

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



**JULY 2023**  
**EXCO**

**TABLE OF CONTENTS**

	<b>page</b>
<b>1. PURPOSE.....</b>	<b>3</b>
<b>2. AUTHORITY.....</b>	<b>3</b>
<b>3. LEGAL / STATUTORY REQUIREMENTS.....</b>	<b>3</b>
<b>4. BACKGROUND.....</b>	<b>3</b>
<b>5. EXECUTIVE SUMMARY.....</b>	<b>4-18</b>
<b>6. ANNEXURES.....</b>	<b>19-26</b>
<b>7. CONFIRMATION CERTIFICATES.....</b>	<b>27-30</b>

**STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE  
2023/2024 BUDGET FOR THE PERIOD ENDING 31 JULY 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 July 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 July 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) - M01 - July

Description	2022-23 Actual Outcomes	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2023/24					
					YTD Actual	YTD Budget	YTD variance	YTD variance %	Full Year Forecast	
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Exchange Revenue										
Service charges - Electricity	277 807	279 820	-	19 822	13 172	22 011	8 059	62%	200 823	
Water charges - Retail	48 142	52 325	-	5 516	5 179	13 826	128%	5	52 325	
Water charges - Water Development	1 848	1 174	-	1 174	1 174	1 174	100%	0	1 174	
Water charges - Waste Management	22 064	24 958	-	3 116	2 175	11 111	111%	0	24 958	
Sale of Goods and Rendering of Services	882	513	-	119	2 881	2 982	410%	0	2 982	
Agency services	-	-	-	-	140	43	102	0%	413	-
Interest on Deposits	-	-	-	-	-	-	-	-	-	-
Interest on Demand and Non-Demand Deposits	15 071	19 028	-	1 217	1 217	2 824	112%	0	28 239	
Dividends	1 286	1 710	-	170	170	142	30%	0	1 710	
Rental Land	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets	237	324	-	-	-	-	-	-	-	-
Rent from properties	9 892	9 441	-	-	-	1 160	100%	0	9 441	
Cooperative Revenue	1 223	-	-	223	223	223	116%	0	2 223	
<b>Non Exchange Revenue</b>										
Salary fees	-	-	-	-	-	-	-	-	-	-
Rent from services	1 12 494	111 000	-	8 564	8 782	9 000	117%	0	121 000	
Fines, penalties and fees	42 730	5 931	-	1 048	1 048	429	100%	0	5 931	
Grants and subsidies	1 51 269	4 812	-	3 661	3 661	4 111	100%	0	4 111	
Transfers and subsidies - Operations	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and grants)	529 608	788 412	-	123 234	123 234	119 402	99%	0	766 412	
<b>Expenditure by Type</b>										
Employee salaries	177 132	188 000	-	16 750	16 100	11 000	59%	0	188 000	
Rent and related services	17 985	12 300	-	1 429	1 425	1 100	80%	0	12 300	
Water & electricity	218 064	253 142	-	59	59	21 129	81%	0	253 142	
Travel and transport	18 261	19 250	-	1 872	4 452	1 000	55%	0	19 250	
Communication	2 464	2 170	-	-	-	339	15%	0	2 170	
Printing and stationery	1 08 878	12 623	-	9 071	3 281	1 640	50%	0	12 623	
Contracted services	268	-	-	-	-	-	-	-	-	-
Transfer fees - Local Gov	115 015	9 241	-	9 912	9 912	1 121	11%	0	9 241	
Capital expenditure	17 718	-	-	-	-	-	-	-	-	-
Operations	54 673	21 664	-	3 627	3 238	3 800	100%	0	21 664	
Other items	12 877	-	-	-	-	-	-	-	-	-
Total Expenditure	792 617	722 465	-	41 671	46 871	62 438	135%	0	722 465	
<b>Surplus/(Deficit)</b>										
Surplus/(Deficit)	(163 009)	65 947	-	81 562	81 562	51 984	79%	0	65 947	
Transfer fees and subsidies - capital (including donations)	32 979	73 440	-	-	-	25 247	35%	0	73 440	
Surplus/(Deficit) after capital transfers & contributions - Income Tax	(130 701)	142 357	-	81 562	81 562	77 211	94%	0	142 357	
Surplus/(Deficit) after income tax	(130 701)	142 357	-	81 562	81 562	77 211	94%	0	142 357	
Share of surplus/deficit attributable to municipalities	-	-	-	-	-	-	-	-	-	-
Share of surplus/deficit attributable to municipality	(130 701)	142 357	-	81 562	81 562	77 211	94%	0	142 357	
Share of surplus/deficit attributable to other municipalities	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(130 701)	142 357	-	81 562	81 562	77 211	94%	0	142 357	

