091	6%	95 641
Transfers and subsidies		0	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73 664	-	-	-	(59)	-	-	-	-
Operational costs		53 260	63 954	-	6 230	32 443	32 586	(153)	0%	63 954
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		17 909	-	-	-	-	-	-	-	-
Total Expenditure		864 984	720 496	-	75 771	406 073	362 783	43 290	12%	720 496
Surplus/(Deficit)		(175 950)	66 917	-	48 407	29 017	66 307	(37 290)	-56%	66 917
Transfers and subsidies - capital (monetary allocations)		43 990	76 440	-	12 693	9 695	51 293	(41 598)	-81%	76 440
Transfers and subsidies - capital (in-kind)		620	-	-	0	0	0	0	-	-
Surplus/(Deficit) after capital transfers & income tax		(131 340)	142 367	-	61 100	38 712	117 600	-	-	142 367
Surplus/(Deficit) after income tax		(131 340)	142 367	-	61 100	38 712	117 600	-	-	142 367
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(131 340)	142 367	-	61 100	38 712	117 600	-	-	142 367
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercountry/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(131 340)	142 367	-	61 100	38 712	117 600	-	-	142 367

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) - M06 - December

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
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		213 982	266 529	-	19 631	111 937	133 264	(21 326)	-16%	266 529
Service charges - Water		43 331	62 253	-	4 765	31 675	30 600	1 075	4%	62 253
Service charges - Waste Water Management		36 295	36 734	-	3 232	19 371	18 367	1 004	5%	36 734
Service charges - Waste management		22 127	28 588	-	2 211	14 603	14 294	309	2%	28 588
Sale of Goods and Rendering of Services		591	513	-	163	881	256	625	244%	513
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		11 175	35 088	-	1 217	7 402	17 544	(10 142)	-58%	35 088
Interest from Current and Non Current Assets		1 704	1 706	-	422	1 527	853	674	79%	1 706
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		-	-	-	-	-	-	-	-	-
Licence and permits		1 124	1 667	-	75	469	834	(364)	-44%	1 667
Operational Revenue		5 797	2 643	-	403	2 719	1 322	1 397	106%	2 643
Non-Exchange Revenue		854	-	-	0	5 801	-	5 801	-	-
Property rates		-	-	-	-	-	-	-	-	-
Surcharges and Taxes		99 002	120 645	-	9 976	59 971	60 038	(67)	0%	120 645
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licence and permits		16 016	5 531	-	2 641	17 058	2 766	14 292	517%	5 531
Transfers and subsidies - Operational		-	4 844	-	-	-	2 422	(2 422)	-100%	4 844
Interest		215 280	219 671	-	79 443	161 675	146 530	15 145	10%	219 671
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		2 983	-	-	-	-	-	-	-	-
Discontinued Operations		16 794	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and		689 034	786 412	-	124 177	435 089	428 090	5 999	1%	786 412

Exchange Revenue

Electricity Revenue

The Electricity revenue monthly actual billed for electricity revenue in December 2023 is R19,6 million. The YTD Actual billed is R111,9 million which is R21,7 million less than the YTD Budget of R133,2 million for the period ended 31 December 2023. Only R10,8 million was received from consumers which is R8,8 million less than the amount billed.

Water Revenue

The Water revenue monthly actual billed for December 2023 is R4,7 million. The YTD Actual billed is R31,6 million which is R1 million more than the YTD Budget amount of R30,6 million. The payment amount received from consumers of R2,4 million is R2,3 million less than the amount billed.

Sanitation Revenue

The Sanitation revenue monthly actual billed for December 2023 is R3,2 million. The YTD Actual billed is R19,3 million which is R1 million more than the YTD Budget amount of R18,3 million for the period ended 31 December 2023, the payment from consumers' amounts to R1,7 million which is R1,5 million less than the amount billed.

Refuse Revenue

The Refuse revenue monthly actual billed for December 2023 is R2,2 million. The YTD Actual billed is R14,6 million which is R309 thousand more than the YTD Budget amount of R14,2 for the period ended 31 December 2023. The payment from consumers amounts to R1,8 million which is R400 thousand less than the amount billed.

Interest earned from receivables

An amount of R1,2 million is interest earned from outstanding debtors, YTD Budget is R17,5 million and the YTD Actual billed is R7,4 million only R135 thousand was received from customers.

