

# **NQUTHU MUNICIPALITY (KZN 242)**



## **MONTHLY BUDGET STATEMENT FOR MONTH ENDING 30 SEPTEMBER 2024**

## Table of Contents

### PART 1 – IN YEAR REPORT

1.1	MAYORS' REPORT .....	2
1.2	RESOLUTIONS .....	3
1.3	EXECUTIVE SUMMARY .....	3
1.4	IN-YEAR BUDGET STATEMENT TABLES .....	5

### PART 2 – SUPPORTING DOCUMENTATION

2.1	INVESTMENT PORTFOLIO ANALYSIS .....	13
2.2	COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS.....	14
2.3	ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE .....	15
2.4	DEBTOR'S ANALYSIS .....	15
2.5	CREDITOR'S ANALYSIS .....	17
2.6	SUPPLY CHAIN MANAGEMENT .....	21
2.7	COST CONTAINMENT MEASURES .....	25
2.8	MATERIAL VARIANCES TO SDBIP .....	25
2.9	MUNICIPAL MANAGER'S QUALITY CERTIFICATE.....	27

### LIST OF TABLES

Table 1	MBRR Table C1 -Monthly Budget Statement Summary .....	05
Table 2	MBRR Table C2 _ Monthly Financial Performance (standard Classification .....	06
Table 3	MBRR Table C3 -Financial Performance (revenue and expenditure by municipal vote) .....	07
Table 4	MBRR Table C4 -Financial Performance (revenue and expenditure) .....	08
Table 5	MBRR Table C5 -Capital expenditure (municipal vote and funding).....	10
Table 6	MBRR Table C6 -Financial Position .....	11
Table 7	MBRR Table C7 - Cash Flow .....	12

## **1.1. MAYORS' REPORT**

This report represents the S71 MFMA monthly budget statement of Nquthu Local Municipality for the month ending 30 September 2024 and it reflects on the implementation of the budget and the financial state of affairs of the municipality. I hereby wish to submit a report to the Municipal Council on the implementation of the budget and the financial state of affairs of the Municipality as at the end of 30 September 2024. Further to the above, Section 54(1) of the MFMA determines that the Mayor must consider the Section 71 report submitted by the Accounting Officer thereafter check whether the Municipality's approved budget is implemented in accordance with the approved Service Delivery Budget Implementation Plan (SDBIP) and if necessary, issue appropriate instructions to the Accounting Officer.

This report outlines the content of Section 71 report for the period ending 30 September 2024. The first quarter of the financial year is about to end, it is therefore crucial to monitor all deliverables that are aligned to this quarter in terms of budget implementation. The council will ensure that service delivery projects are continued within budget and avoid unauthorized and wasteful expenditure. Continuously the council will enforce policies adopted to ensure that enough revenue is collected, expenditure is within the budget and capital projects are completed within the timeframes stipulated by legislative prescripts.

This report contains C-schedule tables that outline the budget status for the end of the first quarter and paints a clear picture on the budget implementation in line with the council adopted final budget on 17 May 2024. Budget related policies were also approved with the annual budget; therefore, enforcement should be measured quarterly to ensure sound financial management.

## **1.2. RESOLUTIONS**

The resolutions enclosed hereto will be presented to Council when the In-Year Report (IYR) is tabled. Recommendations are detailed hereunder in terms of the Municipal Budget and Reporting Regulations Schedule-C (In Year Reporting) requirements for consideration by council:

- a) That council notes the section 71 monthly budget monitoring report and the supporting documentation.
- b) That Council notes the submission of section 71 monthly budget monitoring report to National Treasury, Provincial Treasury and Auditor General.
- c) That the council authorise the Accounting Officer to sign the quality certificate.
- d) That the council authorise the Accounting Officer to place the report on the municipal website, within five working days of council seating.

## **1.3. EXECUTIVE SUMMARY**

The objective of reporting on the financial results of the municipality is to enhance sound financial management and promote transparency and accountability of officials and councillors. Monthly budget statement report of a municipality must be in the format specified as per Schedule C and include all the required tables, charts and explanatory information.

In terms of S6 of MBRR, the Statement of Financial Performance shown in Table C4 for Month serves as a consolidated municipality's performance in relation to both approved annual budget and the actual expenditure for the first quarter. The municipality is striving to maintain health financial status through ensuring sufficient revenue is collected and available for operational and capital expenditures.

This C-Schedule is the first schedule to be reported in this financial year due to errors encountered in July and August when downloading the C-schedule report. The error resulted to producing a report that has no budget figures. Revenue sources such as property rates YTD show an actual figure is R20.8 million compared to original budget of R52.7 million, electricity revenue source year to date actual figure of R8.5 million results in 7% variance whilst the bulk expenditure year to date figure is R14.4 million. Accurate employee related costs expenditure is shown in Part 2 of this document due to incomplete data transfer between the two different systems used by the municipality for financial management and payroll management, so far only expenditure amounting to R17.5 million has been captured to the financial system relating to July payroll data.

The consolidated summary of the financial performance is indicated in Table C4 below:

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		27 499	32 108	-	2 752	8 594	8 027	567	7%	32 108
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		1 467	1 962	-	179	511	491	21	4%	1 962
Sale of Goods and Rendering of Services		178	259	-	13	35	65	(29)	-46%	259
Agency services		-	-	-	-	-	-	-	-	-
Interest		69	0	-	6	19	0	19	637800%	0
Interest earned from Receivables		665	681	-	61	165	170	(5)	-3%	681
Interest from Current and Non Current Assets		11 420	5 995	-	121	1 376	1 499	(123)	-8%	5 995
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		972	871	-	61	188	218	(30)	-14%	871
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		396	216	-	-	1 572	54	1 518	2811%	216
<b>Non-Exchange Revenue</b>										
Property rates		51 452	52 750	-	5 426	20 869	13 187	7 681	58%	52 750
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 547	1 009	-	158	437	252	184	73%	1 009
Licence and permits		1 010	1 010	-	69	229	252	(23)	-9%	1 010
Transfers and subsidies - Operational		186 803	212 836	-	-	79 840	53 209	26 631	50%	212 836
Interest		2 657	1 335	-	288	825	334	492	147%	1 335
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>286 134</b>	<b>311 031</b>	<b>-</b>	<b>9 133</b>	<b>114 661</b>	<b>77 758</b>	<b>36 903</b>	<b>47%</b>	<b>311 031</b>
<b>Expenditure By Type</b>										
Employee related costs		100 570	118 969	-	-	17 508	29 742	(12 234)	-41%	118 969
Remuneration of councillors		14 046	17 155	-	-	2 245	4 289	(2 044)	-48%	17 155
Bulk purchases - electricity		31 026	40 970	-	3 914	14 417	10 242	4 174	41%	40 970
Inventory consumed		2 315	1 618	-	98	169	405	(236)	-58%	1 618
Debt impairment		12 634	-	-	-	-	-	-	-	-
Depreciation and amortisation		36 021	36 000	-	-	-	9 000	(9 000)	-100%	36 000
Interest		-	0	-	-	-	0	(0)	-100%	0
Contracted services		72 835	49 983	-	7 857	10 486	12 496	(2 010)	-16%	49 983
Transfers and subsidies		3 985	2 854	-	-	-	714	(714)	-100%	2 854
Irrecoverable debts written off		3 163	12 999	-	150	150	3 250	(3 099)	-95%	12 999
Operational costs		45 718	41 523	-	4 608	11 202	10 381	820	8%	41 523
Losses on Disposal of Assets		2 507	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>324 820</b>	<b>322 072</b>	<b>-</b>	<b>16 627</b>	<b>56 177</b>	<b>80 519</b>	<b>(24 342)</b>	<b>-30%</b>	<b>322 072</b>
<b>Surplus/(Deficit)</b>		<b>(38 686)</b>	<b>(11 042)</b>	<b>-</b>	<b>(7 493)</b>	<b>58 484</b>	<b>(2 762)</b>	<b>61 245</b>	<b>(0)</b>	<b>(11 042)</b>
Transfers and subsidies - capital (monetary allocations)		82 219	46 155	-	-	2 618	11 539	(8 920)	(0)	46 155
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>

## 1.4. IN-YEAR BUDGET STATEMENT TABLES

### IN-YEAR BUDGET STATEMENT TABLES – TABLE C1

Choose name from list - Table C1 Monthly Budget Statement Summary - M03 September

Description	2023/24			Budget Year 2024/25					Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	51 452	52 750	-	5 426	20 869	13 187	7 681	58%	52 750
Service charges	28 965	34 070	-	2 930	9 105	8 517	588	7%	34 070
Investment revenue	11 420	5 995	-	121	1 376	1 499	(123)	-8%	5 995
Transfers and subsidies - Operational	186 803	212 836	-	-	79 840	53 209	26 631	0	212 836
Other own revenue	7 494	5 380	-	656	3 470	1 345	2 125	158%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>286 134</b>	<b>311 031</b>	<b>-</b>	<b>9 133</b>	<b>114 661</b>	<b>77 758</b>	<b>36 903</b>	<b>47%</b>	<b>311 031</b>
Employee costs	100 570	118 969	-	-	17 508	29 742	(12 234)	-41%	118 969
Remuneration of Councillors	14 046	17 155	-	-	2 245	4 289	(2 044)	-48%	17 155
Depreciation and amortisation	36 021	36 000	-	-	-	9 000	(9 000)	-100%	36 000
Interest	-	0	-	-	-	0	(0)	-100%	0
Inventory consumed and bulk purchases	33 341	42 588	-	4 012	14 585	10 647	3 938	37%	42 588
Transfers and subsidies	3 985	2 854	-	-	-	714	(714)	-100%	2 854
Other expenditure	136 856	104 505	-	12 615	21 838	26 127	(4 289)	-16%	104 505
<b>Total Expenditure</b>	<b>324 820</b>	<b>322 072</b>	<b>-</b>	<b>16 627</b>	<b>56 177</b>	<b>80 519</b>	<b>(24 342)</b>	<b>-30%</b>	<b>322 072</b>
<b>Surplus/(Deficit)</b>	<b>(38 686)</b>	<b>(11 042)</b>	<b>-</b>	<b>(7 493)</b>	<b>58 484</b>	<b>(2 762)</b>	<b>61 245</b>	<b>-2218%</b>	<b>(11 042)</b>
Transfers and subsidies - capital (monetary allocations)	82 219	46 155	-	-	2 618	11 539	(8 920)	-77%	46 155
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>596%</b>	<b>35 113</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>596%</b>	<b>35 113</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	(14 116)	76 322	-	7 644	17 378	19 081	(1 702)	-9%	76 322
Capital transfers recognised	36 312	41 272	-	4 112	6 389	10 318	(3 929)	-38%	41 272
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	(67 031)	38 963	-	3 532	10 989	9 741	1 249	13%	38 963
<b>Total sources of capital funds</b>	<b>(30 719)</b>	<b>80 235</b>	<b>-</b>	<b>7 644</b>	<b>17 378</b>	<b>20 059</b>	<b>(2 681)</b>	<b>-13%</b>	<b>80 235</b>
<b>Financial position</b>									
Total current assets	169 788	132 617	-	-	226 504	-	-	-	132 617
Total non current assets	734 213	754 284	-	-	751 592	-	-	-	754 284
Total current liabilities	137 068	103 485	-	-	150 842	-	-	-	103 485
Total non current liabilities	875	3 364	-	-	875	-	-	-	3 364
Community wealth/Equity	766 057	807 388	-	-	826 378	-	-	-	807 388
<b>Cash flows</b>									
Net cash from (used) operating	(113 820)	40 886	-	(428)	85 372	22 000	(63 372)	-288%	40 886
Net cash from (used) investing	(95 168)	(90 933)	-	(8 788)	(19 828)	(22 733)	(2 905)	13%	(90 933)
Net cash from (used) financing	-	-	-	-	(17 508)	-	17 508	#DIV/0!	-
<b>Cash/cash equivalents at the month/year end</b>	<b>(100 164)</b>	<b>22 421</b>	<b>-</b>	<b>(9 216)</b>	<b>140 569</b>	<b>71 735</b>	<b>(68 834)</b>	<b>-96%</b>	<b>42 486</b>
<b>Debtors &amp; creditors analysis</b>									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<b>Debtors Age Analysis</b>									
Total By Income Source	4 239	1 056	359	435	361	322	293	14 202	21 268
<b>Creditors Age Analysis</b>									
Total Creditors	13 739	1 541	47	1 937	-	-	-	-	17 264