## 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) - M01 - July

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										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		267 537	203 528	--	19 202	19 202	22 211	19 511	(3)	204 824
Service charges - Water		46 122	62 256	--	5 048	5 048	4 038	1 250	0	62 253
Service charges - Waste Water Management		32 935	38 730	--	3 173	3 173	3 384	112	0	38 734
Service charges - Waste management		22 254	27 530	--	2 851	2 851	2 851	0	0	28 600
Sale of Goods and Rendering of Services		592	519	--	148	148	42	116	1	513
Egny services		--	--	--	--	--	--	--	--	--
Interest		--	--	--	--	--	--	--	--	--
Interest earned from Fixed Assets		12 071	36 253	--	1 217	1 217	2 324	(1 107)	(3)	36 258
Interest from Current and Non-Current Assets		1 277	1 275	--	175	175	142	33	3	1 711
Dividends		--	--	--	--	--	--	--	--	--
Rent on Land		--	--	--	--	--	--	--	--	--
Rent from Fixed Assets		937	1 907	--	73	70	130	(57)	(3)	1 897
Licences and permits		5 320	2 243	--	95	96	220	(172)	(3)	2 643
Operational Revenue		1 203	--	--	767	247	--	217	--	--
<b>Non-Exchange Revenue</b>										
Property rates		102 274	109 845	--	9 732	9 732	9 627	108	0	120 348
Surcharges and Taxes		--	--	--	--	--	--	--	--	--
Fines, penalties and profits		16 130	5 531	--	1 845	1 345	131	1 351	0	5 811
Licences and permits		--	4 144	--	--	--	424	424	(3)	4 244
Transfers and subsidies - Cooperatives		187 253	219 271	--	84 881	84 881	73 020	11 451	5	219 871
Interest		--	--	--	--	--	--	--	--	--
Fuel Levy		--	--	--	--	--	--	--	--	--
Operational Revenue		--	--	--	--	--	--	--	--	--
Gain on disposal of Assets		(25 189)	--	--	--	--	--	--	--	--
Other Gains		15 221	--	--	--	--	--	--	--	--
Discontinued Operations		--	--	--	--	--	--	--	--	--
<b>Total Revenue (excluding capital transfers and</b>		<b>629 608</b>	<b>786 412</b>	<b>--</b>	<b>123 234</b>	<b>123 234</b>	<b>119 402</b>	<b>3 832</b>	<b>3%</b>	<b>786 412</b>

### Exchange Revenue

#### Electricity Revenue

The Electricity revenue monthly actual billed for electricity revenue in July 2023 is R13,2 million. The YTD Actual billed is R13,2 million which is R9 million less than the YTD Budget of R22,2 million for the period ended 31 July 2023. Only R9 million was received from consumers which is R4,2 million less than the amount billed.

#### Water Revenue

The Water revenue monthly actual billed for July 2023 is R5,6 million. The YTD Actual billed is R5,6 million which is R1,2 million more than the YTD Budget amount for the period ended 31 July of R4,3 million. The payment amount received from consumers of R3,4 million is R2,2 million less than the amount billed.

#### Sanitation Revenue

The Sanitation revenue monthly actual billed for July 2023 is R3,1 million. The YTD Actual billed is R3,1 million which is R112 thousand more than the YTD Budget amount of R3 million for the period ended 31 July 2023, the payment from consumers amounts to R1,7 million which is R 1,4 million less than the amount billed.

### **Refuse Revenue**

The Refuse revenue monthly actual billed for July 2023 is R2,8 million. The YTD Actual billed is R2,8 million which is R 468 thousand more than the YTD Budget amount of R2,3 for the period ended 31 July 2023. The payment from consumers amounts to R1,5 million which is R1,3 million less than the amount billed.

### **Interest earned from receivables**

An amount of R1,2 million is interest earned on available funds on Municipal current account, YTD Budget is R2,9 million and the YTD Actual is R1,2 million only R169 thousand was received from customers.

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

The interest earned on available funds on Municipal current account in July 2023 is R175 thousand. The YTD Actual is R175 thousand which is more than the YTD budget of R142 thousand as per the statement of financial performance.