Interest from current and non-current assets

The interest earned on available funds on Municipal current account in December 2023 is R422 thousand. The YTD Actual is R1,5 million which is more than the YTD budget of R853 thousand as per the statement of financial performance.

Rental from fixed assets

The monthly actual revenue for Rental of fixed assets in December 2023 is R75 thousand.

Licenses and Permits

The monthly actual for Licenses and permits amounts to R403 thousand, the YTD actual on licenses and permits is R2,7 million.

Operational revenue

The monthly actual on other revenue billed in December 2023 is R0. 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 December 2023 is R9,9 million, the YTD Actual billed is R59,9 million which is R67 thousand less than the YTD Budget amount of R60 million for property rates, yet R8,6 million was receipted from consumers in December 2023 which is R1,3 million less than the amount billed.

Fines, penalties and forfeits

The YTD actual on fines, penalties and forfeits is R17 million.

Overall revenue YTD budget

The revenue for the month of December 2023 is R124,1 million. The YTD Actual is R435 million and the YTD Budget is R429 million. Included in the Actual revenue includes first and second tranches of Equitable Share R152,7 million, R10 million for MIG, R10 million for INEP and R3 million for FMG and R1,6 million for EPWP

BILLING VERSUS PAYMENT

As per table below the amount billed on the month of December is R40,9 million while actual cash received is R28,8 million. The collection rate for the month of December was 70% and year to date collection is 81%

Payment Period Dec-23
 Total Payments (Including Reversals) -28 859 306.49

Type of Service	Total Settlements	Billing	Payment Rate (Movement)
RATES GENERAL	-8 621 947.56	9 905 864.66	87%
ELECTRICITY	-7 759 055.87	10 617 637.39	73%
DEMAND/BASIC CHARGES	-3 109 861.47	4 061 514.72	77%
WATER CONSUMP	-1 705 394.43	3 563 428.33	48%
AVAIL WATER	-771 397.26	1 809 975.00	43%
AVAIL SEWER	-1 282 849.62	2 082 708.05	62%
ADD SEWERAGE	-480 244.26	509 075.66	94%
REFUSE	-1 836 724.09	2 865 254.27	64%
INTEREST	-135 655.20	1 883 665.34	7%
ADJUSTMENTS	-309.92		
V.A.T.	-2 645 760.59	3 618 552.78	73%
DEPOSIT ELEC	-46 732.57		
DEPOSIT WATER	-3 297.37		
PENALTIES LATE PAYMENT	-406 072.43		
LEGAL FEES	-385.31		
SUNDRY CHARGE	-65 086.52	500.00	
INDIGENT SUPPOR	-22 248.00	70 995.28	
PAYMENT ADVANCED	33 715.98		
Total	-28 859 306.49	40 989 171.48	70%

Billing vs Payment Summary

Electricity basic charges – 73% was received for electricity consumption for the month of December and 77% on basic electricity.

Water basic charges - 43% of basic water received was received for the month of December 2023 and 48% of water consumption.

Refuse – 64% of the refuse removal billed to consumers was paid

Sanitation – 62% of basic sanitation billed to consumers was paid and 94% for consumption

Rates – 87% of the rates billed to consumers was paid

The overall collection rate for all services is 70% for the month of December 2023 and the year-to-date collection rate is 81%

ELECTRICITY REPORT FOR THE MONTH OF DECEMBER 2023

ESKOM PURCHASES PER AREA

Area	2022/23	2023/24	2023/24	2023/24	2023/24
VRYHEID, BHEKUZULU, LAKESIDE	12 620 760.12	9 591 015.43	6 730 217.48	16 321 232.91	129.32
EMONDLO	4 538 592.48	735 438.26	1 907 743.55	2 643 181.81	58.24
CORONATION	436 293.33	13 059.26	88 116.18	101 175.44	23.19
HLOBANE	787 860.58	151 800.07	143 181.44	294 981.51	37.44
TOTAL	18 383 506.51	10 491 313.02	8 869 258.65	19 360 571.67	105.31

