

NQUTHU MUNICIPALITY (KZN 242)



MONTHLY BUDGET STATEMENT FOR MONTH ENDING 31 JANUARY 2025

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ACCRONYMS

MBRR – Municipal Budget Reporting Regulations

YTD – Year to Date

1.1. MAYORS' REPORT

The Mayor has considered the Section 71 report for the month of January 2025, and the performance of the municipality against its budget in line with the approved budget adopted by Council on 17 May 2024. A detail of all the points highlighted by the Mayor is included in the report. In terms of Section 54(1) of the MFMA the Mayor performed all the legislative requirements pertaining to this section to ensure that approved budget is implemented in accordance with the approved Service Delivery Budget Implementation Plan (SDBIP).

Operational Budget

The monthly budget statement summary (Table C1) for the month of January 2025 (year to date actual) shows a surplus of R94.1 million. This amount includes allocation of equitable share that is received in advance.

Capital Budget

Capital expenditure budget originally amounts to R80.2 million, the expenditure to date stands at R46.2 million (YTD). The municipality enforce adherence to grant expenditure compliance.

Cash Flow

Cash and cash equivalents at the beginning of the month was R 92.5 million, and the balance at the end of the month is at R114 million. This shows a net increase in the cash held amounting to R21 million. Cash investment balance amounts to R84 million.

Risk Management

The municipality approved risk registers for the current financial year as a result the Risk Management Committee convened in the first quarter. Municipal officials engaged through unit or sectional meetings to address emerging risks elements. The clean administration statement is attached to all council agenda documents to instil the culture of clean administration and conscientize officials and councillors on matters of good governance.

Mid-year assessment Review

Council noted the Section 72 mid-year assessment report as tabled on 30 January 2025. The recommendations of the Mayor support the need for adjustment budget to be done. The adjustment budget will assist the municipality to move funds from project items that require less financing to areas that are already overspent and still required more funding. The IDP/Budget steering committee convened meetings in January with user departments to assess and review budget line items and to adequately prepare for the adjustment budget.

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 the current month serves as a consolidated municipality's performance in relation to both approved annual budget and the actual expenditure for the month end. The municipality advocates for prudent financial management thus ensuring sufficient revenue is collected and made available for operational and capital expenditures.

Extract from Cschedule Table C4 - Property rates are the significant revenue source for the municipality and the YTD figure shows actual revenue amount of R41.8 million rands compared to original budget of R52.7 million rands. Electricity revenue source YTD actual figure of R19.7 million rands results in 6% variance when the actuals are compared to budget figures.

The bulk expenditure year to date figure is R27 million rands. Employee related costs expenditure is R56.3 million rands. Furthermore, councillor allowances stands at R9.7 million. The PART 2 of this report contains actual and detailed expenditure reports, revenue reports, explanation on variances noted this month, investment balances and grant reports.

Nquthu Municipality Monthly Budget Statement

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

KZN242 Nquthu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		27 499	32 108	32 108	3 277	19 767	18 729	1 037	6%	32 108
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		1 467	1 962	1 962	170	1 187	1 145	42	4%	1 962
Sale of Goods and Rendering of Services		178	259	259	53	126	151	(25)	-17%	259
Agency services		-	-	-	-	-	-	-	-	-
Interest		69	0	0	-	19	0	19	273286%	0
Interest earned from Receivables		665	681	681	67	436	397	39	10%	681
Interest from Current and Non Current Assets		9 506	5 995	5 995	292	4 902	3 497	1 404	40%	5 995
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		972	871	871	62	462	508	(46)	-9%	871
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		396	216	216	-	1 590	126	1 464	1161%	216
Non-Exchange Revenue										
Property rates		51 452	52 750	52 750	4 776	41 883	30 771	11 113	36%	52 750
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 547	1 009	1 009	65	1 100	589	512	87%	1 009
Licence and permits		1 010	1 010	1 010	76	492	589	(97)	-16%	1 010
Transfers and subsidies - Operational		186 803	212 836	212 836	-	156 004	124 154	31 850	26%	212 836
Interest		2 657	1 335	1 335	326	2 074	778	1 295	166%	1 335
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		284 220	311 031	311 031	9 163	230 040	181 434	48 606	27%	311 031
Expenditure By Type										
Employee related costs		100 570	118 969	117 764	755	56 358	68 525	(12 167)	-18%	117 764
Remuneration of councillors		14 046	17 155	17 155	1 227	9 739	10 007	(268)	-3%	17 155
Bulk purchases - electricity		31 026	40 970	40 970	5 346	27 278	23 899	3 379	14%	40 970
Inventory consumed		2 315	1 618	1 618	521	871	944	(73)	-8%	1 618
Debt impairment		12 634	-	-	-	-	-	-	-	-
Depreciation and amortisation		35 938	36 000	36 000	-	8 154	21 000	(12 846)	-61%	36 000
Interest		-	0	0	-	-	0	(0)	-100%	0
Contracted services		73 222	49 983	49 869	2 875	26 532	29 105	(2 573)	-9%	49 869
Transfers and subsidies		3 985	2 854	2 854	28	668	1 665	(997)	-60%	2 854
Irrecoverable debts written off		3 163	12 999	12 999	19	613	7 583	(6 970)	-92%	12 999
Operational costs		45 718	41 523	41 667	2 189	25 643	24 285	1 358	6%	41 667
Losses on Disposal of Assets		2 507	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		325 124	322 072	320 897	12 960	155 856	187 014	(31 157)	-17%	320 897
Surplus/(Deficit)		(40 904)	(11 042)	(9 866)	(3 797)	74 184	(5 579)	79 763	(0)	(9 866)
Transfers and subsidies - capital (monetary allocations)		80 502	46 155	46 155	-	19 964	26 924	(6 960)	(0)	46 155
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289