### **Rental from fixed assets**

The monthly actual revenue for Rental of fixed assets in July 2023 is R76 thousand.

### **Licenses and Permits**

The monthly actual for Licenses and permits amounts to R39 thousand, the YTD actual on licenses and permits for July 2023 is R39 thousand.

### **Other revenue**

The monthly actual on other revenue billed in July 2023 is R 247 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 July 2023 is R 9,7 million, the YTD Actual billed is R9,7 million which is R105 thousand more than the YTD Budget amount of R9,6 million for property rates, yet R6,1 million was receipted from consumers in July 2023 which is R3,6 million less than the amount billed.

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

The YTD actual on fines, penalties and forfeits is R1,8 million.

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

The revenue for the month of July 2023 is R123,2 million. The YTD Actual is R123,2 million and the YTD Budget is R 119,4 million. Included in the Actual revenue is the first tranche of Equitable Share of R84,8 million, R10 million for MIG and R4 million for INEP.

## BILLING VERSUS PAYMENT

As per table below the amount billed on the month of July is R39,4 million while actual cash received is R27,2 million. Total revenue billed to date is R39,4 million while only R27,2million is the actual cash received to date. The collection rate for the month of July was 69% and year to date collection is 69%

Type Of Service	Total Settlements	Billing	Payment Rate (Billing)
RATES GENERAL	-6,125,107.74	9,706,339.68	63%
ELECTRICITY	-6,323,409.08	9,243,501.84	68%
DEMAND/BASIC CHARGES	-2,707,810.85	3,765,336.19	72%
WATER CONSUMP	-2,921,919.10	3,362,822.47	87%
AVAIL WATER	-515,422.19	1,953,763.33	26%
AVAIL SEWER	-1,363,371.99	2,473,728.40	55%
ADD SEWERAGE	-405,101.87	460,743.12	88%
REFUSE	-1,568,462.20	3,174,770.09	49%
INTEREST	-169,917.91	1,808,955.98	9%
ADJUSTMENTS	-21,832.03	-	0%
V.A.T.	-2,424,146.72	3,438,367.71	71%
DEPOSIT ELEC	-174,114.15	-	0%
DEPOSIT WATER	-2,088.90	-	0%
PENALTIES LATE PAYMENT	-96,126.83	-	0%
COLL. FEES	-	-	0%
LEGAL FEES	-1,831.31	-	0%
SUNDRY CHARGE	-100,000.73	500.00	100%
INDIGENT SUPPOR	-19,524.59	25,947.23	75%
PAYMENT ADVANCED	-2,282,685.96	-	100%
<b>Total</b>	<b>-27,222,874.15</b>	<b>39,414,776.04</b>	<b>69%</b>

### February Billing vs Payment Summary

Electricity basic charges – 68% was received for electricity consumption for the month of July and 72% on basic electricity.

Water basic charges - 26% of basic water received was received for the month of July 2023 and 87% of water consumption.

Refuse – 49% of the refuse removal billed to consumers was paid

Sanitation – 55% of basic sanitation billed to consumers was paid and 88% for consumption

Rates – 63% of the rates billed to consumers was paid

The overall collection rate for all services is 69% for the month of July 2023 and the year-to-date collection rate is 69%

**ELECTRICITY REPORT FOR THE  
MONTH OF JULY 2023  
ESKOM  
PURCHASES PER  
AREA**

AREA	PURCHASES	BILLING /CONVENTIONAL	PREPAID	RECEIVED/COLLECTED	PERCENTAGE
VRYHEID BHEKUZULU, LAKESI DE	21,779,519.04	8,672,601.36	5,940,451.79	6,158,667.69	28.28
EMONDLO	7,603,893.44	208,015.39	1,666,052.52	132,733.15	1.75
CORONATION	920,309.09	346,898.23	83,578.29	188,713.41	20.51
HLOBANE	1,900,195.41	15,958.78	86,276.18	207,284.60	10.91
<b>TOTAL</b>	<b>32,203,916.98</b>	<b>9,243,473.76</b>	<b>7,776,358.78</b>	<b>6,687,398.85</b>	<b>61.44</b>