5.3 Expenditure by Type

KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December

Description	Ref	Budget Year 2023/24								
		2022/23	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		180 462	188 376	-	24 942	105 202	93 200	12 002	13%	188 376
Remuneration of councillors		17 285	19 305	-	1 421	8 497	9 663	(1 156)	-12%	19 305
Bulk purchases - electricity		215 218	263 142	-	18 393	122 881	131 571	(8 690)	-7%	263 142
Inventory consumed		47 174	40 210	-	7 522	27 733	22 892	4 841	21%	40 210
Debt impairment		3 636	7 363	-	-	-	3 682	(3 682)	-100%	7 363
Depreciation and amortisation		133 438	42 503	-	9 259	54 964	21 252	33 712	159%	42 503
Interest		5 475	-	-	1 093	3 383	-	3 383	-	-
Contracted services		117 485	95 641	-	6 910	51 029	47 938	3 091	6%	95 641
Transfers and subsidies		0	-	-	-	-	-	-	-	-
Irrecoverable debts written off		73 664	-	-	-	(59)	-	(59)	-	-
Operational costs		53 260	63 954	-	6 230	32 443	32 596	(153)	0%	63 954
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		17 909	-	-	-	-	-	-	-	-
Total Expenditure		864 984	720 495	-	75 771	406 073	362 783	43 290	12%	720 495

Employee related costs

The monthly actual incurred expenditure for Employee costs is R24,9 million for the month of December 2023.

Remuneration of Councillors

The monthly actual incurred expenditure for the remuneration of Councillor is R1,4 million for the month of December 2023.

Bulk Purchases

An amount of R18,3 million was paid to Eskom during December 2023.

Other Materials (Inventory Consumed)

The monthly actual incurred expenditure for Other Materials (Inventory Consumed) amounts to R7,5 million in December 2023. This is expenditure for repairs and maintenance.

Debt impairment

The monthly actual incurred expenditure for Debt impairment is R0 thousand for the month of December.

Depreciation and Asset impairment

There expenditure for depreciation and asset impairment for the month of December is R9,2 million.

Interest

The monthly actual incurred for interest amount to R1 million in December 2023

Contracted Services

The monthly actual incurred expenditure for Contracted services amounts to R 6,9 million in December 2023

Transfers and Subsidies

The expenditure for free basic services off sets against the Revenue therefore there is no expenditure.

Operational expenditure

The monthly expenditure incurred on other expenditure amounts to R6,2 million in December 2023.

Overall expenditure

The expenditure for the month of December 2023 is R75,7 million.

Surplus/ (Deficit)

The surplus for the month of December 2023 is R48,4 million.

Cash on Hand

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

CASH ON HAND

	OPENING BALANCE 1 DECEMBER 2023	REVENUE	EXPENDITURE	BANK BALANCE 31 DECEMBER 2023
ABSA	1 867 948.84	108 352 503.79	102 200 562.26	8 019 890.37
NEDBANK	1 234 963.50	8 755 054.37	7 220 906.50	2 769 111.37
TOTAL BANK BALANCE	3 102 912.34	117 107 558.16	109 421 468.76	10 789 001.74

As at 31 December 2023 the municipality has R10,7 million cash available in the bank accounts for operating purposes.

Capital Expenditure

The capital budget for the 2023/24 financial year is R83,4 million. The capital is broken down between Grant funding (R76,4 million) and own funding (R7 million)

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

Capital expenditure

The expenditure for December 2023 is R2,8 million for MIG and INEP projects funded from grant funding and R29 thousand from own funding. The total to date spent on MIG is R9,6 million.

KZN263 Abaqulusi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 - December

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited	Original	Adjusted	Monthly actual	YearTD actual	YearTD budget	YTD	YTD %	Full Year
R thousands										
Capital Expenditure - Functional Classification	1									
Governance and administration		7 333	1 000	-	29	836	600	-	-	1 000
Executive and council		(479)	-	-	-	-	-	335	67%	-
Finance and administration		7 812	1 000	-	29	836	500	335	67%	1 000
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 195	32 417	-	1 213	2 216	21 611	(19 395)	-90%	32 417
Community and social services		1 195	15 917	-	1 213	2 216	10 611	(8 395)	-79%	15 917
Sport and recreation		-	16 500	-	-	-	11 000	(11 000)	-100%	16 500
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		63 716	32 343	-	786	9 578	21 895	(12 318)	-50%	32 343
Planning and development		339	2 000	-	-	-	2 000	(2 000)	-100%	2 000
Road transport		53 383	30 343	-	786	9 578	19 895	(10 318)	-52%	30 343
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		4 858	17 680	-	893	3 966	11 620	(7 654)	-86%	17 680
Energy services		4 858	17 680	-	893	3 966	11 620	(7 654)	-86%	17 680
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification										
Funded by:	3	67 102	83 440	-	2 921	16 694	55 627	(39 032)	-70%	83 440
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		31 208	65 940	-	2 892	13 261	43 960	(30 699)	-70%	65 940
District Municipality		333	10 500	-	-	-	7 667	(7 667)	-100%	10 500
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Deparim)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Borrowing		31 540	76 440	-	2 892	13 281	51 627	(38 368)	-74%	76 440
Internally generated funds	6	-	-	-	-	-	-	-	-	-
Total Capital Funding		27 556	7 000	-	29	3 333	4 000	(667)	-17%	7 000
		69 095	83 440	-	2 921	16 694	55 627	(39 032)	-70%	83 440