1.4. IN-YEAR BUDGET STATEMENT TABLES

IN-YEAR BUDGET STATEMENT TABLES – TABLE C1

KZN242 Nquthu - Table C1 Monthly Budget Statement Summary - M07 January

Description	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
R thousands									
Financial Performance									
Property rates	51 452	52 750	52 750	4 776	41 883	30 771	11 113	36%	52 750
Service charges	28 965	34 070	34 070	3 447	20 953	19 874	1 079	5%	34 070
Investment revenue	9 506	5 995	5 995	292	4 902	3 497	1 404	40%	5 995
Transfers and subsidies - Operational	186 803	212 836	212 836	-	156 004	124 154	31 850	0	212 836
Other own revenue	7 494	5 380	5 380	648	6 298	3 138	3 160	101%	-
Total Revenue (excluding capital transfers and contributions)	284 220	311 031	311 031	9 163	230 040	181 434	48 606	27%	311 031
Employee costs	100 570	118 969	117 764	755	56 358	68 525	(12 167)	-18%	117 764
Remuneration of Councillors	14 046	17 155	17 155	1 227	9 739	10 007	(268)	-3%	17 155
Depreciation and amortisation	35 938	36 000	36 000	-	8 154	21 000	(12 846)	-61%	36 000
Interest	-	0	0	-	-	0	(0)	-100%	0
Inventory consumed and bulk purchases	33 341	42 588	42 588	5 867	28 149	24 843	3 306	13%	42 588
Transfers and subsidies	3 965	2 854	2 854	28	668	1 665	(997)	-60%	2 854
Other expenditure	137 243	104 505	104 534	5 083	52 788	60 973	(8 185)	-13%	104 534
Total Expenditure	325 124	322 072	320 897	12 960	155 856	187 014	(31 157)	-17%	320 897
Surplus/(Deficit)	(40 904)	(11 042)	(9 866)	(3 797)	74 184	(5 579)	79 763	-1430%	(9 866)
Transfers and subsidies - capital (monetary allocations)	80 502	46 155	46 155	-	19 964	26 924	(6 960)	-26%	46 155
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	341%	36 289
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	341%	36 289
Capital expenditure & funds sources									
Capital expenditure	(14 116)	76 322	76 322	709	46 285	44 521	1 764	4%	76 322
Capital transfers recognised	36 312	41 272	41 272	-	21 375	24 076	(2 700)	-11%	41 272
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	(67 031)	38 963	38 963	709	24 910	22 728	2 182	10%	38 963
Total sources of capital funds	(30 719)	80 235	80 235	709	46 285	46 804	(519)	-1%	80 235
Financial position									
Total current assets	169 788	132 617	132 326	-	215 230	-	-	-	132 326
Total non current assets	734 296	754 284	754 284	-	772 427	-	-	-	754 284
Total current liabilities	141 086	103 485	103 485	-	130 511	-	-	-	103 485
Total non current liabilities	875	3 364	3 364	-	875	-	-	-	3 364
Community wealth/Equity	762 123	807 388	808 564	-	856 271	-	-	-	808 564
Cash flows									
Net cash from (used) operating	(113 820)	40 886	40 886	(537)	129 742	51 334	(78 408)	-153%	40 886
Net cash from (used) investing	(95 168)	(90 933)	(90 933)	(709)	(51 881)	(53 044)	(1 163)	2%	(90 933)
Net cash from (used) financing	-	-	-	(755)	(56 358)	-	56 358	#DIV/0!	-
Cash/cash equivalents at the month/year end	(100 164)	22 421	22 421	(2 000)	114 036	70 757	(43 278)	-61%	42 486
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	3 798	964	1 004	898	585	334	247	14 155	21 985
Creditors Age Analysis									
Total Creditors	5 708	175	1 612	13	1 090	-	245	-	8 842

Total revenue excluding capital transfers and contributions

The YTD actual revenue (excluding capital transfers and contributions) is R230 million rands compared to R311 million rands approved original budget and this results to 32% variance. Details and explanation of the variances are contained in PART 2 of this report.