### 5.3 Expenditure by Type

**KZN263 Abaqulusi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 - July**

Description	Ret	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>Expenditure by Type</b>										
Employee related costs		177 132	168 370	-	19 066	19 066	15 639	214	0	168 370
Remuneration of councillors		17 899	10 936	-	1 428	1 428	1 000	714	0	10 936
Bulk purchases - electricity		215 164	263 142	-	29	29	21 920	(21 251)	0	210 142
Inventory purchased		48 361	40 210	-	4 302	4 302	10 666	6 666	0	41 210
Debt impairment		25 444	7 399	-	-	-	814	(214)	0	7 399
Depreciation and asset impairment		118 576	48 903	-	9 231	4 231	3 642	6 171	0	48 903
Contracted services		255	-	-	-	-	-	-	-	-
Travel and subsistence		113 919	95 941	-	6 912	6 912	7 621	(1 113)	0	95 941
Irrecoverable debt written off		17 719	-	-	-	-	-	-	-	-
Operational costs		45 674	63 554	-	3 430	3 230	5 000	1 770	0	63 554
Costs on disposal of assets		-	-	-	-	-	-	-	-	-
Other losses		12 577	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>792 617</b>	<b>720 495</b>	<b>-</b>	<b>41 671</b>	<b>41 671</b>	<b>67 838</b>	<b>(26 167)</b>	<b>(39%)</b>	<b>720 495</b>

#### Employee related costs

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

#### Remuneration of Councillors

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

#### Debt impairment

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

#### Depreciation and Asset impairment

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



### **Interest**

There is no interest incurred for the month of July for interest on Eskom accounts. Finance charges are interest incurred on overdue accounts.

### **Bulk Purchases**

An amount of R69 thousand was paid to Eskom during July 2023 for June bills.

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

The monthly actual incurred expenditure for Other Materials (Inventory Consumed) amounts to R 4,8 million in July 2023. This is expenditure for repairs and maintenance.

### **Contracted Services**

The monthly actual incurred expenditure for Contracted services amounts to R 6,8 million in July 2023.

### **Transfers and Subsidies**

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

### **Other expenditure**

The monthly expenditure incurred on other expenditure amounts to R3,2 million in July 2023.

### **Overall expenditure**

The expenditure for the month of July 2023 is R41,6 million.

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

The Surplus for the month of July 2023 is R81,5 million.

### **Cash on Hand**

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

#### **CASH ON HAND**

	<b>OPENING BALANCE 1 JULY 2023</b>	<b>REVENUE</b>	<b>EXPENDITURE</b>	<b>BANK BALANCE 31 JULY 2023</b>
ABSA	3,472,643.31	115,472,453.08	113,597,359.19	5,347,737.20
NEDBANK	1,300,323.50	9,843,832.37	10,321,901.59	822,254.28
<b>TOTAL BANK BALANCE</b>	<b>4,772,966.81</b>	<b>125,316,285.45</b>	<b>123,919,260.78</b>	<b>6,169,991.48</b>

As at 31 July 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 and R4 million for INEP.

## Capital expenditure

The expenditure for July 2023 is R1,7 million for MIG projects funded from grant funding and the total to date spent on MIG is R1,7 million.

### 5.4 Debtors

The amount of R331 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 June 2023 amounts to R44 million as detailed in the supporting Annexure 4.

#### JULY 2023

CREDITOR NAME	AMOUNT	SERVICES
Eskom Holdings SOC Ltd - KwaZulu Natal	14 799 662,64	Electricity purchases for June
ENGAPHELI MOYA SOLUTIONS	5 153 293,74	Repairs to transformer no.3
EKAYA PROMOTIONS	3 988 959,00	Electrical Infrastructure
BTMN Engineers (Pty) Ltd	3 484 142,60	WIP Ward 4 Electrification
Munsoft	3 247 123,11	Financial System
SARS	1 919 490,87	VAT Payment
Qomkufa Security	1 573 517,10	Security Services
COMPETITION CONSTRUCTION CC	1 393 312,40	Tarring of road from Zama to Kwabalele
AQUA TRANSPORT AND HIRE (PTY)L	1 015 613,88	Rehabilitation of landfill site Vryheid ward 8
INQUBEKO ENGINEERING SOLUTIONS	983 250,00	Chemicals
Conlog	971 548,18	Purchases of prepaid meters
ESSEN TRADING	897 000,00	Supply and delivery of cold asphalt
GARLICKE & BOUSFIELD INC.	681 019,65	Legal Services
LIANA CONSULTING (PTY) LTD	640 082,95	Refuse removal
IDRIS CASSIM MEER	627 500,00	Session of Contractors for gardening service
Dhaclin (Pty) Ltd	604 158,70	Electrical Infrastructure
MSUFTU TRANSPORT (PTY)LTD	520 000,00	Contractors for gardening service
FLEET HORIZON SOLUTIONS (PTY)	487 787,86	Lease of vehicles
V THREE TRADING	465 750,00	Supply of Electrical material
Magnacorp 115	451 397,41	Refuse removal
<b>TOTAL</b>	<b>43 904 610,09</b>	