5.4 Debtors

The amount of R392,3 million YTD is still owing to the municipality by the debtors. Debtor's 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 December 2023 amounts to R86,5 million as detailed in the supporting Annexure 4.

TOP 20

Creditor Name	Amount	Services
ESKOM Holdings	44 997 000.12	Electricity purchases
Munsoft	2 213 766.39	Municipal Financial system
Qomkufa Security	2 034 303.85	Security Services
Ekaya Promotions	1 858 142.40	Supply of uniforms and mini-subbs for stores stock and LED Ward Projects Gazebos
Essen Trading	1 615 750.00	Cold mix asphalt for roads
Garlicke & Bousfield	1 436 383.96	Legal services
Thinasonke Building Projects	1 255 913.51	Mvuzini Community Hall - Ward 17 - MIG
Luzuko Trading Enterprises	1 089 523.80	Section 78 assessment
BTMN Engineers (Pty) Ltd	1 042 926.64	Electrification - INEP funding
Destro Trading	980 733.00	Repairs to water infrastructure
Fleet Horizon Solutions	968 598.74	Lease of vehicles
Dynamic Dashing Solutions	927 200.00	Preparation of assets register for AFS
Msuftu Transport (Pty) Ltd	862 500.00	Gardening services
Mela Okuhle Trading	846 987.04	Upgrading of Ext 16 SASKO - MIG
Engapheli Moya Solutions	829 432.12	Repairs to water infrastructure
Liana Consulting	640 082.95	Refuse removal
Isigodlosendlovukazi	630 193.00	Cable for stores stock
ABSA Fleet	626 800.36	Fuel and diesel cards
Aqua Transport	569 876.75	Lease of yellow equipment
Origins Properties	486 202.98	Stores stock for water
	65 912 317.61	

5.6 Grants Register

The total grants received to date for current financial period amounts to R32,6 million this amount excludes the Equitable share, YTD spent is R25,4 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	10 000 256.84	5 016 329.70		5 016 329.70	4 984 183.98
Provincial housing	107 393.00					107 393.00
Provincial housing	3 630 437.51	186 687.45				3 817 124.96
old years housing grants	60 000.00					
Library						
MIG		4 763 000.00		3 285 040.34	3 285 040.34	60 000.00
FMG		10 000 000.00	9 695 042.82		9 695 042.82	1 477 959.66
Museum		3 000 000.00		2 365 915.98	2 365 915.98	304 957.18
EPWP		249 000.00		362 410.14	362 410.14	634 084.02
Sports And Recreation (Library grant)	26 241.64	1 645 000.00		2 482 591.35	2 482 591.35	(113 410.14)
LED Market Stalls Grant	1 617 545.97	2 833 333.33		2 272 914.74	2 272 914.74	(837 591.35)
						586 660.23
	5 441 874.96	32 677 277.62	14 711 372.52	10 768 872.55	25 480 245.07	1 617 545.97
						12 638 907.51

Grant's expenditure

Finance Management Grant (FMG)

This grant is used to pay for the finance management interns, acquisition, upgrading and maintenance of financial management system and other training programs related to municipal finance. The FMG grant allocated and gazetted in terms of DORA amounts to R3 million which was received in September, the municipality spent R866 thousand in the month of December 2023 and the YTD expenditure is R2,3 million.