The YTD actual revenue is R114 million compared to R311 million approved original budget and this results to 47% variance.

Operating expenditure YTD is R56 million compared to R322 million approved original budget this results to -30% variance. The negative variance is caused by the items that has zero YTD actual figures as per the following: a) debt impairment b) depreciation and amortisation c) interest d) transfers and subsidies.

YTD expenditure figure for employee costs is supported by PART 2 payroll because the amount on the C-schedule is understated due to information being not fully integrated with the financial system.

Capital expenditure allocation in this quarter has been received as per the grant register attached in Part 2 of this report.

**Table C2 provides the statement of financial performance by functional classification.**

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>287 059</b>	<b>297 997</b>	-	<b>5 897</b>	<b>104 714</b>	<b>74 499</b>	<b>30 215</b>	<b>41%</b>	<b>297 997</b>
Executive and council		39 222	46 128	-	-	2 618	11 532	(8 914)	-77%	46 128
Finance and administration		247 837	251 869	-	5 897	102 096	62 967	39 129	62%	251 869
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>6 696</b>	<b>6 287</b>	-	<b>222</b>	<b>1 464</b>	<b>1 572</b>	<b>(107)</b>	<b>-7%</b>	<b>6 287</b>
Community and social services		4 558	4 454	-	9	848	1 114	(265)	-24%	4 454
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2 138	1 833	-	213	616	458	158	34%	1 833
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>305</b>	<b>185</b>	-	<b>22</b>	<b>1 584</b>	<b>46</b>	<b>1 537</b>	<b>3323%</b>	<b>185</b>
Planning and development		305	185	-	22	1 584	46	1 537	3323%	185
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>74 293</b>	<b>52 717</b>	-	<b>2 992</b>	<b>9 516</b>	<b>13 179</b>	<b>(3 663)</b>	<b>-28%</b>	<b>52 717</b>
Energy sources		72 312	50 682	-	2 777	8 907	12 670	(3 763)	-30%	50 682
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		1 981	2 035	-	215	609	509	100	20%	2 035
<i><b>Other</b></i>	<b>4</b>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>368 353</b>	<b>357 186</b>	<b>-</b>	<b>9 133</b>	<b>117 279</b>	<b>89 296</b>	<b>27 982</b>	<b>31%</b>	<b>357 186</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>167 114</b>	<b>172 773</b>	-	<b>7 380</b>	<b>25 472</b>	<b>43 194</b>	<b>(17 722)</b>	<b>-41%</b>	<b>172 773</b>
Executive and council		33 068	36 913	-	194	4 027	9 229	(5 201)	-56%	36 913
Finance and administration		129 789	132 533	-	7 156	21 148	33 134	(11 985)	-36%	132 533
Internal audit		4 257	3 327	-	30	297	832	(535)	-64%	3 327
<i><b>Community and public safety</b></i>		<b>24 121</b>	<b>33 066</b>	-	<b>938</b>	<b>5 263</b>	<b>8 267</b>	<b>(3 003)</b>	<b>-36%</b>	<b>33 066</b>
Community and social services		5 483	15 470	-	530	2 178	3 868	(1 690)	-44%	15 470
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		18 638	17 596	-	408	3 086	4 399	(1 313)	-30%	17 596
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>65 385</b>	<b>27 566</b>	-	<b>827</b>	<b>3 633</b>	<b>6 892</b>	<b>(3 259)</b>	<b>-47%</b>	<b>27 566</b>
Planning and development		17 019	16 443	-	370	1 848	4 111	(2 263)	-55%	16 443
Road transport		48 366	11 123	-	457	1 785	2 781	(996)	-36%	11 123
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>68 201</b>	<b>88 667</b>	-	<b>7 481</b>	<b>21 809</b>	<b>22 167</b>	<b>(358)</b>	<b>-2%</b>	<b>88 667</b>
Energy sources		53 423	70 871	-	7 481	19 395	17 718	1 677	9%	70 871
Water management		-	-	-	-	-	-	-	-	-
Waste water management		2 281	1 959	-	-	319	490	(171)	-35%	1 959
Waste management		12 498	15 837	-	-	2 094	3 959	(1 865)	-47%	15 837
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>324 820</b>	<b>322 072</b>	<b>-</b>	<b>16 627</b>	<b>56 177</b>	<b>80 519</b>	<b>(24 342)</b>	<b>-30%</b>	<b>322 072</b>
<b>Surplus/ (Deficit) for the year</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>5,9615371</b>	<b>35 113</b>

**Table C3: Monthly Budget Statement\_ Financial Performance**

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		39 222	46 128	-	-	2 618	11 532	(8 914)	-77,3%	46 128
Vote 2 - Planning and Economic Development		305	551	-	12	1 538	138	1 400	1016,7%	551
Vote 3 - Budget and Treasury		247 800	251 524	-	5 886	102 006	62 881	39 125	62,2%	251 524
Vote 4 - Corporate and Community Service		6 700	6 156	-	188	1 441	1 539	(98)	-6,4%	6 156
Vote 5 - Technical Services		74 327	52 827	-	3 048	9 676	13 207	(3 530)	-26,7%	52 827
Vote 6 - Council And General		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>368 353</b>	<b>357 186</b>	<b>-</b>	<b>9 133</b>	<b>117 279</b>	<b>89 296</b>	<b>27 982</b>	<b>31,3%</b>	<b>357 186</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Office of the Municipal Manager		21 263	20 068	-	180	1 921	5 017	(3 096)	-61,7%	20 068
Vote 2 - Planning and Economic Development		17 019	16 546	-	370	1 848	4 137	(2 289)	-55,3%	16 546
Vote 3 - Budget and Treasury		81 253	75 532	-	1 375	4 575	18 883	(14 308)	-75,8%	75 532
Vote 4 - Corporate and Community Service		67 619	81 921	-	6 521	20 943	20 481	463	2,3%	81 921
Vote 5 - Technical Services		120 952	92 105	-	7 947	22 121	23 026	(905)	-3,9%	92 105
Vote 6 - Council And General		16 524	18 412	-	44	2 462	4 603	(2 141)	-46,5%	18 412
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>324 629</b>	<b>304 584</b>	<b>-</b>	<b>16 439</b>	<b>53 870</b>	<b>76 147</b>	<b>(22 277)</b>	<b>-29,3%</b>	<b>304 584</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>43 724</b>	<b>52 602</b>	<b>-</b>	<b>(7 305)</b>	<b>63 409</b>	<b>13 149</b>	<b>50 260</b>	<b>382,2%</b>	<b>52 602</b>

Table C3 provides information by vote, dividing the overall municipality administration into departments. BTO office reflects much higher revenue by vote allocation with an amount of R251 million. Expenditure by vote shows that technical unit has much higher expenditure of R92 million followed by the corporate services with R81 million and finance unit in the third place with R75 million expenditure.

**Table C4 Municipality Financial Performance**

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		27 499	32 108	-	2 752	8 594	8 027	567	7%	32 108
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		1 467	1 962	-	179	511	491	21	4%	1 962
Sale of Goods and Rendering of Services		178	259	-	13	35	65	(29)	-46%	259
Agency services		-	-	-	-	-	-	-	-	-
Interest		69	0	-	6	19	0	19	637800%	0
Interest earned from Receivables		665	681	-	61	165	170	(5)	-3%	681
Interest from Current and Non Current Assets		11 420	5 995	-	121	1 376	1 499	(123)	-8%	5 995
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		972	871	-	61	188	218	(30)	-14%	871
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		396	216	-	-	1 572	54	1 518	2811%	216
<b>Non-Exchange Revenue</b>										
Property rates		51 452	52 750	-	5 426	20 869	13 187	7 681	58%	52 750
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 547	1 009	-	158	437	252	184	73%	1 009
Licence and permits		1 010	1 010	-	69	229	252	(23)	-9%	1 010
Transfers and subsidies - Operational		186 803	212 836	-	-	79 840	53 209	26 631	50%	212 836
Interest		2 657	1 335	-	288	825	334	492	147%	1 335
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>286 134</b>	<b>311 031</b>	<b>-</b>	<b>9 133</b>	<b>114 661</b>	<b>77 758</b>	<b>36 903</b>	<b>47%</b>	<b>311 031</b>
<b>Expenditure By Type</b>										
Employee related costs		100 570	118 969	-	-	17 508	29 742	(12 234)	-41%	118 969
Remuneration of councillors		14 046	17 155	-	-	2 245	4 289	(2 044)	-48%	17 155
Bulk purchases - electricity		31 026	40 970	-	3 914	14 417	10 242	4 174	41%	40 970
Inventory consumed		2 315	1 618	-	98	169	405	(236)	-58%	1 618
Debt impairment		12 634	-	-	-	-	-	-	-	-
Depreciation and amortisation		36 021	36 000	-	-	-	9 000	(9 000)	-100%	36 000
Interest		-	0	-	-	-	0	(0)	-100%	0
Contracted services		72 835	49 983	-	7 857	10 486	12 496	(2 010)	-16%	49 983
Transfers and subsidies		3 985	2 854	-	-	-	714	(714)	-100%	2 854
Irrecoverable debts written off		3 163	12 999	-	150	150	3 250	(3 099)	-95%	12 999
Operational costs		45 718	41 523	-	4 608	11 202	10 381	820	8%	41 523
Losses on Disposal of Assets		2 507	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>324 820</b>	<b>322 072</b>	<b>-</b>	<b>16 627</b>	<b>56 177</b>	<b>80 519</b>	<b>(24 342)</b>	<b>-30%</b>	<b>322 072</b>
<b>Surplus/(Deficit)</b>		<b>(38 686)</b>	<b>(11 042)</b>	<b>-</b>	<b>(7 493)</b>	<b>58 484</b>	<b>(2 762)</b>	<b>61 245</b>	<b>(0)</b>	<b>(11 042)</b>
Transfers and subsidies - capital (monetary allocations)		82 219	46 155	-	-	2 618	11 539	(8 920)	(0)	46 155
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>43 533</b>	<b>35 113</b>	<b>-</b>	<b>(7 493)</b>	<b>61 102</b>	<b>8 777</b>	<b>52 325</b>	<b>0</b>	<b>35 113</b>

## **TABLE C4: REVENUE BY SOURCE**

### **Property rates**

Property rates YTD Actual for this quarter stands at R 20.8 million, the approved original budget is R 51.4 million.