## 5.6 Grants Register

The total grants received to date for current financial period amounts to R14 million this amount excludes the Equitable share, YTD spent is R2,7 million

Abaqulusi Local Municipality							
Grant Register for the period 1 July 2022 to 30 June 2023							
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	3,872,104.11	-	-	-	-	3,872,104.11	
BHEKUMTHETHO Rural Housing Project	-	-	-	-	-	-	
Library	-	-	-	502,839.27	502,839.27	(502,839.27)	
MIG	-	10,000,000.00	1,745,953.00	-	1,745,953.00	8,254,047.00	
FMG	-	-	-	48,060.02	48,060.02	(48,060.02)	
Museum	-	-	-	52,206.85	52,206.85	(52,206.85)	
EPWP	-	-	-	446,879.99	446,879.99	(446,879.99)	
Sports And Recreation	2,064,740.78	-	-	-	-	2,064,740.78	
Human Settlement Gluckstad	-	-	-	-	-	-	
LED MARKET STALLS GRANT	1,637,566.03	-	-	-	-	1,637,566.03	
	<b>7,682,060.76</b>	<b>14,000,000.00</b>	<b>1,745,953.00</b>	<b>1,049,986.13</b>	<b>2,795,939.13</b>	<b>18,886,121.63</b>	

## **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 no amount received for FMG, the municipality spent R48 thousand in the month of July 2023. While the YTD expenditure is R 48 thousand.

### **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 of which 5% is utilised as the PMU top slice and the current allocation received to date amounts to R10 million.

The actual expenditure amount for the month of July 2023 is R1,7 million, while the YTD expenditure is R1,7 million.

### **Art and Culture Grants**

The library grant funds the operational costs of libraries and the current allocation is R4,7 million, which is not yet received. The grant funds its operational costs. There is expenditure for the month July amounting to R502 thousand paid from internal funding as the grant is not yet received.

Museum grant current allocation is R249 thousand has not yet been received. There is expenditure for the month of July amounting to R52 thousand paid from internal funding as the grant is not yet received.

Sports and Recreation grant has an amount of R 8,5 million that is allocated for this financial year. There is no income or expenditure for the month of July 2023.

### **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 July.

There is expenditure of R446 thousand for the month of July 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 July 2023.

### **LED GRANT**

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

### **Small Town Rehabilitation programme**

Small town Rehabilitation allocation is R3 million for the year, no expenditure is incurred in the month of July 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 2023 MAIN SUMMARY INSTITUTION

	BALANCE AT	MOVEMENTS	BALANCE AT	INTEREST	
	7/1/2023		2023/07/31	EARNED	JULY
Bank					
NEDBANK	3,697,779.83	0.00	3,723,061.57	25,281.74	25,281.74
ABSA CALL	2,348.83	0.00	2,358.97	10.14	10.14
ABSA CALL	243.11	0.00	243.11	0.00	0.00
NEDBANK	4,111.15	0.00	4,139.36	28.21	28.21
STANDARD BANK	72,362.77	0.00	72,362.77	0.00	0.00
NEDBANK	4,470.61	0.00	4,501.30	30.69	30.69
STANDARD BANK	802,257.39	0.00	807,742.53	5,485.14	5,485.14
NEDBANK	4,662.88	0.00	4,662.88	0.00	0.00
ABSA LIQUIDITY PLUS	7,872,082.11	0.00	7,925,903.38	53,821.27	53,821.27
	2,867,757.30	49,000,000.00	51,897,403.93	29,646.63	29,646.63
	15,328,075.98	49,000,000.00	64,442,379.80	114,303.82	114,303.82

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 July 2023 amounts to R114 thousand and for the year-to-date R114 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 R64,4 million in investments, this is for the cash backing of unspent grants and ESKOM guarantees