Municipal Infrastructure Grant (MIG)

This is the conditional grant that funds the capital projects. The MIG grant gazetted in terms of DORA amounts to R51,8 million and the current allocation received to date amounts to R10 million.

The actual expenditure amount for the month of December 2023 is R1,2 million and the YTD expenditure is R9,6 million.

Art and Culture Grants

The library grant funds the operational costs of libraries and the current allocation is R4,7 million and received in November. The grant funds its operational costs. There is expenditure for the month December amounting to R840 thousand paid and YTD R3,2 million.

Museum grant current allocation is R249 thousand and has been received in October. There is expenditure for the month of December amounting to R96 thousand paid YTD is R362 thousand.

Sports and Recreation grant has an amount of R 8,5 million that is allocated for this financial year, to date no funding has been received. The expenditure for the month of December 2023 is nil and YTD is R2,2 million.

EPWP GRANT

The EPWP grant gazetted in terms of DORA amounts to R2,3 million and the current allocation has been received in October R587 thousand and R1 million in November.

The expenditure is R518 thousand for the month of December and the YTD is R2,4 million.

INEP GRANT

INEP grant current allocation is R16,6 million, an amount of R 4 million and R6 million has been received as the 1st and 2nd tranche in the current financial year respectively. The expenditure for the month of December 2023 is R1,5 million YTD is R5 million.

LED GRANT

There is no expenditure for the month of December 2023 and to date the grant has not been received.

Small Town Rehabilitation programme

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

Other Grants from various government departments rollover from the previous year

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 June 2024
 MAIN SUMMARY

INSTITUTION	BALANCE AT		MOVEMENTS	BALANCE AT 2023/12/31	INTEREST EARNED	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	2023/07/01										
Bank											
NEDBANK	3 697 779.83		0.00	3 850 399.11	152 619.28	25 281.74	25 454.41	24 801.90	25 798.20	25 136.70	26 146.33
ABSA CALL	2 348.83		0.00	2 411.35	62.52	10.14	10.52	10.57	10.27	10.66	10.36
ABSA CALL	243.11		0.00	243.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NEDBANK	4 111.15		0.00	4 281.04	169.89	28.21	28.21	27.60	28.83	27.90	29.14
STANDARD BANK	74 828.42		0.00	74 828.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NEDBANK	4 470.61		0.00	4 655.22	184.61	30.69	30.69	30.00	31.31	30.30	31.62
NEDBANK	802 257.39		0.00	835 369.42	33 112.03	5 485.14	5 522.65	5 380.80	5 697.05	5 453.70	5 672.69
STANDARD BANK	4 799.67		0.00	4 799.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NEDBANK	7 872 082.11		0.00	8 196 987.71	324 905.90	53 821.27	54 189.24	52 799.70	54 920.84	53 512.50	55 662.05
ABSA LIQUIDITY PLUS	2 867 757.30		637 751.39	4 043 614.06	538 105.37	29 646.63	155 709.87	149 336.89	63 947.71	101 127.83	38 336.47
	15 330 678.42		637 751.39	17 017 589.11	1 049 159.30	114 303.82	240 945.59	232 387.43	150 334.21	185 299.59	125 888.66

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 December 2023 amounts to R125 thousand and for the year-to-date R1 million 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 R17 million in investments, this is for the cash backing of unspent grants and ESKOM guarantees