### **Service charges electricity.**

The actual revenue from Service Charges Electricity is R8.5 million. The approved original budget figure is R32.1 million, the variance of 7% is noted.

### **Interest from Current and Non-Current Assets**

Interest from current and non-current assets show the YTD actual figure of R1.3 million compared to R5.9 million original budget, resulting in a variance of -8%.

### **Transfers and subsidies**

Transfers and subsidies as allocated in the DoRA for the current year has been received and reflected in the grant register on Part 2 of this report. Approved budget figure for transfers and subsidies is R212 million and the YTD actual figure is R79 million.

## **TABLE C4: EXPENDITURE BY TYPE**

### **Employment related costs**

The employee related costs reflects budget underspending as per the C schedule report, to date the employee costs data has been captured on the system for July and August, the YTD actual figure on the C-schedule amounts to R17 million whereas the manual report shows R26 million expenditure at the end of this quarter. The manual update on monthly payroll is attached on Part 2 hereto, which reflects accurate YTD figures.

### **Remuneration of Councillor's**

The YTD Actual for remuneration of councillors reflect R2.2 million on the C-schedule whereas PART 2 of this report shows R3.4 million expenditure for councillors. The municipality uses two distinct systems to capture employee costs, therefore there are numerous challenges regarding seamless transmission of journal files from CCG System to Inzalo System.

### **Debt impairment**

The YTD actuals and budget reflects R0 amounts, the actuals will be captured once reviewed as final during the interim AFS preparation.

### **Depreciation & asset impairment**

Depreciation and Asset impairment YTD Actual shows zero depreciation calculations in this quarter, however the municipality has initiated the monthly update and calculation of depreciation, therefore as from October 2024 there will be YTD actual figures for the depreciation.

### **Bulk purchases**

YTD Actual for electricity bulk purchase figure is at R14.4 million, the municipality has billed for the first three months of the financial year and has paid in full.

## Monthly Budget Statement\_ Capital Expenditure Table 5

Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	Budget Year 2024/25								
		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>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Office of the Municipal Manager		–	0	–	–	–	0	(0)	-100%	0
Vote 2 - Planning and Economic Development		(10 678)	2 609	–	–	–	652	(652)	-100%	2 609
Vote 3 - Budget and Treasury		–	0	–	–	–	0	(0)	-100%	0
Vote 4 - Corporate and Community Service		287	957	–	226	226	239	(13)	-6%	957
Vote 5 - Technical Services		24 343	56 202	–	5 767	15 501	14 051	1 451	10%	56 202
Vote 6 - Council And General		608	700	–	–	–	175	(175)	-100%	700
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
<b>Total Capital Multi-year expenditure</b>	4,7	<b>14 560</b>	<b>60 467</b>	<b>–</b>	<b>5 993</b>	<b>15 727</b>	<b>15 117</b>	<b>610</b>	<b>4%</b>	<b>60 467</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Office of the Municipal Manager		–	0	–	–	–	0	(0)	-100%	0
Vote 2 - Planning and Economic Development		–	0	–	–	–	0	(0)	-100%	0
Vote 3 - Budget and Treasury		–	0	–	–	–	0	(0)	-100%	0
Vote 4 - Corporate and Community Service		(3 287)	0	–	2	2	0	2	2120%	0
Vote 5 - Technical Services		(25 388)	15 854	–	1 649	1 649	3 964	(2 315)	-58%	15 854
Vote 6 - Council And General		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	4	<b>(28 676)</b>	<b>15 854</b>	<b>–</b>	<b>1 651</b>	<b>1 651</b>	<b>3 964</b>	<b>(2 312)</b>	<b>-58%</b>	<b>15 854</b>
<b>Total Capital Expenditure</b>		<b>(14 116)</b>	<b>76 322</b>	<b>–</b>	<b>7 644</b>	<b>17 378</b>	<b>19 081</b>	<b>(1 702)</b>	<b>-9%</b>	<b>76 322</b>
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		<b>895</b>	<b>2 266</b>	<b>–</b>	<b>226</b>	<b>226</b>	<b>566</b>	<b>(340)</b>	<b>-60%</b>	<b>2 266</b>
Executive and council		608	700	–	–	–	175	(175)	-100%	700
Finance and administration		287	1 565	–	226	226	391	(165)	-42%	1 565
Internal audit		–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>(2 529)</b>	<b>53 516</b>	<b>–</b>	<b>6 357</b>	<b>11 835</b>	<b>13 379</b>	<b>(1 544)</b>	<b>-12%</b>	<b>53 516</b>
Community and social services		758	43 602	–	4 813	10 290	10 901	(610)	-6%	43 602
Sport and recreation		(3 413)	8 696	–	1 542	1 542	2 174	(632)	-29%	8 696
Public safety		126	1 218	–	2	2	304	(302)	-99%	1 218
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>(55 360)</b>	<b>22 541</b>	<b>–</b>	<b>1 061</b>	<b>4 090</b>	<b>5 635</b>	<b>(1 545)</b>	<b>-27%</b>	<b>22 541</b>
Planning and development		(7 408)	4 696	–	360	360	1 174	(813)	-69%	4 696
Road transport		(47 951)	17 845	–	700	3 730	4 461	(731)	-16%	17 845
Environmental protection		–	–	–	–	–	–	–	–	–
<b>Trading services</b>		<b>26 275</b>	<b>1 913</b>	<b>–</b>	<b>–</b>	<b>1 227</b>	<b>478</b>	<b>749</b>	<b>157%</b>	<b>1 913</b>
Energy sources		18 880	1 478	–	–	–	370	(370)	-100%	1 478
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		7 395	435	–	–	1 227	109	1 119	1029%	435
<b>Other</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Functional Classification</b>	3	<b>(30 719)</b>	<b>80 235</b>	<b>–</b>	<b>7 644</b>	<b>17 378</b>	<b>20 059</b>	<b>(2 681)</b>	<b>-13%</b>	<b>80 235</b>
<b>Funded by:</b>										
National Government		19 301	41 245	–	4 112	6 389	10 311	(3 922)	-38%	41 245
Provincial Government		17 012	27	–	–	–	7	(7)	-100%	27
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		<b>36 312</b>	<b>41 272</b>	<b>–</b>	<b>4 112</b>	<b>6 389</b>	<b>10 318</b>	<b>(3 929)</b>	<b>-38%</b>	<b>41 272</b>
<b>Borrowing</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Internally generated funds</b>	6	<b>(67 031)</b>	<b>38 963</b>	<b>–</b>	<b>3 532</b>	<b>10 989</b>	<b>9 741</b>	<b>1 249</b>	<b>13%</b>	<b>38 963</b>
<b>Total Capital Funding</b>		<b>(30 719)</b>	<b>80 235</b>	<b>–</b>	<b>7 644</b>	<b>17 378</b>	<b>20 059</b>	<b>(2 681)</b>	<b>-13%</b>	<b>80 235</b>

Total capital expenditure by function classification stands at -13% from 76 % at the end of the quarter. Internally funded projects is budgeted R38.9 million and the YTD actual amount is R10.9 million.

**Table C6 – Monthly Budget Statement – Financial Position**

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		92 533	16 996	–	127 601	16 996
Trade and other receivables from exchange transactions		7 424	11 208	–	9 469	11 208
Receivables from non-exchange transactions		34 888	44 149	–	51 167	44 149
Current portion of non-current receivables		–	–	–	–	–
Inventory		1 279	139	–	1 397	139
VAT		33 598	60 017	–	36 804	60 017
Other current assets		66	108	–	66	108
<b>Total current assets</b>		<b>169 788</b>	<b>132 617</b>	<b>–</b>	<b>226 504</b>	<b>132 617</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		41 339	42 923	–	41 339	42 923
Property, plant and equipment		692 785	711 266	–	710 163	711 266
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		79	79	–	79	79
Intangible assets		11	16	–	11	16
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	0	–	–	0
<b>Total non current assets</b>		<b>734 213</b>	<b>754 284</b>	<b>–</b>	<b>751 592</b>	<b>754 284</b>
<b>TOTAL ASSETS</b>		<b>904 001</b>	<b>886 902</b>	<b>–</b>	<b>978 095</b>	<b>886 902</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		20	20	–	20	20
Consumer deposits		2 312	2 170	–	2 368	2 170
Trade and other payables from exchange transactions		83 555	64 120	–	71 051	64 120
Trade and other payables from non-exchange transactions		6 494	0	–	31 321	0
Provision		13 034	10 074	–	13 034	10 074
VAT		31 653	27 101	–	33 048	27 101
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>137 068</b>	<b>103 485</b>	<b>–</b>	<b>150 842</b>	<b>103 485</b>
<b>Non current liabilities</b>						
Financial liabilities		(20)	(20)	–	(20)	(20)
Provision		896	3 384	–	896	3 384
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	0	–	–	0
<b>Total non current liabilities</b>		<b>875</b>	<b>3 364</b>	<b>–</b>	<b>875</b>	<b>3 364</b>
<b>TOTAL LIABILITIES</b>		<b>137 944</b>	<b>106 848</b>	<b>–</b>	<b>151 717</b>	<b>106 848</b>
<b>NET ASSETS</b>	2	<b>766 057</b>	<b>780 053</b>	<b>–</b>	<b>826 378</b>	<b>780 053</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		765 906	807 247	–	826 227	807 247
Reserves and funds		152	141	–	152	141
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>766 057</b>	<b>807 388</b>	<b>–</b>	<b>826 378</b>	<b>807 388</b>

The table C6 reflects R826 million YTD actual against the budgeted figure of R807 million for accumulated surplus.