Total expenditure

Total expenditure YTD is R155 million rands compared to R322 million rands approved original budget which results to -17% variance. The line items that has previously shown zero YTD actual figures such as a) debt impairment b) depreciation and amortisation c) and transfers and subsidies have been updated with interim information. Only the interest line item remains with zero YTD actuals hence the negative variance impact on the total expenditure variance.

Capital expenditure and fund sources

Capital transfers that has been recognised by the municipality amounts to R21.3 million. There are zero amount borrowings. Internally generated funding for capital projects amount to R24.9 million. Detailed capital expenditure allocation is entailed as per the grant register attached in Part 2 of this report.

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

KZN242 Nquthu - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

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
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		285 145	297 997	297 997	5 489	210 544	173 831	36 713	21%	297 997
Executive and council		39 222	46 128	46 128	–	18 693	26 908	(8 215)	-31%	46 128
Finance and administration		245 923	251 869	251 869	5 489	191 851	146 923	44 928	31%	251 869
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		6 696	6 287	6 287	125	4 566	3 668	898	24%	6 287
Community and social services		4 558	4 454	4 454	5	3 090	2 598	492	19%	4 454
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		2 138	1 833	1 833	120	1 476	1 069	406	38%	1 833
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		305	185	185	29	1 660	108	1 552	1438%	185
Planning and development		305	185	185	29	1 660	108	1 552	1438%	185
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		72 576	52 717	52 717	3 521	33 234	30 751	2 483	8%	52 717
Energy sources		70 594	50 682	50 682	3 303	31 754	29 564	2 189	7%	50 682
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		1 981	2 035	2 035	218	1 481	1 187	294	25%	2 035
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	364 722	357 186	357 186	9 163	250 004	208 358	41 646	20%	357 186
Expenditure - Functional										
<i>Governance and administration</i>		167 031	172 773	169 898	5 799	75 129	97 854	(22 725)	-23%	169 898
Executive and council		33 068	36 913	35 490	1 661	16 602	19 942	(3 340)	-17%	35 490
Finance and administration		129 706	132 533	131 131	4 110	56 263	75 981	(19 718)	-26%	131 131
Internal audit		4 257	3 327	3 277	27	2 263	1 931	332	17%	3 277
<i>Community and public safety</i>		24 121	33 066	34 266	222	16 439	19 028	(2 590)	-14%	34 266
Community and social services		5 483	15 470	16 747	182	7 524	8 380	(856)	-10%	16 747
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		18 638	17 596	17 519	41	8 915	10 648	(1 734)	-16%	17 519
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		65 385	27 566	27 169	1 052	15 314	15 960	(646)	-4%	27 169
Planning and development		17 019	16 443	16 239	741	7 737	9 166	(1 428)	-16%	16 239
Road transport		48 366	11 123	10 930	311	7 577	6 794	782	12%	10 930
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		68 588	88 667	89 563	5 887	48 975	54 172	(5 197)	-10%	89 563
Energy sources		53 809	70 871	70 937	5 793	41 068	40 207	861	2%	70 937
Water management		–	–	–	–	–	–	–	–	–
Waste water management		2 281	1 959	1 868	–	1 127	1 246	(119)	-10%	1 868
Waste management		12 498	15 837	16 758	93	6 780	12 719	(5 938)	-47%	16 758
<i>Other</i>		–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	325 124	322 072	320 897	12 960	155 856	187 014	(31 157)	-17%	320 897
Surplus/ (Deficit) for the year		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	3,4108479	36 289