Annexure

OVERTIME REPORT PER DEPARTMENT

ABAQULUSI MUNICIPALITY - O/T REPORT DECEMBER 2023

DEPT	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL TO DATE
CORPORATE	97 302.43	67 776.43	61 866.46	60 126.55	93 262.00	55 947.62	436 280.49
HR	5 903.21	5 891.10	16 656.36	18 531.47	16 979.16	15 487.38	79 448.68
MUN MGR	-	-	-	-	-	-	-
MAYOR & COUNCIL	-	-	-	-	-	-	-
FINANCE	64 498.15	2 087.16	2 471.70	-	-	-	-
MUSEUM	-	12 733.99	13 127.04	14 482.32	12 459.68	11 397.12	4 558.86
SPORT & REC	-	-	-	-	-	-	128 698.30
HALLS & REC	-	33 457.05	32 519.85	-	-	-	-
CEMETERY	36 300.00	-	-	-	-	6 799.11	72 776.01
SOLID WASTE	70 952.93	72 756.71	80 891.45	34 415.14	15 244.68	27 898.42	113 858.24
LIBRARY	-	-	-	87 615.26	42 014.16	75 947.48	430 177.99
P/SAFETY	156 241.95	168 451.13	162 089.11	-	-	-	-
HOUSING	-	-	-	207 771.68	86 503.28	187 891.47	966 948.62
FLEET	-	-	-	-	-	-	-
ROADS	203 784.95	173 594.28	169 188.45	-	-	-	-
MOTOR LIC	-	-	-	-	-	-	-
SANITATION	277 578.73	287 102.14	290 367.30	172 108.87	86 233.94	182 631.01	987 541.50
WATER	243 858.10	238 282.06	245 694.06	305 996.75	232 408.95	281 717.22	1 675 171.09
ELECTRICITY	212 873.96	281 726.09	277 719.39	257 483.36	169 780.49	227 903.69	1 383 001.76
BACK PAY OVERTIME	-	-	-	291 325.77	86 122.70	286 777.62	1 436 546.53
TOTAL	1 369 294.41	1 341 858.14	1 352 591.17	1 449 856.17	841 009.04	1 360 398.14	7 715 007.07

ABAQULUSI MUNICIPALITY - STANDBY REPORT DECEMBER 2023

DEPT	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL TO DATE
CORPORATE							
HR							
MUN MGR							
MAYOR & COUNCIL							
FINANCE							
MUSEUM	25 073.46	26 986.17	30 459.45	25 115.17	27 251.13	24 909.54	159 794.92
SPORT & REC							
HALLS & REC							
CEMETERY							
SOLID WASTE							
LIBRARY	1 582.89	1 249.65	6 469.75	1 416.27	416.55		11 135.11
PI SAFETY							
HOUSING	77 641.52	77 353.00	51 126.92	79 938.21	70 822.19	72 543.37	429 425.21
FLEET							
ROADS							
MOTOR LIC	1 918.28	2 369.64	4 367.06	3 228.56	3 567.08	4 088.80	19 539.42
SANITATION							
WATER	54 461.23	52 561.97	49 345.82	61 392.26	60 313.45	53 399.59	331 474.32
ELECTRICITY	47 095.72	41 132.31	57 110.12	42 260.29	45 084.41	39 039.06	271 721.91
BACK PAY OVERTIME	91 208.91	104 281.60	120 753.55	105 627.73	104 791.88	102 172.02	628 835.69
TOTAL	288 982.01	305 934.34	319 632.67	318 978.49	312 246.69	296 152.38	1 851 926.58

ANNEXURE 2

S&T DECEMBER 2023

NO.	SUBSTANCE & TRAVEL	TOLL GATE	NONTAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TRIP DETAILS	
						TOTAL	TOTAL
	3 789.00		3 248.00	541.00			
	3 754.80		3 248.00	506.80			3 789.00 DELIVER LETTER TO ZG DLAMINI - ULUNDI
	7 543.80		6 496.00	1 047.80			3 754.80 SALGA ENERGY FORUM
							7 543.80
CLLR NGEMA BI	2 140.77		1 967.36	175.41			
CLLR MTHEMBU SS	1 387.75		1 387.75	0.00			2 140.77 SALGA GAMES
CLLR LAMBISO MM	2 800.52		1 967.36	833.16			1 387.75 SALGA GAMES
XABA T	2 030.66		1 206.40	663.26	161.00		2 800.52 SALGA GAMES
MAHLABA O	5 291.30		3 248.00	2 043.30			2 030.66 RAPID RESPONSE MEETING
ZUNGU DT	5 291.30		3 248.00	2 043.30			5 291.30 SALGA ENERGY FORUM
MAKHUVHAPH	1 983.00		1 160.00	662.00	161.00		5 291.30 SALGA ENERGY FORUM
MHLONGOS	1 574.25		1 160.00	253.25	161.00		1 983.00 KZN TOP 10 UIFW MEETING
							1 574.25 CCMA SH NTSHALI ARBITRATION