Total assets (R978 million) exceed total liabilities (R151 million), resulting in net assets of R826 million.

**Table C7 – Monthly Budget Statement – Cash Flow**

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	Budget Year 2024/25								
		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>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		36 245	43 374	-	2 012	5 190	10 844	(5 654)	-52%	43 374
Service charges		31 067	23 338	-	2 160	7 991	5 834	2 157	37%	23 338
Other revenue		6 337	2 767	-	368	2 810	692	2 119	306%	2 767
Transfers and Subsidies - Operational		186 543	212 835	-	-	80 868	53 209	27 659	52%	212 835
Transfers and Subsidies - Capital		84 831	46 128	-	6 990	26 418	11 532	14 886	129%	46 128
Interest		3 589	6 054	-	355	1 009	1 513	(504)	-33%	6 054
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(462 432)	(293 609)	-	(12 313)	(38 914)	(61 624)	(22 710)	37%	(293 609)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(113 820)</b>	<b>40 886</b>	<b>-</b>	<b>(428)</b>	<b>85 372</b>	<b>22 000</b>	<b>(63 372)</b>	<b>-288%</b>	<b>40 886</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(95 168)	(90 933)	-	(8 788)	(19 828)	(22 733)	(2 905)	13%	(90 933)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(95 168)</b>	<b>(90 933)</b>	<b>-</b>	<b>(8 788)</b>	<b>(19 828)</b>	<b>(22 733)</b>	<b>(2 905)</b>	<b>13%</b>	<b>(90 933)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	(17 508)	-	(17 508)	#DIV/0!	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17 508)</b>	<b>-</b>	<b>17 508</b>	<b>#DIV/0!</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(208 989)</b>	<b>(50 047)</b>	<b>-</b>	<b>(9 216)</b>	<b>48 036</b>	<b>(733)</b>			<b>(50 047)</b>
Cash/cash equivalents at beginning:		108 825	72 468	-	-	92 533	72 468			92 533
Cash/cash equivalents at month/year end:		(100 164)	22 421	-	(9 216)	140 569	71 735			42 486

The tables C7 cash flow statement reflects that cash and cash equivalents has a favourable balance at the end of the this quarter. Cash flow from operating activities year to date actual amount is R85 million. Cash flow from investing activities is channelled to capital expenditure investment with a YTD figure of R19 million. Only the consumer deposits decrease is reflected under financing activities, the municipality has not financed its activities through short-term or long-term loans in this quarter under reporting.

**PART 2 – SUPPORTING DOCUMENTATION**

**2.1. INVESTMENT PORTFOLIO ANALYSIS**

Table 1(a) Investment register for the month ending 30 September 2024

External Investment Report 30 September 2024								
Financial Institution/Bank		Date invested	Amount invested	Interest rate	Withdrawal	Balance	Interest	Maturity date
ABSA HOUSING A/C	9277851394	CALL A/C	R1 912 127,59	7,05%	R0,00	R1 923 576,78	R11 449,19	CALL A/C
ABSA CALL	9307695892	CALL A/C	R1 742 531,33	7,29%	R0,00	R1 752 965,03	R10 433,70	CALL A/C
ABSA BANK	2081696276	CALL A/C	R12 000 000,00	8,96%	R0,00	R12 000 000,00	R0,00	24-Oct-24
ABSA BANK	9365964328	CALL A/C	R23 714,45	5,52%	R0,00	R23 816,51	R152,06	CALL A/C
ABSA BANK NOTICE SELECT	9142845014	CALL A/C	R542 246,51	7,05%	R0,00	R545 351,43	R3 104,92	NOTICE SELECT
ABSA BANK	2081179642	27-Jul-22	R22 071 793,19	9,38%	R0,00	R22 244 703,01	R172 909,82	24-Sep-24
NEDBANK 1	037165014039	CALL A/C	R1 250,13	8,05%	R0,00	R1 258,42	R8,29	CALL A/C
FIRST NATIONAL BANK	71848462554	23-Jul-22	R10 371 479,87	8,42%	R0,00	R10 371 479,87	R0,00	23-Dec-24
FIRST NATIONAL BANK	62372311408	CALL A/C	R10 219 246,09	7,8%	R0,00	R10 283 571,35	R64 325,26	CALL A/C
FIRST NATIONAL BANK	74429052166	21-Oct-22	R6 058 962,85	8,70%	R0,00	R6 102 288,58	R43 325,73	06-Nov-24
FIRST NATIONAL BANK	71848460889	23-Jul-22	R8 770 319,59	8,42%	R0,00	R8 770 319,59	R0,00	23-Dec-24
STANDARD BANK	308585569	CALL A/C	R7 358,65	6,50%	R0,00	R7 399,27	R40,62	CALL A/C
STANDARD BANK	308585569	32 DAYS NOTICE DEPOSIT	R25 721 665,75	8,45%	R0,00	R25 906 262,75	R184 597,00	32 DAYS NOTICE
STANDARD BANK	308585569	25-Jul-24	R15 000 000,00	9,15%	R0,00	R15 000 000,00	R0,00	23-Nov-24
<b>TOTAL</b>			<b>R114 442 696,00</b>		<b>R0,00</b>	<b>R114 932 992,59</b>	<b>R490 346,59</b>	

The investment register on 30 September 2024 reflects investment status of the municipality, which shows the investment balance of R114 million with a slight difference from the previous month. An amount of R39 million has been invested in the first quarter of the current financial year.

One withdrawal transaction has been made in the first quarter of the current financial year amounting to R12 million.

Table 1(b) withdrawal register for the month ending 30 September 2024

Withdrawals						
DATE	ACCOUNT FROM	AMOUNT	ACCOUNT TO	ACCOUNT TYPE	BALANCE BEFORE	WITHDRAWAL REASON
26-Aug-24	NEDBANK (000146)	12 096 016,44	ABSA 2762	PRIMARY	17 066 127,00	Insufficient funds to pay for normal operations

The municipality has a primary bank balance of R3 million at the end of 30 September 2024, there are zero outstanding deposits or receipts at the reporting date, additionally the grant account shows a balance of R545 thousand. Table 1 (c) below show primary bank reconciliation.

Table 1 (c) Bank reconciliation of primary account month ending 30 September 2024

<b>BANK RECONCILIATION (PRIMARY ACCOUNT)</b>	<b>4053562762</b>
<b>Details</b>	<b>Amount</b>
<b>Cash book balance as at 30 September 2024</b>	<b>R3 913 129,94</b>
Outstanding deposits	R0,00
Unknown deposits	R0,00
Bank charges	R0,00
Outstanding cheques	R0,00
Transfers	R0,00
Sundries	R0,00
Outstanding receipts	R0,00
<b>Bank statement balance as at 30 September 2024</b>	<b>R3 913 129,94</b>

<b>BANK RECONCILIATION (GRANTS ACCOUNT)</b>	
<b>Details</b>	<b>Amount</b>
<b>Cash book balance as at 30 September 2024</b>	<b>R545 351,45</b>
Unknown deposits	R0
Outstanding cheques	R0
Bank charges	R0
Returned cheques	R0
Transfers	R0
Sundries	R0
Outstanding receipts	R0
<b>Bank statement balance as at 30 September 2024</b>	<b>R545 351,45</b>

## 2.2. COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Nquthu municipality as at the end of the month has incurred employee costs in line with SALGABC collective agreement and the upper limits determinations by the Minister of COGTA. The municipality has revised the organogram during the approval of the budget. September payroll transactions are detailed in table 2 below, it shows actual costs in comparison with the budget. Shortfalls in the budget as has been identified for cell phone allowances line item and long service items.

The municipality is striving to ensure the completeness of payroll transactions in the financial system. The payroll transactions are being captured monthly to ensure accurate payroll data is available in the financial system. The delays experienced in the previous financial year is avoided thus the officials will be attending further training in relation to payroll management and reconciliation of the suspense account.

**Table 2: Councillors allowances and employee benefits - 30 September 2024**

*Staff Benefits in terms of Section 66 of the MFMA*

Actual staff benefits and Councillors allowances for the period ending 30 September 2024

<b>Staff Benefits</b>		
<b>Item</b>	<b>Budget</b>	<b>Year to date actuals</b>
Salaries & Wages	R 90 900 174,00	R 18 603 952,26
Contributions to pension funds	R 14 138 419,00	R 2 395 560,65
Contributions to medical aids	R 2 285 865,00	R 836 889,14
Contributions to UIF	R 645 865,00	R 145 996,68
Contributions to SDL	R 926 451,00	R 221 465,92
Travel, motor car	R 4 115 290,00	R 1 061 629,59
Salga	R 42 565,00	R 10 492,10
Housing benefits and allowances	R 739 759,00	R 30 088,80
Cellphone Allowance	R -	R -
Overtime payments	R 2 424 094,00	R 505 104,04
Bonuses	R 6 201 475,00	R 1 638 095,77
Other leave & long service	R 2 223 140,00	R 124 264,96
Allowances ( Standby and Drivers Allowance)	R 1 122 829,00	R 782 473,82
<b>Totals</b>	<b>R 125 765 926,00</b>	<b>R 26 356 013,73</b>
<b>Councillors Allowances</b>		
<b>Item</b>	<b>Budget</b>	<b>Year to date actuals</b>
Councillors Allowances	R 16 456 910,00	R 3 093 557,38
Cellphone/Data Allowance	R 1 711 057,00	R 289 823,72
Contributions to SDL	R 40 995,00	R 30 825,63
<b>Totals</b>	<b>R 18 208 962,00</b>	<b>R 3 414 206,73</b>

## 2.3. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Table 3: Grant register – for month ending 30 September 2024

Summary of Grants received and expenditure to date								
Grant Type	General Ledger Vote no.	Audited Balance as at 1-Jul-2024	Dora/Prov Allocation for year	Received 2024/25	Spent & transferred to income 2024/25	Balance as at 2024/25	Commitments 2024/25	Available funds/not committed 2024/25
Library support	IL0010070020020020080040	-	(2 060 976,00)	-	639 550,49	639 550,49		639 550,49
Massification Electrification	IL0010070020010020080040	(3 797 041,52)	-	-	-	(3 797 041,52)		(3 797 041,52)
Electrification	IL0010070020010020050010	(2 670 000,82)	(16 474 000,00)	(5 589 000,00)	3 542 160,13	(4 716 840,69)		(4 716 840,69)
Small Town rehabilitation	IL0010070020010020080040	-	-	-	-	-		-
Cybercadet	IL0010070020020020080040	-	(533 083,00)	-	159 751,15	159 751,15		159 751,15
MIG	IL0010070020010020050020	-	(46 128 000,00)	(20 829 000,00)	7 183 347,04	(13 645 652,96)		(13 645 652,96)
Sportfield Maintenance	IL0010070020010020080040	(27 120,59)	-	-	-	(27 120,59)		(27 120,59)
Bornem Grant	IL0010070020020020030340	-	-	-	-	-		-
FMG	IL0010070020020020050040	-	(1 800 000,00)	(1 800 000,00)	205 556,65	(1 594 443,35)		(1 594 443,35)
Library Modular	IL0010070020020020080040	-	(1 500 612,00)	-	501 063,89	501 063,89		501 063,89
EPWP	IL0010070020020020050020	-	(1 478 004,00)	(370 000,00)	524 860,00	154 860,00		154 860,00
Library Volunteer	IL0010070020020020080040	-	(113 333,00)	-	24 000,00	24 000,00		24 000,00
<b>TOTALS</b>		<b>(6 494 162,93)</b>	<b>(70 088 008,00)</b>	<b>(28 588 000,00)</b>	<b>12 780 289,35</b>	<b>(22 301 873,58)</b>	<b>-</b>	<b>(22 301 873,58)</b>

The grant register for the month of September reflects the following:

- MIG grant expenditure is allocated R46.1 million and 20.8 million is received. R7.1 million has been spent in September.
- INEP Electrification grant spending is allocated R16.4 million and R5.5 million has been received and there is R3.5 million expenditure thus far.
- FMG grant has been allocated R1.8 million and it has been received in September, the expenditure to date is R205 thousand.
- EPWP has been allocated R1.4 million, and R370 000 has been received in September, the expenditure is R524 thousand.
- No other allocations has been transferred to the municipality in this month.