Table C3: Monthly Budget Statement_ Financial Performance

KZN242 Nquthu - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

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
R thousands										
Revenue by Vote										
Vote 1 - Office of the Municipal Manager	1	39 222	46 128	46 128	-	18 693	26 908	(8 215)	-30,5%	46 128
Vote 2 - Planning and Economic Development		305	551	551	8	1 546	321	1 225	381,3%	551
Vote 3 - Budget and Treasury		245 886	251 524	251 524	5 478	191 692	146 722	44 970	30,6%	251 524
Vote 4 - Corporate and Community Service		6 700	6 156	6 156	128	4 323	3 591	732	20,4%	6 156
Vote 5 - Technical Services		72 609	52 827	52 827	3 550	33 750	30 816	2 935	9,5%	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]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	364 722	357 186	357 186	9 163	250 004	208 358	41 646	20,0%	357 186
Expenditure by Vote										
Vote 1 - Office of the Municipal Manager	1	21 263	20 068	20 157	343	8 458	11 099	(2 642)	-23,8%	20 157
Vote 2 - Planning and Economic Development		17 019	16 546	16 343	741	7 737	9 226	(1 489)	-16,1%	16 343
Vote 3 - Budget and Treasury		81 170	75 532	74 451	793	24 196	43 415	(19 218)	-44,3%	74 451
Vote 4 - Corporate and Community Service		67 619	81 921	81 445	3 413	45 778	47 195	(1 417)	-3,0%	81 445
Vote 5 - Technical Services		121 338	92 105	91 682	6 204	51 880	51 923	(43)	-0,1%	91 682
Vote 6 - Council And General		16 524	18 412	18 412	1 377	10 483	10 740	(258)	-2,4%	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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	324 932	304 584	302 489	12 871	148 532	173 598	(25 066)	-14,4%	302 489
Surplus/ (Deficit) for the year	2	39 790	52 602	54 697	(3 708)	101 473	34 760	66 712	191,9%	54 697

Table C3 provides information by vote, thereby apportioning overall municipality administration into departments. BTO office reflects much higher revenue by vote allocation with an actual amount of R191.6 million rands.

Expenditure by vote shows that technical unit has the highest expenditure of R51.8 million rands. Technical department is the custodian of capital expenditure hence the high expenditure.

Table C4 Municipality Financial Performance

KZN242 Nquthu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		27 499	32 108	32 108	3 277	19 767	18 729	1 037	6%	32 108
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		1 467	1 962	1 962	170	1 187	1 145	42	4%	1 962
Sale of Goods and Rendering of Services		178	259	259	53	126	151	(25)	-17%	259
Agency services		-	-	-	-	-	-	-	-	-
Interest		69	0	0	-	19	0	19	273286%	0
Interest earned from Receivables		665	681	681	67	436	397	39	10%	681
Interest from Current and Non Current Assets		9 506	5 995	5 995	292	4 902	3 497	1 404	40%	5 995
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		972	871	871	62	462	508	(46)	-9%	871
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		396	216	216	-	1 590	126	1 464	1161%	216
Non-Exchange Revenue										
Property rates		51 452	52 750	52 750	4 776	41 883	30 771	11 113	36%	52 750
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 547	1 009	1 009	65	1 100	589	512	87%	1 009
Licence and permits		1 010	1 010	1 010	76	492	589	(97)	-16%	1 010
Transfers and subsidies - Operational		186 803	212 836	212 836	-	156 004	124 154	31 850	26%	212 836
Interest		2 657	1 335	1 335	326	2 074	778	1 295	166%	1 335
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		284 220	311 031	311 031	9 163	230 040	181 434	48 606	27%	311 031
Expenditure By Type										
Employee related costs		100 570	118 969	117 764	755	56 358	68 525	(12 167)	-18%	117 764
Remuneration of councillors		14 046	17 155	17 155	1 227	9 739	10 007	(268)	-3%	17 155
Bulk purchases - electricity		31 026	40 970	40 970	5 346	27 278	23 899	3 379	14%	40 970
Inventory consumed		2 315	1 618	1 618	521	871	944	(73)	-8%	1 618
Debt impairment		12 634	-	-	-	-	-	-	-	-
Depreciation and amortisation		35 938	36 000	36 000	-	8 154	21 000	(12 846)	-61%	36 000
Interest		-	0	0	-	-	0	(0)	-100%	0
Contracted services		73 222	49 983	49 869	2 875	26 532	29 105	(2 573)	-9%	49 869
Transfers and subsidies		3 985	2 854	2 854	28	668	1 665	(997)	-60%	2 854
Irrecoverable debts written off		3 163	12 999	12 999	19	613	7 583	(6 970)	-92%	12 999
Operational costs		45 718	41 523	41 667	2 189	25 643	24 285	1 358	6%	41 667
Losses on Disposal of Assets		2 507	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
Total Expenditure		325 124	322 072	320 897	12 960	155 856	187 014	(31 157)	-17%	320 897
Surplus/(Deficit)		(40 904)	(11 042)	(9 866)	(3 797)	74 184	(5 579)	79 763	(0)	(9 866)
Transfers and subsidies - capital (monetary allocations)		80 502	46 155	46 155	-	19 964	26 924	(6 960)	(0)	46 155
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		39 598	35 113	36 289	(3 797)	94 148	21 345	72 803	0	36 289

TABLE C4: REVENUE BY SOURCE

Property rates

Property rates YTD Actual for this month stands at R 41.8 million rands , the approved original budget is R 52.7 million rands. The collection rate is concerning hence the YTD variance of R11.1 million from property rates revenue source.