# Annexure

## S&amp;T JULY 2023

NO.	SUBSISTANCE & TRAVEL		TOLL GATE	NON TAXABLE @ R4.18/R4.64		TAXABLE ABOVE R4.18/R4.64		REFRESHMENTS	TOTAL	TRIP DETAILS
	R	R		R	R	R	R			
1		R 5 308.30		R	3 248.00	R	1 567.30	R 493.00		LGSETA PROVINCIAL STAKEHOLDER ENGAGEMENT
		R 6 764.36		R	3 897.60	R	1 880.76	R 986.00		5 308.30 ROADSHOW
	R	12 072.66	R	- R	7 145.60	R	3 448.06	R	1 479.00	6 764.36 ATTENDING LGSETA SDF FORUM - UMTHENTWENI
										<b>12 072.66</b>
2		R 1 391.00	R	- R	1 160.00	R	79.00	R 152.00		1 391.00 ATTENDING UIFW TOP 10 MUNICIPALITY MEETING
	R	152.00	R	- R	-	R	-	R 152.00		152.00 FETCHING EMPLOYEE FROM DURBAN
4		R 2 465.00		R	- R	-	-	R 2 465.00		2 465.00 MFMP TRAINING MAY 2023
		R 1 972.00		R	- R	-	-	R 1 972.00		1 972.00 MFMP TRAINING JUNE 20123
	R	4 437.00	R	- R	- R	- R	- R	4 437.00		<b>4 437.00</b>
5		R 2 465.00		R	- R	-	-	R 2 465.00		2 465.00 MFMP TRAINING MAY 2023
		R 1 972.00		R	- R	-	-	R 1 972.00		1 972.00 MFMP TRAINING JUNE 20123
	R	4 437.00	R	- R	- R	- R	- R	4 437.00		<b>4 437.00</b>
6		R 2 465.00		R	- R	-	-	R 2 465.00		2 465.00 MFMP TRAINING JUNE 20123
		R 1 972.00		R	- R	-	-	R 1 972.00		1 972.00 MFMP TRAINING JUNE 20123
	R	4 437.00	R	- R	- R	- R	- R	4 437.00		<b>4 437.00</b>



7	BUTHELEZI NC	R 2 465.00	R	- R	-	R 2 465.00 R	2 465.00 MFMP TRAINING MAY 2023
		R 1 972.00	R	- R	-	R 1 972.00 R	1 972.00 MFMP TRAINING JUNE 20123
		R 4 437.00	R	- R	-	R 4 437.00 R	4 437.00
8	MTHEMBU NC	R 1 667.80	R	1 206.40 R	309.40	R 152.00 R	1 667.80 GDP MEETING
		R 1 667.80	R	1 206.40 R	309.40	R 152.00 R	1 667.80 ZDM GDPAT MEETING
		R 3 335.60	R	2 412.80 R	618.80	R 304.00 R	3 335.60
9	B XULU	R 304.00	R	- R	-	R 304.00 R	304.00 TRANSPORT INTERNS TO DURBAN (2 days)
10	ZWANE LB	R 2 528.40	R	2 269.40 R	-	R 152.00 R	2 528.40 POLICY WORKSHOP
	ZWANE LB	R 872.26	R	711.26 R	-	R 161.00 R	PUBLIC HEARING ON HOUSING CONSUMER PROTECTION BILL
		R 3 400.66	R	2 980.66 R	-	R 313.00 R	3 400.66
11	MADINANA NN	R 1 236.88	R	1 075.88 R	0.00	R 161.00 R	1 236.88 GSCID CLUSTER MEETING
		R 2 892.98	R	2 740.98 R	0.00	R 152.00 R	2 892.98 DPT ARTS & CULTURE
		R 4 129.86	R	3 816.86 R	0.00	R 313.00 R	4 129.86
12	BRADBURY G	R 3 203.20	R	3 203.20 R	-	- R	3 203.20 ATTENDING STS ROLLOUT
13							
14	DLAMINI BE	R 994.92	R	842.92 R	-	R 152.00 R	994.92 MEETING WITH DEPT OF ARTS AND CULTURE
		R 2 107.61	R	1 374.61 R	0.00	R 733.00 R	2 107.61 EPWP WORKING SESSION
		R 3 102.53	R	2 217.53 R	0.00	R 885.00 R	3 102.53
15	MTHEMBU TS	R 3 581.28	R	3 062.40 R	242.88	R 152.00 R	3 581.28 MEETING WITH DEPT OF ARTS AND CULTURE