## 2.4. DEBTOR'S ANALYSIS

The September debtors age analysis reports are shown in the table below. Total debtors balance in September amount to R106 million which is a significant increase from September debtors balance amount of R102 million. The increase in municipal debtors' book is worrying and the enforcement of credit control will be strengthened further to ensure disconnections are done as well as writing off indigent debtors that qualify for the relief. The indigent application status for the current year is as follows: a) Received Indigent applications : 272 b) Rejected indigent applicants : in progress c) Reasons for verification : in progress, d) Approved indigent application : 66 written off in Q1. The application approval process is ongoing and will be completed in quarter two.

**Table 4.1: Debtors' analysis for the month ending 30 September 2024**

September 2024 Age Analysis								
Totals per Service Type	Total Balance	Current Amount	30 Days Amount	60 Days Amount	90 Days Amount	120 Days Amount	150 Days Amount	180+ Days Amount
Advance Payment	R -9 960 768,56	-R9 960 768,56	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R 0,00
Adv-Pay Reverse	R 120,78	0	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R 120,78
Deposit: Waste Disposal	R2 000,00	R0,00	R0,00	R0,00	R0,00	R0,00	0,00	R2 000,00
Electricity Basic	R 775 783,35	R265 897,79	R 52 420,69	R 35 528,84	R 36 009,83	R 34 683,57	33644,89	R 317 597,74
Electricity Metered	R 5 965 109,08	R3 573 939,26	R 728 401,42	R 117 527,53	R 98 737,37	R 100 402,28	98144,03	R1 247 957,19
Market stalls	R 1 129 404,23	R40 321,70	R 19 465,69	R 19 028,12	R 19 045,99	R 18 553,43	17381,63	R 995 607,67
OFFICE RENTAL	R 221 372,09	R32 452,98	R 16 101,74	R 16 027,17	R 15 927,22	R 15 856,50	15834,95	R 109 171,53
Plaza Market Stalls	R 259 647,16	R19 127,87	R 8 700,26	R 8 615,45	R 7 953,55	R 7 610,11	7082,02	R 200 557,90
Property Rates	R 94 248 274,93	R10 697 295,68	R8 433 087,31	R 280 660,06	R 266 093,48	R2 726 920,20	2581754,08	R69 262 464,12
Rent (M001)	R 461 767,53	R34 175,94	R 13 964,63	R 13 888,30	R 13 811,97	R 15 523,63	13200,30	R 357 202,76
Repay: Waste Disposal	R 27 233,38	R0,00	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R 27 233,38
Signs (M001)	R 3 559,75	R33,42	R 16,71	R 16,71	R 16,71	R 16,71	16,71	R 3 442,78
Stall rental	R 27 422,75	R1 028,74	R 131,22	R 131,22	R 131,22	R 131,22	131,22	R 25 737,91
Sundries (VAT)	R 7 634,29	R5 111,12	R 2 523,17	R 0,00	R 0,00	R 0,00	0,00	R 0,00
Tampering Fee	R 378 578,20	R38 823,43	R 83 961,02	R 10 567,00	R 0,00	R 0,00	0,00	R 245 226,75
Traffic Fines	R 3 949 600,00	R216 700,00	R 71 900,00	R 77 600,00	R 193 000,00	R 120 400,00	90400,00	R3 179 600,00
Traffic Fines (M001)	R 2 066 721,78	R0,00	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R2 066 721,78
Waste Disposal	R 6 878 475,88	R387 960,59	R 111 236,66	R 95 309,98	R 86 469,59	R 82 722,57	79936,62	R6 034 839,87
<b>Total</b>	<b>R106 441 936,62</b>	<b>R5 352 099,96</b>	<b>R9 541 910,52</b>	<b>R 674 900,38</b>	<b>R 737 196,93</b>	<b>R3 122 820,22</b>	<b>R2 937 526,45</b>	<b>R84 075 482,16</b>

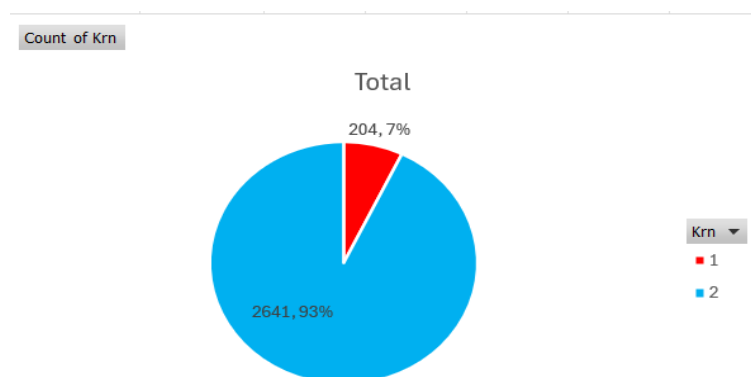
**ELECTRICITY TID ROLLOVER STATUS UPDATE**

The Token Identifier is a 24-bit field, contained in STS compliant tokens, that identifies the date and time of the token generation. It is used to determine if a token has already been used in a payment meter. The incrementing of the 24-bit field means that at some point in time, the TID value will roll over to a zero value.

All STS prepayment meters will be affected by TID roll over on the 24/11/2024. Any tokens generated after this date and utilizing the 24-bit TID, calculated on base date 1993, will be rejected by the meters as being old tokens as the TID value encoded in the token will have reset back to 0.

The municipality has rolled over 93% of its meters to KRN2 and the remaining 7% meters is subject to data cleansing to ensure that these are indeed active meters that can be verified on site. The meter audit was conducted, and the disconnection of electricity is underway for the meters that were found tempered with.

Table 4.2. below shows the totals and percentage progress of the municipality in issuing STS compliant tokens.



## 2.5. CREDITOR'S ANALYSIS

The table below shows the summary of Top 10 creditors paid in September 2024. The municipality continues to pay creditors invoices in line with MFMA Section 65 and has formulated a Section 65 delay reason document for end users to enhance accountability and encourage attendance to invoices timely to avoid delays. Table below shows top ten creditors paid in September 2024 in terms of rand values.

**Table 5: Creditors report for the month ending 30 September 2024**

<b>CREDITORS REPORT FOR SEPTEMBER 2024</b>			
<b>TOP 10 CREDITOR'S PAYMENTS SUMMARY FOR THE MONTH OF SEPTEMBER 2024</b>			
<b>No.</b>	<b>VENDOR NAME</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	NKOSINGIPHE INKAZIMULO TRADING AND PROJECTS	PROVISION OF FINANCIAL SUPPORT 30 JULY 2024	R 390 051,25
	NKOSINGIPHE INKAZIMULO TRADING AND PROJECTS	PREPARATION OF ANNUAL STATEMENTS	R 573 116,02
			<b>R 963 167,27</b>
2	SIZOWAKHA SECURITY AND CLEANING SERVICES	PROVISION OF SECURITY GUARD TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR AUGUST 24	R 380 458,48
	SIZOWAKHA SECURITY AND CLEANING SERVICES	PROVISION OF SLUM CLEARANCE OFFICERS DAY AND NIGHT SHIFT AUGUST 24	R 100 050,00
			<b>R 480 508,48</b>
3	SIYEJABULA SECURITY SOLUTION	PROVISION OF SECURITY GUARD TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR AUGUST 24	R 386 254,94
			<b>R 386 254,94</b>
4	FEZILE SECURITY SERVICES	PROVISION OF GUARDING SERVICES TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR AUGUST 24	R 375 629,12
			<b>R 375 629,12</b>