Service charges electricity.

The actual revenue from Service Charges Electricity is R19.7 million rands . The approved original budget figure is R32.1 million rands , the YTD variance of R1.0 million is noted.

Interest from Current and Non-Current Assets

Interest from current and non-current assets show the YTD actual figure of R4.9 million rands compared to R5.9 million rands original budget, resulting in a YTD variance of R1.4 million.

Transfers and subsidies

Transfers and subsidies as allocated in the DoRA for the current year has been received. Equitable share allocations were received in two payments and other grants received by the municipality are reflected in the grant register on Part 2 of this report. Approved budget figure for transfers and subsidies is R212 million rands and the YTD actual figure is R156 million rands .

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 partially captured on the system thus the YTD actual figure on the C-schedule amounts to R56.3 million rands. The manual report shows R62.1 million rands expenditure at the end of this reporting month. 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 R9.7 million rands on the C-schedule. There is a slight difference from actual PART 2 of this report shows R9.8 million rands that is caused by journals and reconciliation of few line items. There is a great improvement in aligning the systems in ensuring accurate reporting timeously.

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

There are no changes in depreciation and asset impairment reported in the previous month. Therefore, under this reporting period the YTD actual figures for the depreciation amounts to R8.1 million compared to budget figure of R36 million which result in the variance of -55%.

Bulk purchases

YTD Actual for electricity bulk purchase figure is at R27.2 million rands , the municipality has billed each month for bulk account and has paid in full consistently, no interest has accrued from electricity bulk account. The original budget allocated to bulk electricity amounts to R40.9 million.

Monthly Budget Statement_ Capital Expenditure Table C5

KZN242 Nquthu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

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
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		-	0	0	-	-	0	(0)	-100%	0
Vote 2 - Planning and Economic Development		(10 678)	2 609	2 609	-	-	1 522	(1 522)	-100%	2 609
Vote 3 - Budget and Treasury		-	0	0	-	-	0	(0)	-100%	0
Vote 4 - Corporate and Community Service		287	957	957	-	526	558	(32)	-6%	957
Vote 5 - Technical Services		24 343	56 202	56 202	-	41 635	32 785	8 850	27%	56 202
Vote 6 - Council And General		608	700	700	709	709	408	300	74%	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]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	14 560	60 467	60 467	709	42 869	35 273	7 597	22%	60 467
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		-	0	0	-	-	0	(0)	-100%	0
Vote 2 - Planning and Economic Development		-	0	0	-	-	0	(0)	-100%	0
Vote 3 - Budget and Treasury		-	0	0	-	-	0	(0)	-100%	0
Vote 4 - Corporate and Community Service		(3 287)	0	0	-	2	0	2	852%	0
Vote 5 - Technical Services		(25 388)	15 854	15 854	-	3 413	9 248	(5 835)	-63%	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]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	(28 676)	15 854	15 854	-	3 416	9 248	(5 833)	-63%	15 854
Total Capital Expenditure		(14 116)	76 322	76 322	709	46 285	44 521	1 764	4%	76 322
Capital Expenditure - Functional Classification										
Governance and administration		895	2 266	2 266	709	1 235	1 322	(87)	-7%	2 266
Executive and council		608	700	700	709	709	408	300	73%	700
Finance and administration		287	1 565	1 565	-	526	913	(387)	-42%	1 565
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		(2 529)	53 516	53 516	-	27 693	31 217	(3 524)	-11%	53 516
Community and social services		758	43 602	43 602	-	24 384	25 435	(1 051)	-4%	43 602
Sport and recreation		(3 413)	8 696	8 696	-	3 307	5 072	(1 766)	-35%	8 696
Public safety		126	1 218	1 218	-	2	710	(708)	-100%	1 218
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		(55 360)	22 541	22 541	-	11 042	13 149	(2 107)	-16%	22 541
Planning and development		(7 408)	4 696	4 696	-	360	2 739	(2 379)	-87%	4 696
Road transport		(47 951)	17 845	17 845	-	10 681	10 410	272	3%	17 845
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		26 275	1 913	1 913	-	6 316	1 116	5 199	466%	1 913
Energy sources		18 880	1 478	1 478	-	2 118	862	1 256	146%	1 478
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		7 395	435	435	-	4 197	254	3 944	1555%	435
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	(30 719)	80 235	80 235	709	46 285	46 804	(519)	-1%	80 235
Funded by:										
National Government		19 301	41 245	41 245	-	19 257	24 060	(4 803)	-20%	41 245
Provincial Government		17 012	27	27	-	2 118	16	2 102	13264%	27
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		36 312	41 272	41 272	-	21 375	24 076	(2 700)	-11%	41 272
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	(67 031)	38 963	38 963	709	24 910	22 728	2 182	10%	38 963
Total Capital Funding		(30 719)	80 235	80 235	709	46 285	46 804	(519)	-1%	80 235