SECTION 71 JULY 2023

17	NGCOBO NN	R 1 972.00	R	- R	-	R 1 972.00 R	1 972.00 MFMP TRAINING JUNE 20123
18	MADONSELA NR	R 5 712.47	R	3 728.81 R	504.66	R 1 479.00 R	5 712.47 SALGA LOCAL GOV. COMMUNICATION FORUM
		R 1 521.68	R	1 206.40 R	163.28	R 152.00 R	1 521.68 DISTRICT COMMUNICATORS FORUM
		R 7 234.15	- R	4 935.21 R	667.94	R 1 631.00 R	7 234.15
19	DLAMINI SP	R 5 080.00	R	3 248.00 R	1 832.00	R - R	5 080.00 SALGBC FACILITATION PROCESS
20	VILAKAZI S	R 950.30	R	798.31 R	-0.01	R 152.00 R	950.30 NOTICE OF INTEREST GROUP FORUM
21	MR MADINANA NE	R 1 297.56	R	1 145.56 R	-	R 152.00 R	1 297.56 MUNICIPAL DEMACATION BOARD ENGAGEMENT
		R 1 297.56	- R	1 145.56 R	-	R 152.00 R	1 297.56
22	NXUMALO PH	R 1 527.30	R	1 206.40 R	159.90	R 161.00 R	1 527.30 GSCID CLUSTER MEETING
		R 4 307.50	R	3 248.00 R	537.50	R 522.00 R	4 307.50 WORKSHOP ON MATERIAL IRREGULARITIES
		R 1 469.00	R	1 160.00 R	157.00	R 152.00 R	TOP 10 UNAUTHORIZED UIFW MUNICIPAL
		R 7 303.80	- R	5 614.40 R	854.40	R 835.00 R	7 303.80
23	MHLONGOS	R 4 284.90	R	3 203.20 R	588.70	R 493.00 R	4 284.90 SALGBC FACILITATION - C/RO/03/02/03 29/06
		R 4 304.80	R	3 203.20 R	579.60	R 522.00 R	4 304.80 SALGBC FACILITATION - C/RO/03/02/03 7/7/23
		R 8 589.70	- R	6 406.40 R	1 168.30	R 1 015.00 R	8 589.70
24	PHUNGULA NS	R 3 944.60	R	3 248.00 R	628.60	R 0.00 R	3 944.60 CIGFARO FINANCIAL TRAINING

25	MTHEMBU MPE	R	4 790.28	R	3 062.40	R	1 727.88	R	- R	4 790.28	SCM FORUM
	MTHEMBU MPE	R	5 131.70	R	3 248.00	R	1 883.70	R	- R	5 131.70	ROLLOVER PREPAYMENT METERS WORKSHOP
		R	5 088.30	R	3 248.00	R	1 840.30	R	- R	5 088.30	WORKSHOP ON MATERIAL IRREGULARITIES
		R	5 080.60	R	3 248.00	R	1 832.60	R	- R	5 080.60	SALGBC FACILITATION - C/RO/03/02/03 29/06
		R	5 088.30	R	3 248.00	R	1 840.30	R	- R	5 088.30	SALGBC FACILITATION - C/RO/03/02/03 7/7/23
		R	25 179.18	R	16 054.40	R	9 124.78	R	- R	25 179.18	
26	VIKTOR M	R	3 458.56	R	3 248.00	R	103.56	R	- R	3 458.56	WORKSHOP ON MATERIAL IRREGULARITIES
27	MALUNGA ZA	R	1 044.00	R	- R	-	-	R	1 044.00 R	1 044.00	CIGFARO FINANCIAL TRAINING
28	NDABA N	R	1 044.00	R	- R	-	-	R	1 044.00 R	1 044.00	MFMP GRADUATION
29	TUPPER LM	R	4 311.50	R	3 160.50	R	-	R	1 044.00 R	4 311.50	CIGFARO FINANCIAL TRAINING
30	ZWANE SENAMILE	R	5 502.09	R	3 735.20	R	722.89	R	1 044.00 R	5 502.09	MFMP GRADUATION
<b>TOTAL</b>		<b>R</b>	<b>134 463.93</b>	<b>R</b>	<b>80 841.02</b>	<b>R</b>	<b>21 374.91</b>	<b>R</b>	<b>31 735.00</b>	<b>R</b>	<b>134 463.93</b>