NO.	SUBSTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TRIP DETAILS	
						TOTAL	TOTAL
CLLR DUBEL	6 105.92		3 735.20	2 370.72		6 105.92	ANNUAL LG TALENT MANAGEMENT
MTHEMBU MPE	5 432.70		3 248.00	2 184.70		5 432.70	SALGA NEC ENGAGEMENT
	5 531.20	151.00	3 248.00	2 132.20		5 531.20	TRAINING ON COST OF SUPPLY
BIYELANS	10 963.90	151.00	6 496.00	4 316.90		10 963.90	
SOSIBO ANP	1 288.00				1 288.00	1 288.00	TRAFFIC TRAINING MEALS UP TO 26/11
SIBIYA LP	3 546.05		2 580.06	0.01	966.00	3 546.05	TRAFFIC TRAINING & RETURN TRIP
KHOZA C	1 044.00				1 044.00	1 044.00	MFMP GRADUATION
ZONDIM	1 044.00				1 044.00	1 044.00	MFMP GRADUATION
BUTHELEZI NC	1 044.00				1 044.00	1 044.00	MFMP GRADUATION
NGCOBO NN	1 044.00				1 044.00	1 044.00	MFMP GRADUATION
PHUNGULANS	5 675.50	120.00	3 248.00	741.50	1 566.00	5 675.50	CIGFARO MSCOA CONFERENCE
NTSHANGASE LH	1 328.92				161.00	1 328.92	TOURISM INDABA
NCUBE SP	4 049.80		3 005.80	0.00	1 044.00	4 049.80	NATIONAL BUILDING CONTROL OFFICERS FORUM

NO.	SUBSTANCE & TRAVEL	TOLL GATE	NON TAXABLE @ R4.18/R4.64	TAXABLE ABOVE R4.18/R4.64	REFRESHMENTS	TOTAL	TRIP DETAILS	
MTHOMBENI BR	161.00							
INDLOYU MD	2 821.78	105.00	2 555.79	0.01	161.00	161.00	161.00	DISPOSAL OF TERMINATED RECORDS
INKUMALO PH	4 383.80	107.00	3 248.00	506.80	522.00	522.00	2 821.78	ANNUAL KZN DEV PLAN BEST PRACTICE CONFERENCE
	1 502.00		1 160.00	181.00	161.00	161.00	4 383.80	SCM & PROCUREMENT SYMPOSEUM
NDABANI	5 885.80	107.00	4 408.00	687.80	683.00	683.00	1 502.00	KZN TOP 10 LIFW MEETING
	1 566.00						5 885.80	
MALUNGAZA	4 627.30	83.50	2 977.80	0.00	1 566.00	1 566.00	1 566.00	CIGFARIMSCOA CONFERENCE
THUNGOC S	522.00				1 566.00	1 566.00	4 627.30	CIGFARIMSCOA CONFERENCE
MASUKU BT	4 607.90		3 248.00	585.90	522.00	522.00	522.00	SCM & PROCUREMENT SYMPOSEUM
MTHENBU TSW	3 671.40	107.00	3 248.00	316.40	774.00	774.00	4 607.90	CLAIM PROCESS FOR LGIPD
NGUBANES	3 887.60		3 113.60	0.00	774.00	774.00	3 671.40	MEETING WITH FANA & MANUFACTURING
MADELA VF	1 342.18		1 181.18		161.00	161.00	3 887.60	DELIVERY OF AFFIDAVIT
	4 042.38		2 998.38		1 044.00	1 044.00	1 342.18	ZDM DISASTER ADVISORY FORUM 23/11
	4 739.40		4 217.40		522.00	522.00	4 042.38	KZN PDVC Ecommerce SRS TRAINING
	1 342.18		1 181.18		161.00	161.00	4 739.40	COLLECTING THE FIRE ENGINE
MADINANANI	11 466.14		9 578.14		1 888.00	1 888.00	1 342.18	ZDM DISASTER PRACTITIONER FORUM 7/11
	4 361.60	107.00	3 248.00	845.60	161.00	161.00	11 466.14	
	4 140.50		3 248.00	731.50	161.00	161.00	4 361.60	NTSHALIS CASE 24/11
	5 350.42		3 735.20	841.22	774.00	774.00	4 140.50	NTSHALIS CASE 5/12
	13 852.52	107.00	10 231.20	2 418.32	1 096.00	1 096.00	5 350.42	AUTOM STRM INVESTMENT CASE
	5 226.48		3 248.00	1 978.48			13 852.52	
DLAMINI SP	126 517.36	780.50	84 682.36	21 135.48	19 919.00	19 919.00	5 226.48	SPECIAL TECHNICAL MUNIMEC
							126 517.36	