Total capital expenditure by function classification stands at R41.2 million rands . Capital expenditure YTD funded by national governments funding amount to R 19.2 million rands. Capital expenditure

funded by the provincial government YTD actual amount to R2.1 million rands. Internally funded projects is budgeted R38.9 million rands and the YTD actual amount is R24.9 million rands .

Table C6 – Monthly Budget Statement – Financial Position

KZN242 Nquthu - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		92 533	16 996	16 996	106 797	16 996
Trade and other receivables from exchange transactions		7 424	11 208	11 208	9 901	11 208
Receivables from non-exchange transactions		34 888	44 149	44 149	58 722	44 149
Current portion of non-current receivables		-	-	-	-	-
Inventory		1 279	139	(110)	1 323	(110)
VAT		33 598	60 017	60 017	38 421	60 017
Other current assets		66	108	66	66	66
Total current assets		169 788	132 617	132 326	215 230	132 326
Non current assets						
Investments		-	-	-	-	-
Investment property		41 339	42 923	42 923	41 325	42 923
Property, plant and equipment		692 868	711 266	711 266	731 013	711 266
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		79	79	79	79	79
Intangible assets		11	16	16	10	16
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	0	0	-	0
Total non current assets		734 296	754 284	754 284	772 427	754 284
TOTAL ASSETS		904 084	886 902	886 610	987 657	886 610
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		20	20	20	20	20
Consumer deposits		2 312	2 170	2 170	2 350	2 170
Trade and other payables from exchange transactions		83 555	64 120	64 120	54 466	64 120
Trade and other payables from non-exchange transactions		10 512	0	0	25 793	0
Provision		13 034	10 074	10 074	13 034	10 074
VAT		31 653	27 101	27 101	34 848	27 101
Other current liabilities		-	-	-	-	-
Total current liabilities		141 086	103 485	103 485	130 511	103 485
Non current liabilities						
Financial liabilities		(20)	(20)	(20)	(20)	(20)
Provision		896	3 384	3 384	896	3 384
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	0	0	-	0
Total non current liabilities		875	3 364	3 364	875	3 364
TOTAL LIABILITIES		141 961	106 848	106 848	131 386	106 848
NET ASSETS	2	762 123	780 053	779 762	856 271	779 762
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		761 971	807 247	808 422	856 119	808 422
Reserves and funds		152	141	141	152	141
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	762 123	807 388	808 564	856 271	808 564

The table C6 reflects accumulated surplus R856 million rands YTD actual against the budgeted figure of R807 million rands.

Total assets (R987.6 million rands) exceed total liabilities (R131.3 million rands), resulting in net assets of R856.2 million rands .

Table C7 – Monthly Budget Statement – Cash Flow

KZN242 Nquthu - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		36 245	43 374	43 374	1 617	19 533	25 302	(5 768)	-23%	43 374
Service charges		31 067	23 338	23 338	3 516	20 581	13 614	6 967	51%	23 338
Other revenue		6 337	2 767	2 767	251	4 494	1 614	2 880	178%	2 767
Transfers and Subsidies - Operational		186 543	212 835	212 835	-	148 700	124 153	24 547	20%	212 835
Transfers and Subsidies - Capital		84 831	46 128	46 128	-	42 549	26 908	15 641	58%	46 128
Interest		3 589	6 054	6 054	393	2 529	3 531	(1 003)	-28%	6 054
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(462 432)	(293 609)	(293 609)	(6 314)	(108 644)	(143 788)	(35 145)	24%	(293 609)
Interest		-	-	-	-	-	-	-	-	-
Transfers and Subsidies		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(113 820)	40 886	40 886	(537)	129 742	51 334	(78 408)	-153%	40 886
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(95 168)	(90 933)	(90 933)	(709)	(51 881)	(53 044)	(1 163)	2%	(90 933)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(95 168)	(90 933)	(90 933)	(709)	(51 881)	(53 044)	(1 163)	2%	(90 933)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	(755)	(56 358)	-	(56 358)	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	(755)	(56 358)	-	56 358	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(208 989)	(50 047)	(50 047)	(2 000)	21 503	(1 710)			(50 047)
Cash/cash equivalents at beginning:		108 825	72 468	72 468		92 533	72 468			92 533
Cash/cash equivalents at monthly/year end:		(100 164)	22 421	22 421	(2 000)	114 036	70 757			42 486

The tables C7 cash flow statement reflects that cash and cash equivalents has a favourable balance at the end of the this month. Cash flow from operating activities year to date actual amount is R129 million rands . Cash flow from investing activities is channelled to capital expenditure investment with a YTD figure of R51.8 million rands . Only the consumer deposits decrease with an amount of R56.3 million is reflected under financing activities, the municipality has not financed its activities through short-term or long-term loans since the beginning of the year.