*Nquthu Municipality Monthly Budget Statement*

5	ADVENTURE TRAVEL	ACCOMMODATION AND LUNCH FOR 09 DELEGATES IN DUNDEE ( 08-18 SEPT24)	R	78 294,30
	ADVENTURE TRAVEL	ACCOMMODATION FOR GOLDEN GAMES AT ILEMBE DISTRICT (10-13 SEPT2024)	R	53 171,40
	ADVENTURE TRAVEL	ACCOMMODATION FOR SALGA GAMES IN DURBAN (05-09 DEC 2024)	R	133 804,80
	ADVENTURE TRAVEL	ACCOMMODATION FOR MM IN DURBAN (20-21 AUG2024)	R	2 204,55
	ADVENTURE TRAVEL	ACCOMMOATION FOR MAYOR AND HIS BODYGUARDS IN DURBAN (15-16 AUG24)	R	13 248,00
	ADVENTURE TRAVEL	ACCOMMODATION FOR H MNCUBE AND SF SHABALALA IN PMB (28-30 AUG 2024)	R	8 086,80
	ADVENTURE TRAVEL	ACCOMMODATION FOR SW HADEBE AND SP XABA IN DURBAN (25-30 AUG 2024)	R	16 916,50
	ADVENTURE TRAVEL	UMKHOSI WOMHLANGA ACCOMMODATION FOR 09 DELEGATES ( 13-15 SEPT2024)	R	36 215,00
	ADVENTURE TRAVEL	ACCOMMODATION FOR MB JIYANE AND BH BHENGU IN PMB (05-06 SEPT2024)	R	3 659,30
	ADVENTURE TRAVEL	ACCOMMODATION FOR MM IN DURBAN (22-23 AUG2024)	R	2 204,55
	ADVENTURE TRAVEL	ACCOMMODATION FOR MV NYAWOSE AND S NDLOVU IN DURBAN (28-29 AUG2024)	R	4 646,00
	ADVENTURE TRAVEL	ACCOMMODATION FOR NM MBATHA AT UMHLANGA (11-12 SEPT2024)	R	2 584,05
			<b>R</b>	<b>355 035,25</b>
6	UD TRUCKS NEWCASTLE	REPAIRS ON NTU 1616	R	97 579,11
	UD TRUCKS NEWCASTLE	REPAIRS ON NTU 3903	R	236 413,71
			<b>R</b>	<b>333 992,82</b>
7	ESKOM HOLDINGS 5649601339	NONDWENI OFFICE	R	4 558,44
	ESKOM HOLDINGS 5742571184	LUVISI COMMUNITY HALL	R	4 964,36
	ESKOM HOLDINGS 6033862343	FREE BASIC ELECTRICITY (FBE)	R	211 040,64
	ESKOM HOLDINGS 6642941367	LEKSAND RURAL COMMUNITY HALL	R	3 567,65
	ESKOM HOLDINGS 6916174790	NONDWENI LIBRARY	R	5 735,58
	ESKOM HOLDINGS 8505522436	MASOTSHENI HALL	R	8 841,52
	ESKOM HOLDINGS 8817457976	NONDWENI URBAN STREETLIGHT	R	17 405,02
	ESKOM HOLDINGS 9279445291	SGUBUDU COMMUNITY HALL	R	6 461,77
			<b>R</b>	<b>262 574,98</b>
8	KWANONGOMA TRADING	BURIAL VOUCHERS FOR 133 BENEFICIARIES, R1500 EACH	R	199 500,00
			<b>R</b>	<b>199 500,00</b>
9	BELL EQUIPMENT SALES SOUTH AFRICA	REPAIRS ON GRADER NTU 1644	R	163 273,96
			<b>R</b>	<b>163 273,96</b>
10	AUDITOR GENERAL - SA	EXTERNAL AUDIT FEES	R	156 790,31
			<b>R</b>	<b>156 790,31</b>

Creditors ageing and creditors reconciliation report on table 6 show an outstanding creditors balance of R21 million and the listing of the September 2024 creditors. The creditors for this month are significantly large in size and in rand value compared to previous month R4 million creditors outstanding, there are creditors outstanding between the range of 90- 120 days amounting to R1.9 million. There are payroll creditors that are yet to be cleared out of the ageing report since such transactions has been paid. The reason of capturing the transactions through the system is to ensure completeness of the Cashbook and syncing the payroll system with the financial system.

*Nquthu Municipality Monthly Budget Statement*

**Table 6: Outstanding creditor's listing for the month ending 30 September 2024**

Creditor/Vendor Name	Outstanding Invoice Amount (Incl. VAT)	Interest Amount	< 30 Days	30 to 60 Days	60 to 90 Days	90 to 120 Days
ESKOM HOLDINGS BULK 8848733513	R 4 501 082,62	R 0,00	R 4 501 082,62	R 0,00	R 0,00	R 0,00
SOUTH AFRICAN REVENUE SERVICES	R 3 815 312,45	R 0,00	R 0,00	R 2 520 052,16	R 1 295 260,29	R 0,00
THOKOMELA ENGINEERING (PTY) LTD	R 3 542 160,13	R 0,00	R 3 542 160,13	R 0,00	R 0,00	R 0,00
NJMPF:PROVIDENT FUND	R 2 108 729,82	R 0,00	R 0,00	R 1 070 030,58	R 1 038 699,24	R 0,00
PR VHUTALI PROJECT MANAGEMENT	R 973 070,20	R 0,00	R 0,00	R 973 070,20	R 0,00	R 0,00
VUKAYIBAMBE DEVELOPMENT CC	R 922 889,88	R 0,00	R 922 889,88	R 0,00	R 0,00	R 0,00
INZALO ENTERPRISE MANAGEMENT SYSTEMS	R 826 967,22	R 0,00	R 0,00	R 0,00	R 0,00	R 826 967,22
SIM AND LUKHO PROPERTY DEVELOPMENT AND LA HEALTH	R 724 074,50	R 0,00	R 724 074,50	R 0,00	R 0,00	R 0,00
FEZILE SECURITY SERVICES	R 439 868,12	R 0,00	R 0,00	R 0,00	R 0,00	R 439 868,12
SAMWUMED	R 220 314,00	R 0,00	R 0,00	R 110 157,00	R 110 157,00	R 0,00
VANGISA TRADING AND CONSTRUCTION	R 247 231,26	R 0,00	R 0,00	R 0,00	R 0,00	R 247 231,26
SIMPHULWAZI ENGINEERS CC	R 197 908,69	R 0,00	R 197 908,69	R 0,00	R 0,00	R 0,00
Bonitas Nquthu	R 160 190,00	R 0,00	R 0,00	R 80 095,00	R 80 095,00	R 0,00
NJMPF:SUPER ANNUATION	R 155 369,14	R 0,00	R 0,00	R 77 684,57	R 77 684,57	R 0,00
SDM ASSET MANAGEMENT AND CONSULTING	R 175 052,97	R 0,00	R 175 052,97	R 0,00	R 0,00	R 0,00
ADVENTURE TRAVEL	R 174 718,73	R 0,00	R 174 718,73	R 0,00	R 0,00	R 0,00
MAJIKI CONSTRUCTION AND PLANT HIRE	R 160 277,81	R 0,00	R 0,00	R 0,00	R 0,00	R 160 277,81
IFP MEMBERS	R 128 954,02	R 0,00	R 0,00	R 64 477,01	R 64 477,01	R 0,00
VEXOSCORE FIRE	R 127 650,00	R 0,00	R 127 650,00	R 0,00	R 0,00	R 0,00
AFI CONSULT (PTY) LTD	R 122 959,81	R 0,00	R 0,00	R 122 959,81	R 0,00	R 0,00
IGATSHA CONSULTING	R 121 300,00	R 0,00	R 0,00	R 0,00	R 0,00	R 121 300,00
GASELA PLANT HIRE	R 109 567,40	R 0,00	R 109 567,40	R 0,00	R 0,00	R 0,00
MTHOTHOVANE TRADING (PTY) LTD	R 75 000,00	R 0,00	R 0,00	R 0,00	R 0,00	R 75 000,00
EMALANGENI TECHNOLOGIES	R 86 135,00	R 0,00	R 0,00	R 43 067,50	R 43 067,50	R 0,00
NQUTHU SERVICE STATION	R 69 841,17	R 0,00	R 0,00	R 69 841,17	R 0,00	R 0,00
NTT MOTOR INVESTMENTS T/A NTT TOYOTA	R 68 359,70	R 0,00	R 68 359,70	R 0,00	R 0,00	R 0,00
ITHALA BANK NTU	R 54 822,14	R 0,00	R 0,00	R 24 674,57	R 30 147,57	R 0,00
KOMATSU SOUTH AFRICA (PTY) LTD	R 62 334,12	R 0,00	R 0,00	R 62 334,12	R 0,00	R 0,00
MZOLO CONSULTING ENGINEERS	R 59 335,25	R 0,00	R 0,00	R 0,00	R 0,00	R 59 335,25
NQUTHU PIONEER TRANSPORT PRIMARY CO- KeyHealth Medical Scheme	R 47 500,00	R 0,00	R 47 500,00	R 0,00	R 0,00	R 0,00
BIDVEST STEINER NEWCASTLE	R 40 626,00	R 0,00	R 0,00	R 22 987,00	R 17 639,00	R 0,00
IFP SAVING CLUB NQUTHU	R 43 831,65	R 0,00	R 43 831,65	R 0,00	R 0,00	R 0,00
5 STAR RIGGING SERVICES	R 38 000,00	R 0,00	R 0,00	R 19 000,00	R 19 000,00	R 0,00
ANC	R 35 750,00	R 0,00	R 35 750,00	R 0,00	R 0,00	R 0,00
ALFRED DUMA LOCAL MUNICIPALITY	R 28 000,00	R 0,00	R 0,00	R 14 000,00	R 14 000,00	R 0,00
MMG TOYOTA DUNDEE	R 25 000,00	R 0,00	R 25 000,00	R 0,00	R 0,00	R 0,00
CHARTERED INSTITUTE OF GOVERNMENT	R 27 031,10	R 0,00	R 27 031,10	R 0,00	R 0,00	R 0,00
JOBEKAZI ENVIRO SOLUTIONS	R 19 006,00	R 0,00	R 19 006,00	R 0,00	R 0,00	R 0,00
MKIZE NCAMSILE	R 14 750,00	R 0,00	R 14 750,00	R 0,00	R 0,00	R 0,00
MO MTWANA TRADING	R 10 500,00	R 0,00	R 0,00	R 7 000,00	R 3 500,00	R 0,00
MOBILE TELEPHONE NETWORKS	R 10 080,00	R 0,00	R 10 080,00	R 0,00	R 0,00	R 0,00
THEMBALAMAMBISA CATERING AND PROJECTS	R 11 548,98	R 0,00	R 0,00	R 0,00	R 11 548,98	R 0,00
MDLESTHE MALIBONGWE	R 10 000,00	R 0,00	R 10 000,00	R 0,00	R 0,00	R 0,00
BH BHENGU	R 8 000,00	R 0,00	R 0,00	R 8 000,00	R 0,00	R 0,00
CABHANE PROJECTS	R 7 800,00	R 0,00	R 7 800,00	R 0,00	R 0,00	R 0,00
NGCOBO NONHLANHLA AMANDA	R 7 700,00	R 0,00	R 7 700,00	R 0,00	R 0,00	R 0,00
TSHABALALA NHLAKANIPHO	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
KHOZA VINCENT	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MBATHA NTOMBIZETHU	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MPANZA JOHANNES	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
NTULI NOTHANDO	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
PAMELA MCHUNU	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
SITHOLE SIPHAMANDLA	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
XIMBA PHAKAMANI	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
BIYELA HLEZIPHI	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
BUTHELEZI GABISILE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
DLAMINI SENGEZO	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
DLODLO SINEGUGU	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
KHANYEZA NOTHILE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00