OVERTIME REPORT PER DEPARTMENT

ABAQUULUSI MUNICIPALITY - O/T REPORT July 2023

DEPT	JULY	AUG	SEPT	TOTAL TO DATE
CORPORATE	97,302.43			97,302.43
HR	5,903.21			5,903.21
FINANCE	64,498.15			64,498.15
CEMETERY	36,300.00			36,300.00
SOLID WASTE	70,952.93			70,952.93
P/SAFETY	156,241.95			156,241.95
ROADS	203,784.95			203,784.95
SANITATION	277,578.73			277,578.73
WATER	243,858.10			243,858.10
ELECTRICITY	212,873.96			212,873.96
TOTAL	1,369,294.41	-	-	1,369,294.41

# STANDBY REPORT FOR JULY 2023

## ABAQULUSI MUNICIPALITY - STAND BY REPORT JULY 2023

DEPT	JULY	AUG	SEPT	TOTAL TO DATE
FINANCE	25,073.46			25,073.46
SOLID WASTE	1,582.89			1,582.89
LIBRARY	-			-
P/SAFETY	77,641.52			77,641.52
ROADS	1,918.28			1,918.28
MOTOR LIC	-			-
SANITATION	54,461.23			54,461.23
WATER	47,095.72			47,095.72
ELECTRICITY	91,208.91			91,208.91
<b>TOTAL</b>	<b>298,982.01</b>	<b>-</b>	<b>-</b>	<b>298,982.01</b>

ANNEXURE 3

DEBTORS AGE ANALYSIS

KZN263 Abaqulusi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 - July

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1220	1 766	1 396	1 161	1 374	1 116	1 142	32 624	42 764	37 117	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1220	3 015	2 043	797	1 854	1 212	1 103	12 705	35 693	17 148	-	-	
Receivables from Exchange Transactions - Property Fees	1620	2 687	1 913	1 537	1 858	1 519	1 687	77 907	97 433	34 510	-	-	
Receivables from Exchange Transactions - Waste Water Management	1620	3 699	1 010	1 528	1 767	1 617	1 127	33 855	52 078	38 546	-	-	
Receivables from Exchange Transactions - Waste Management	1620	3 351	1 447	1 223	1 584	1 119	1 059	23 514	32 531	31 030	-	-	
Receivables from Exchange Transactions - Property Fees, Det. in	1720	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Fees, Det. in	1820	1 844	1 672	1 500	1 529	1 425	1 423	34 556	46 578	40 452	-	-	
Receivables from Exchange Transactions - Property Fees, Det. in	1920	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Property Fees, Det. in	2020	2 254	2 775	3 274	3 274	2 12	2 371	8 426	18 013	12 654	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>39 794</b>	<b>14 733</b>	<b>7 866</b>	<b>8 093</b>	<b>8 089</b>	<b>9 910</b>	<b>227 357</b>	<b>331 016</b>	<b>261 334</b>	-	-	
<b>2022/23 - totals only</b>		<b>33 438</b>	<b>12 318</b>	<b>10 359</b>	<b>8 552</b>	<b>10 259</b>	<b>28 449</b>	<b>211 945</b>	<b>317 548</b>	<b>260 441</b>	-	-	
<b>Debtors Age Analysis By Customer Group</b>													
Ngwenya	2220	7 150	2 646	1 722	1 974	1 694	1 444	64 877	72 480	33 075	-	-	
Camdena	2320	17 357	4 053	3 427	3 552	1 165	1 436	20 157	59 020	32 047	-	-	
Houssous	2420	16 257	9 026	6 314	6 768	5 312	7 303	140 343	255 011	155 002	-	-	
Other	2520	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>39 764</b>	<b>14 733</b>	<b>7 866</b>	<b>8 093</b>	<b>8 089</b>	<b>9 910</b>	<b>227 357</b>	<b>331 016</b>	<b>261 334</b>	-	-	

**ANNEXURE 4**  
**CREDITORS AGE ANALYSIS**

**KZN263 Abaqulusi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 - July**

Description	NT Code	Budget Year 2023/24											Total	Prior year's (for 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						
<b>Creditors Age Analysis By Customer Type</b>															
Bulk Electricity	0100	-	4 082	13 780	3 568	-	-	-	-	-	-	-	-	21 440	3 184
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-	-	-	879
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	4 370	3 735	3 189	-	60	24	-	-	-	-	-	536	12 313	13 918
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 370</b>	<b>7 826</b>	<b>16 970</b>	<b>3 568</b>	<b>60</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>936</b>	<b>33 753</b>	<b>17 931</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 July 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, **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 July 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 July 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

\_\_\_\_\_  
**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 July 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 July 2023 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

---

**HONOURABLE MAYOR**

**ABAQULUSI MUNICIPALITY, KZN263**

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