PART 2 – SUPPORTING DOCUMENTATION

2.1. INVESTMENT PORTFOLIO ANALYSIS

Table 1(a) Investment register for the month ending 31 January 2025

INVESTMENT REGISTER- JANUARY 2025							
INSTITUTION	BALANCE	INVESTED IN CURRENT YEAR	INTEREST RECEIVED	DEPOSIT	WITHDRAWAL	BANK CHARGES	BALANCE
ABSA (1394) HOUSING A/C	R 1 889 796,08	R -	R 77 138,27		R -	R -	R 1 966 934,35
ABSA (4328)	R 23 517,08	R -	R 1 030,32		R -	R 350,00	R 24 197,40
ABSA (5014)	R 535 810,78	R -	R 21 879,26		R -	R -	R 557 690,04
ABSA (6276)	R -	R 12 000 000,00	R 296 653,16		R 12 296 653,16	R -	R -
ABSA (9642)	R 21 261 123,17	R -	R 983 579,84		R 22 244 703,01	R -	R -
ABSA CALL (5892)	R 1 722 180,52	R 8 045 411,09	R 119 098,90		R -	R -	R 9 886 690,51
FNB (0889)	R 8 453 186,16	R -	R 563 961,45		R -	R -	R 9 017 147,61
FNB (2166)	R 5 970 709,50	R -	R 185 460,70		R 6 156 170,20	R -	R 0,00
FNB (2554)	R 9 996 448,72	R -	R 666 921,54		R -	R -	R 10 663 370,26
FNB CALL (1408)	R 10 084 199,41	R -	R 456 907,60		R -	R 322,60	R 10 540 784,41
NEDBANK (000146)	R -	R 12 000 000,00	R 96 016,44		R 12 096 016,44	R -	R -
NEDBANK (3)	R 1 225,39	R -	R 57,82		R -	R -	R 1 291,21
STANDARD BANK 014	R 7 280,65	R -	R 273,23		R -	R -	R 7 553,88
STANDARD BANK 063	R 25 362 238,16	R -	R 1 255 423,45		R -	R -	R 26 617 661,61
STANDARD BANK 064	R -	R 15 000 000,00	R 466 273,97		R -	R -	R 15 466 273,97
TOTAL	R 85 307 715,62	R 47 045 411,09	R 5 190 675,95		R 52 793 542,81	R 672,60	R 84 749 595,25

The investment register on 31 January 2025 reflects investment status of the municipality which shows the investment balance of R84.7 million with a slight increase from R84.46 million balance reported last month. An amount of R47 million rands has been invested in this current financial year. Four withdrawal transaction has been made in this current financial year amounting to R52.7 million rands.

Table 1(b) withdrawal register for the month ending 31 January 2025

Withdrawals Summary for the month of January 2025						
DATE	ACCOUNT FROM	AMOUNT	ACCOUNT TO	ACCOUNT TYP	BALANCE BE	WITHDRAWAL REASON
26-Aug-24	NEDBANK (000146)	R 12 096 016,44	ABSA 2762	PRIMARY	17 066 127,00	Insufficient funds to pay for normal operations
03-Oct-24	ABSA (9642)	R 22 244 703,01	ABSA 2762	PRIMARY	3 904 911,22	Insufficient funds to pay for normal operations
06-Nov-24	ABSA (6276)	R 12 296 653,16	ABSA 2762	PRIMARY	3 619 554,48	Insufficient funds to pay for normal operations
08-Nov-24	FNB (2166)	R 6 156 170,20	ABSA 2762	PRIMARY	6 156 170,20	Insufficient funds to pay for normal operations
		R 52 793 542,81				

The municipality has a primary bank balance of R22.3 million compared to R36.7 million rands reported in the previous month. The grant account shows a balance of R557 thousand. Table 1 (c) below show primary bank reconciliation.