Annexure3

Debtors Age analysis

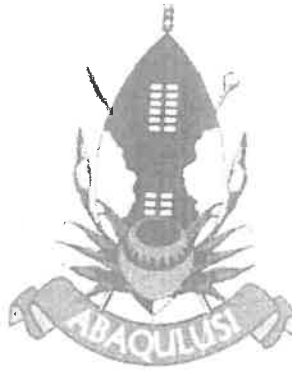
KZN263 Abaqulusi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 - December

R thousands	Description	NT Code	Budget Year 2023/24							Over 1Yr	Total	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	121-180 Days	181-180 Days	181 Dys-1 Yr					
Debtors Age Analysis By Income Source														
	Trade and Other Receivables from Exchange Transactions - Water	1200	6 003	4 138	3 746	3 434	3 616	3 154	1 172	36 187	61 451	47 564		
	Receivables from Exchange Transactions - Electricity	1300	16 941	6 152	3 076	4 605	2 420	1 830	1 374	15 851	52 247	26 079		
	Receivables from Non-exchange Transactions - Property Rates	1400	7 272	3 278	2 481	2 096	1 914	1 858	1 851	82 948	103 698	90 667		
	Receivables from Exchange Transactions - Waste Water Management	1500	3 205	2 018	1 706	1 576	1 481	1 394	1 256	41 867	54 503	47 574		
	Receivables from Exchange Transactions - Waste Management	1600	3 136	1 904	1 669	1 522	1 432	1 356	1 142	30 046	42 207	35 498		
	Interest on Arrear Debtor Accounts	1700	-	-	-	-	-	-	-	-	-	-		
	Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1810	1 918	1 852	1 813	1 770	1 775	1 792	1 707	41 464	54 090	48 508		
	Other	1820	-	-	-	-	-	-	-	-	-	-		
	Total By Income Source	1900	481	2 054	1 773	1 797	1 890	1 687	2 545	12 144	24 170	19 862		
	2022/23 - totals only	2000	38 956	21 395	16 263	16 800	14 327	13 071	11 046	260 508	392 366	315 751		
Debtors Age Analysis By Customer Group														
	Organs of State	2200	5 192	3 568	2 109	2 075	2 385	1 648	1 854	60 473	79 306	68 436		
	Commercial	2300	17 813	7 837	5 176	6 454	4 257	3 916	2 671	28 069	77 193	46 367		
	Households	2400	15 951	9 989	8 979	8 270	7 685	7 508	6 521	170 966	235 867	200 948		
	Other	2500	-	-	-	-	-	-	-	-	-	-		
	Total By Customer Group	2600	38 956	21 395	16 263	16 800	14 327	13 071	11 046	260 508	392 366	315 751		

**ANNEXURE 4
CREDITORS AGE ANALYSIS**

KZN263 Abaqulusi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 - December

Description	NT Code	Budget Year 2023/24										Over 1 Year	Total	Prior year totals for chart (same)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year							
R thousands															
Creditors Age Analysis By															
Bulk Electricity	0100	21 133	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	38 522	-	-	-	-	-	8 914	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	7 276	-	-	-	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	2 384	-	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	90	-	-	-	-	-	-	-	-
Total By Customer Type	1000	28 410	2 384	39 320	90	8 914	62	4 150	3 218	812	11 481	75 068	86 549	2 406	4 092



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 December 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

DATE

CHIEF FINANCIAL OFFICER

ABAQULUSI MUNICIPALITY KZN263



QUALITY CERTIFICATE

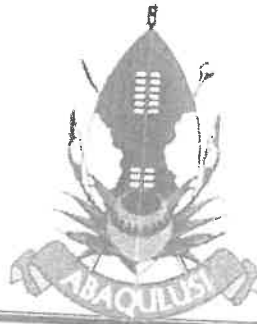
I, *SP Dlamini*, Acting Municipal Manager of **ABAQULUSI MUNICIPALITY**, hereby certify that I have read the document and certify that I agree and understand the contents contained herein: (mark as appropriate)

- The December 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 December 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

ACTING MUNICIPAL MANAGER
ABAQULUSI MUNICIPALITY, KZN263

DATE: _____



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 December 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 December 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

HONOURABLE MAYOR

ABAQULUSI MUNICIPALITY, KZN263

DATE: _____