*Nquthu Municipality Monthly Budget Statement*

LANGA SAKHILE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MBATHA SIZIWE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MBHENSE NELISIWE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MDLULI LETHUKUTHULA	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MOLIFA MBOKISENG	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
SITHOLE SYLVIA	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
XULU SANELE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
KHUMALO NONJABULO	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MTHEMBU HAPHINESS	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
NDLOVU NOKUBONGA	R 7 000,00	R 0,00	R 0,00	R 7 000,00	R 0,00	R 0,00
LETHIWE BUTHELEZI	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
MTSHALI SINDISIWE	R 7 000,00	R 0,00	R 0,00	R 7 000,00	R 0,00	R 0,00
NGEMA MCEBISI	R 7 000,00	R 0,00	R 0,00	R 0,00	R 7 000,00	R 0,00
NGOBESE ZANDILE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
NXUMALO SANELE	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
SIBISI NONJABULO	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
SIKHAKHANE UESTIC	R 7 000,00	R 0,00	R 0,00	R 3 500,00	R 3 500,00	R 0,00
CTRACK MZANSI	R 7 175,07	R 0,00	R 0,00	R 0,00	R 0,00	R 7 175,07
SAGE SOUTH AFRICA	R 7 150,01	R 0,00	R 7 150,01	R 0,00	R 0,00	R 0,00
AUTO HOUSE VRYHEID	R 6 692,98	R 0,00	R 6 692,98	R 0,00	R 0,00	R 0,00
WENZILEOVAYO TRADING ENTERPRISE	R 5 500,00	R 0,00	R 5 500,00	R 0,00	R 0,00	R 0,00
ESKOM HOLDINGS 9063390800	R 6 212,84	R 0,00	R 6 212,84	R 0,00	R 0,00	R 0,00
SIGUBUBU PN	R 5 010,88	R 0,00	R 0,00	R 5 010,88	R 0,00	R 0,00
Dahile MAHLAHLA OCTAVIA HAPPY-JOYCE	R 5 010,88	R 0,00	R 0,00	R 4 000,00	R 1 010,88	R 0,00
SIPHE MZILANKATHA TRADING	R 4 900,00	R 0,00	R 4 900,00	R 0,00	R 0,00	R 0,00
MAGISTRATE NQUTHU	R 4 500,00	R 0,00	R 0,00	R 2 000,00	R 2 500,00	R 0,00
Langa Siboniso	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
Jele Sandile	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
Mbatha Mesuli	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
Mbatha Mandlenkosi	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MLAMBO MINENHLE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MTHABELA BONGIWE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
BUTHELEZI LONDIWE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
SHABANGU SPHUMELELE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
THUSINI NTOMBIYENKOSI	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MNCWABE SILINDOKUHLE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
SITHOLE NOSIPHO	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
LANGA SINDISIWE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
LIMBA NYANISO	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MBATHA ZENZELE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
NTULI SIPHOSENKOSI	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
THUMBELA NOXOLO	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
NDLOVU MTHUNZI	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
BUTHELEZI BONGEKILE	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
BUTHELEZI GUGULETHU	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MAGUBANE EMMACULATE NOZIPHO	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
MALULEKE NGCOBANE C	R 4 000,00	R 0,00	R 0,00	R 4 000,00	R 0,00	R 0,00
KAJOHNI TRADING	R 4 000,00	R 0,00	R 4 000,00	R 0,00	R 0,00	R 0,00
ESKOM HOLDINGS 5140422473	R 4 515,98	R 0,00	R 4 515,98	R 0,00	R 0,00	R 0,00
XULU NOKUPHILA	R 3 500,00	R 0,00	R 0,00	R 3 500,00	R 0,00	R 0,00
SISBISI NOKUTHULA	R 3 500,00	R 0,00	R 0,00	R 3 500,00	R 0,00	R 0,00
SAMWU UNION	R 3 120,00	R 0,00	R 0,00	R 0,00	R 3 120,00	R 0,00
KTO DIGITAL (PTY)LTD	R 3 582,25	R 0,00	R 3 582,25	R 0,00	R 0,00	R 0,00
ESKOM HOLDINGS 9426259616	R 3 567,65	R 0,00	R 3 567,65	R 0,00	R 0,00	R 0,00
BPG MASS APPRAISALS	R 3 073,36	R 0,00	R 3 073,36	R 0,00	R 0,00	R 0,00
ESKOM HOLDINGS 6126932137	R 2 762,76	R 0,00	R 2 762,76	R 0,00	R 0,00	R 0,00
BP KUBHEKA	R 2 090,00	R 0,00	R 2 090,00	R 0,00	R 0,00	R 0,00
MDLETSHE SIYABONGA ERIC	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MNCUBE ZINHLE M	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MBALENHLE DLADLA	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
BUTHELEZI KHANYI P	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
KHUMALO XOLISILE NKAZIMULO	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
NZUZA NOKWANDA P	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MTSHALI SAMUKELISIWE PROMISE	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
NGCOBO THANDEKA VICKY	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
JELE SIPHAKAMISO	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MOTLOUNG MAVIS PONTSO	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
SITHOLE SINENHLANHLA S	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
THEMBELIHLE MBOKAZI	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MAJOLA XOLISWA N	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00

*Nquthu Municipality Monthly Budget Statement*

MNCULWANE NOKUPHILA	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
DLADLA THANDAZILE R	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
HLATSHWAYO KHANYISILE	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MCHUNU SIMPHIWE	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
NENE NELISIWE B	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MOLOI MALIFA Z	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
THABEDE MBALI S	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
NTOMBIFUTHI SIBIYA	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
NDLOVU LS	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
GAMA ZANDILE P	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MOLEFE MSWARELENG PRECIOUS	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
CEBEKHULU XOLISILE PROMISE	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
MASINDENI HIGHNESS	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
SIGUBUDU NC	R 2 021,76	R 0,00	R 0,00	R 1 010,88	R 1 010,88	R 0,00
SINDISIWE SC NDWANDWE	R 1 900,00	R 0,00	R 1 900,00	R 0,00	R 0,00	R 0,00
ESKOM HOLDINGS 8713502790	R 1 718,76	R 0,00	R 1 718,76	R 0,00	R 0,00	R 0,00
MAGISTRATE-BSS BUTHELEZI	R 1 000,00	R 0,00	R 0,00	R 500,00	R 500,00	R 0,00
VUSI NGOBESE	R 648,28	R 0,00	R 648,28	R 0,00	R 0,00	R 0,00
NKANYISO NT SIBIYA	R 600,00	R 0,00	R 0,00	R 600,00	R 0,00	R 0,00
A SINGHT & ASSOCIATES	R 570,00	R 0,00	R 0,00	R 285,00	R 285,00	R 0,00
MAGISTRATE-XA XIMBA	R 500,00	R 0,00	R 0,00	R 250,00	R 250,00	R 0,00
MAGISTRATE-MEMELA	R 500,00	R 0,00	R 0,00	R 500,00	R 0,00	R 0,00
BEST FUNERAL SOCIETY	R 428,26	R 0,00	R 0,00	R 0,00	R 428,26	R 0,00
<b>Total</b>	<b>R 21 807 268,36</b>	<b>R 0,00</b>	<b>R 10 850 228,24</b>	<b>R 5 808 105,33</b>	<b>R 3 211 780,06</b>	<b>R 1 937 154,73</b>

**Table 7: Creditor's ageing reconciliation for the month ending 30 September 2024**

<b>CREDITORS ACCOUNT RECONCILIATION REPORT</b>
<b>MONTH ENDING SEPTEMBER 2024</b>

Total Balances as per EMS INVOICE AGE ANALYSIS REPORT:

**R 21 807 268,36**

AGE ANALYSIS TOTAL AMOUNT:

**R 21 807 268,36**

**CLOSING BALANCE FOR UNPAID CREDITORS AS PER AGE ANALYSIS REPORT**

**R 21 807 268,36**

**AGED ANALYSIS**

Current (Transactions below 30 days)  
 <30 Days  
 <60 Days  
 <90 Days  
 <120 Days  
 <150 Days  
 <180 Days  
 >180 Days

<b>R 21 807 268,36</b>	
R -	<b>R 0,00</b>
R -	<b>R 10 850 228,24</b>
R -	<b>R 5 808 105,33</b>
R -	<b>R 3 211 780,06</b>
R -	<b>R 1 937 154,73</b>
R -	<b>R 0,00</b>
R -	<b>R 0,00</b>
R -	<b>R 0,00</b>

Unpaid creditors as @ 30 SEPTEMBER 2024

**2.6. SUPPLY CHAIN MANAGEMENT**

Regulation 36 of the Municipal SCM Regulations of 2005 permits the Accounting Officer to "dispense with the official procurement processes established by the policy and to procure any required goods or service through any convenient process". This would typically include urgent and emergency

cases, single source goods, and any other cases where it is impractical to follow normal SCM processes. In the event of such decision, the Accounting Officer is required to report this to the next Council meeting, three transactions were concluded in the month of September.

**a) Deviations**

Deviations report for the month of September shows a balance of R506 thousand, all the deviations are approved and the details of the reasons for deviations are included in the in the deviation documents.

Auditor General documented findings on the management report (MR) that some of the deviations concluded by the municipality were not authorized, as a result the SCM office has a register of deviations and the file for deviations to ensure all required signatures are acquired before concluding orders and incur expenditure.

**Table 8: Deviation register for the month ending 30 September 2024**

Date identified	Date reported to Mayor	Description	Supplier	Services Rendered	Amount
2024/07/19	2024/08/14	MAINTENANCE VEHICLE EMERGENCY REPAIR OF BG42PV ZN WHICH ITD STARTER STOP WORKING	NTT TOYOTA VRYHEID	VEHICLE EMERGENCY REPAIR	R5 893,75
2024/07/19	2024/08/14	REPAIR AND SERVICE FIRE FIGHTING EQUIPMENT FOR RIPID INTERVENTION VEHICLE NTU 4806	VEXOSCORE FIRE	MAINTENANCE VEHICLE EMERGENCY	R127 650,00
2024/07/24	2024/08/14	REPAIR MAJOR PUMPER FOR NTU 3872 FIRE FIGHTER MACHINERY AND PERIPHERRALS	VEXOSCORE FIRE	MAINTENANCE VEHICLE EMERGENCY	R136 580,00
2024/08/05	2024/09/13	MAINTENANCE VEHICLE CONDITION BASED (CHANGING TYRES) SUPPY, FITTING, BALANCING AND WHEEL ALIGNMENT OF 02 TYRE FOR BJ59RL-ZN	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	R2 900,00
2024/08/05	2024/09/13	REPLACEMENT OF BATTERY FOR LAND CRUISER NTU 4877	FARMTRAC DUNDEE	MAINTENANCE VEHICLE EMERGENCY	R2 046,20
2024/08/08	2024/09/13	SERVICE FOR BJ 59 RL -ZN WHICH IS ON 200 000KM	NTT TOYOTA VRYHEID	MAINTENANCE VEHICLE	R10 471,80
2024/08/05	2024/09/13	SUPPLY AND FIT 5 TYRES FOR NISSAN NAVARA WITH WHEEL ALGNMENT PLUS BALANCING	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	R13 999,97
2024/08/22	2024/09/13	REQUEST TO PURCHASE AND FIT 04 TYRES USED AS SPARE WHEELS FOR FIRE ENGINE AND SUPPORT VEHICLE	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	R12 300,00
2024/08/22	2024/09/13	REQUEST TO PURCHASE 05 TYRES FOR LANDCRUISER NTU 4877	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	R14 000,00
2024/08/27	2024/09/13	SERVICE AND REPAIRS FOR NTU 7346	KOMATSU SOUTH AFRICA	MAITENANCE VEHICLE	R62 334,12
2024/08/29	2024/09/13	REQUEST FOR SERVICE AND REPAIRS FOR TNT MINI MAJOR RESCUE SETS	VEXOSCORE FIRE	MECHINERY EQUIPMENT PLANNER	R99 000,05
2024/08/22	2024/09/13	REGISTRATION FOR S XABA AND S HADEBE	CIGFARO	REGISTRATION	R19 006,00
					<b>R506 181,89</b>

**b) Fruitless and Wasteful Expenditure Register**

Fruitless and Wasteful Expenditure Register for the month ending 30 September 2024 reflects R184 519,66 emanating from Telkom and COIDA penalties respectively there are no changes from the previous month. The municipality is engaging Telkom to stop billing the municipality and refund the municipality the invoices paid after sending termination letters.

**Table 9: Fruitless and Wasteful Expenditure Register – 30 September 2024**

Annexure C Demarcation Board Code: KZN242 Register for Fruitless and wasteful Expenditure Year Ended 30 June 2025		Financial Year 2024/ 2025 Nquthu Local Municipality Month Sep-24		
Description	Month	Amount		
<b>Telkom</b>				<b>R5,56</b>
Interest on overdue account- #66587	Jul-24	R	R5,56	
	Aug-24		-	
	Sep-24			
<b>Eskom</b>				
Interest on overdue account	Jul-24		-	
	Aug-24		-	
	Sep-24		-	
<b>Umzinyathi Municipality</b>				
<b>Other- Penalty fees paid in Aug 2024</b>				<b>R184 514,10</b>
Penalties/interest				
Employment & Labour Sec83(6) Penalty - 2015	#67839		R27 992,25	
Employment & Labour Sec83(6) Penalty - 2020	#67839		R50 430,34	
Employment & Labour Sec83(6) Penalty - 2021	#67839		R49 617,96	
Employment & Labour Sec83(6) Penalty - 2022	#67839		R56 473,55	
<b>Other</b>				
<b>TOTAL FOR QUARTER 1 2024/2025</b>				<b>R 184 519,66</b>

**c) Auditor General Findings and Risk Management on SCM**

NO.	ISSUE RAISED	ISSUE RAISED	PROPOSED ACTION TO ADDRESS ISSUE	DUE DATE	CURRENT STATUS
1.	Preferential points used is not stated in the tender document and request for quotation.	AG – 22/23	SCM and ORDER CHECKLIST is used for every Purchase order.  BSC Checklist is in place to be used	On-going	In-progress
2.	Bidders failing to meet the specific goals points awarded bids.	AG – 22/23	Bid Committee checklist is used for every tender advertised.	On going	In-progress
3.	No evidence provided to confirm that quotation above R200 000 were approved.	AG – 22/23	Authorisation by Accounting Officer for deviation not following normal SCM process and purchase orders above R 200 000 is compulsory.	On going	In-progress
4.	Minimum thresholds for local content not specified	AG – 22/23	SCM and ORDER CHECKLIST is used for every Purchase order	DONE	DONE
5.	Possible splitting of orders to avoid competitive bidding process.	AG-22/23	Monitoring of procurement plan on a quarterly basis.	On going	In-progress
6.	Measures to monitor contract performance and delivery have not been defined and implemented.	AG – 22/23	Assessment of service provider form is used to monitor performance on a quarterly basis	On going	In-progress

7.	Deviations not approved by AO	AG – 22/23	Ensure authorisation by Accounting Officer and all other relevant HODs for deviation not following normal SCM process	On going	In-progress
8.	Contracts expired, but in use without approval of extension or variation order	AG – 22/23	Engage end user departments after sending notice of expiry.  Consider extension of contract and acquire approval	On going	In-progress

d) **Contract management** – The register for all contracts is kept within the contract management unit. Notices are issued to all user departments accordingly to ensure that all contracts are advertised in time to ensure that irregular expenditure is avoided at all times. Where necessary contracts are renewed following the applicable legislation. The contract register is enclosed as **Annexure A**, reflecting a list of all active contracts, extended contracts, and contracts that will expire within the current financial year.

e) **Top 10 Issued Orders List – 30 September 2024**

NO	SERVICE PROVIDER	CONTRACT AMOUNT	DATE OF AWARD	DESCRIPTION
1.	FACHS BUSINESS CONSULTANT	R268,400,00	10/09/2024	MFMP TRAINING OF 06 FINANCE OFFICIALS
2.	COMCO INTERLECTUAL	R259,900,00	11/09/2024	2 LAPTOPS AND PLOTTER
3.	SYAMUKELA TRADING	R131,805,00	11/09/2024	SUPPLY AND DELIVER OF 435 LUNCH PACKS FROM 13-15 SEPTEMBER 2024
4.	VEXOSCORE FIRE	R99,000,00	11/09/2024	REPAIRS TO RESCUE EQUIPMENT TNT MINI AND MAYOR
5.	ADVENTURE TRAVEL	R77,362,80	16/09/2024	BOOK FLIGHT FOR 9 DELEGATES FROM JHB TO CPT
6.	SILUTSHANA CONSTRUCTION	R74,850,00	25/09/2024	SUPPLY, DELIVER AND LICENSE DIESEL BOWSER
7.	ADVENTURE TRAVEL	R72,487,95	06/09/2024	ACCOMMODATION FOR 09 DELEGATES IN DUNDEE: 08-18 SEPTEMBER 2024
8.	ISIBANISETHU ENTERPRISE	R69,500.00	12/09/2024	FINALISE SUBDIVISION ERF 886
9.	ADVENTURE TRAVEL	R64,256.25	27/09/2024	ACCOMMODATION OF 06 DELEGATES -MIDRAND, MFMP
10.	THOKOMELA	R63,769.95	18/09/2024	UTILITY POLES

The municipality has complied with SCM Regulations in issuing the above orders.

f) **IRREGULAR EXPENDITURE (CAPITAL AND OPERATIONAL EXPENDITURE) – 30 September 2024**

The register is enclosed to this report as **Annexure B**. Below is the summary of the irregular expenditure for the month of September 2024 which reflect an amount of R1.3 million irregular expenditure for operational expenditure and R13 million for capital expenditure.

NQUTHU MUNICIPALITY YEAR END ( 2024 - 2025 ) IRREGULAR EXPENDITURE TOTAL			
QUARTER 1			
MONTH No.	MONTH NAME	EXPENDITURE	
OPENING BALANCE		OPERATIONAL	CAPITAL
1	July	R1 349 747,82	R6 279 669,96
2	August	R0,00	R976 522,95
3	September	R0,00	R5 935 690,37
<b>CLOSING BALANCE</b>		<b>R1 349 747,82</b>	<b>R13 191 883,28</b>

- g) INVENTORY MANAGEMENT – inventory reconciliation report for end of September will be reported in October after finalising the stock take or inventory count for this quarter. Table 10 below reflect August inventory report.

**Table 10: Inventory Reconciliation for the month ending 30 September 2024**

<b>AUGUST 2024</b>			
<b>Inventory Reconciliation</b>			
<b>INVENTORY MODULE</b>			
<b>OPENING BALANCE AS PER INVENTORY REPORT</b>			<b>R 1 278 888,08</b>
<b>ADD: TOTAL RECEIPTS</b>			<b>R 0,00</b>
	Inventory purchases for the month		R 0,00
<b>LESS: TOTAL ISSUES</b>			<b>R 0,00</b>
	Inventory issued from stores during the month		R 0,00
<b>ADJUSTMENTS</b>			<b>R 0,00</b>
	Add: stock surplus identified during the month		R 0,00
	Less: Stock losses identified during the month		R 0,00
<b>CLOSING BALANCE AS PER INVENTORY REPORT</b>			<b>R 1 278 888,08</b>

## 2.7. COST CONTAINMENT MEASURES

MCCR quarterly report will be tabled in council for this quarter outlining the areas of compliance with Municipal Cost Containment Regulations. The management is committed to improving controls, engage in training and capacity building to avoid re-occurrence of UIFW cases. Accounting Officer will implement consequence management where applicable.

## 2.8. MATERIAL VARIANCES

Material variances to SDBIP is provided by the PMS unit, after detailed consideration of all POEs and actuals as submitted by officials based on their scorecards.

Material variances on Table C4 based on actuals against budget the following has been noted:


- Interest for both exchange revenue and non-exchange revenue reflect 637800% and 147% respectively. The excessive variance for exchange revenue is caused by the zero budget, and for the non-exchange revenue the budget is available, and the actual YTD figure is informed by the number of customers that are in arrears.
- Operational revenue – entails skills development levy refunds and early settlement discounts from organisation that offer such discounts, 2811% is the variance which requires that the municipality study the current trend of this revenue source and adjust the budget accordingly in the coming year since the budget is lower than the actual YTD figure.
- Sale of goods and rendering of service – this is the revenue from building plans, burial fees, photocopies, advertising, and tender documents. There is 46% variance from original budget. These services are much dependent on consumer needs (i.e. building plans) as well as the tender notices issued by the municipality, e-tender portal is used by some bidders as a result there is a decrease in the number of tender documents sold.
- Employee related costs – 41% variance is noted. The payroll data is in the process of being uploaded in the financial system. By the end of October all the first quarter transactions will be in the financial system.
- Remuneration of councillors -48% variance is noted due to data that has not been captured on the financial system from the payroll system. Processes are ongoing to finalise journal transmission / import.
- The negative 100% variance is caused by the items that has zero YTD actual figures as per the following: a) debt impairment b) depreciation and amortisation c) interest d) transfers and subsidies. The depreciation has been calculated in September and will reflect going forward in quarter two. Debt impairment has no calculations thus far. There are zero transactions recorded in the transfers and subsidies line item as there were no requests for procurement received in this quarter.
- Irrecoverable debt written off shows 95% – including the debtors that have been written off relating to indigent status approval.
- Inventory consumed and bulk purchases show a variance of 58% and 41% respectively due to actual recorded in line with the internal end-user requests for consumables and in line with the actual billing by ESKOM.

## MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I Mpumelelo B. Jiyane, the municipal manager of Nquthu Municipality, hereby certify that the:

**Section 71 - for the month ending 31 September 2024**

has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act,

Name	<u>Mr Mpumelelo B. Jiyane</u>
Designation	<u>Municipal Manager of Nquthu Municipality (KZN 242)</u>
Signature:	
Date	<u>04/10/2024</u>