Table 1 (c) Bank reconciliation of primary account month ending 31 January 2025

BANK RECONCILIATION (PRIMARY ACCOUNT)		4053562762
Details	Amount	
Cash book balance as at 31 January 2025	R22 320 048,26	
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	
Bank statement balance as at 31 January 2025	R22 320 048,26	

Table 1 (d) below show grant account reconciliation

BANK RECONCILIATION (GRANTS ACCOUNT)		
Details	Amount	
Cash book balance as at 31 January 2025	R557 690,04	
Unknown deposits	R0	
Outstanding cheques	R0	
Bank charges	R0	
Returned cheques	R0	
Transfers	R0	
Sundries	R0	
Outstanding receipts	R0	
Bank statement balance as at 31 January 2025	R557 690,04	

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 current month payroll transactions are detailed below, it shows actual costs in comparison with the budget. Shortfalls in the budget as has been identified for stand by and drivers allowances line item and bonuses line items. The municipality is striving to ensure the completeness of payroll transactions in the financial system, however there are inconsistencies in the figures on the financial system.

Table 2: Staff Benefits and Councillors allowances and employee benefits – 31 January 2025

2.8 Staff Benefits in terms of Section 66 of the MFMA

Actual staff benefits and Councillors allowances for the period ending 31 January 2025

Staff Benefits		
Item	Budget	Year to date actuals
Salaries & Wages	R 90 900 174,00	R 44 214 172,52
Contributions to pension funds	R 14 138 419,00	R 5 630 454,19
Contributions to medical aids	R 2 285 865,00	R 1 999 236,60
Contributions to UIF	R 645 865,00	R 343 431,84
Contributions to SDL	R 926 451,00	R 522 108,09
Travel, motor car	R 4 115 290,00	R 2 664 263,49
Salga	R 42 565,00	R 24 628,95
Housing benefits and allowances	R 739 759,00	R 69 092,80
Cellphone Allowance	R -	R -
Overtime payments	R 2 424 094,00	R 1 114 861,75
Bonuses	R 6 201 475,00	R 3 474 397,40
Other leave & long service	R 2 223 140,00	R 422 009,62
Allowances (Standby and Drivers Allowance)	R 1 122 829,00	R 1 717 311,03
Totals	R 125 765 926,00	R 62 195 968,28

Councillors Allowances		
Item	Budget	Year to date actuals
Councillors Allowances	R 16 456 910,00	R 8 704 341,97
Cellphone/Data Allowance	R 1 711 057,00	R 1 034 890,72
Contributions to SDL	R 40 995,00	R 90 082,86
Totals	R 18 208 962,00	R 9 829 315,55

2.3. ALLOCATION AND GRANT RECEIPTS AND EXPENDITURE

Table 3: Grant register – for month ending 31 January 2025

Summary of Grants received and expenditure to date							
Grant Type	Audited Balance as at	Dora/Prov Allocation for year	Received	Spent & transferred to income	Balance as at	Commitments	Available funds/not committed
	1-Jul-2024		2024/25	2024/25	2024/25	2024/25	2024/25
MIG	-	(46 128 000,00)	(32 460 000,00)	19 768 406,29	(12 691 593,72)		(12 691 593,72)
Eletrification	(2 670 000,82)	(16 474 000,00)	(10 089 000,00)	9 225 910,14	(3 533 090,69)		(3 533 090,69)
Library support	-	(2 060 976,00)	(2 060 972,00)	1 634 381,91	(426 590,09)		(426 590,09)
FMG	-	(1 800 000,00)	(1 800 000,00)	874 015,16	(925 984,84)		(925 984,84)
Library Modular	-	(1 500 612,00)	(1 500 612,00)	1 218 004,18	(282 607,82)		(282 607,82)
EPWP	-	(1 478 004,00)	(1 035 000,00)	1 478 004,00	443 004,00		443 004,00
Cybercadet	-	(533 083,00)	(533 083,00)	372 444,85	(160 638,15)		(160 638,15)
Library Volunteer	-	(113 333,00)	(113 333,00)	56 000,00	(57 333,00)		(57 333,00)
Massification Eletrification	(3 797 041,52)	-	-	1 271 273,99	(2 525 767,53)		(2 525 767,53)
Small Town rehabilitation	-	-	-	-	-		-
Sportfield Maintance	(27 120,59)	-	-	-	(27 120,59)		(27 120,59)
Bornem Grant	-	-	-	-	-		-
TOTALS	(6 494 162,93)	(70 088 008,00)	(49 592 000,00)	35 898 440,51	(20 187 722,42)	-	(20 187 722,42)

The grant register for the month of show grant allocation and expenditure as per the following:

- a) MIG grant expenditure is allocated R46.1 million rands and 32.4 million rands is received. R20 million rands has been spent to date.
- b) INEP Electrification grant spending is allocated R16.4 million rands and R10 million rands has been received and there is R9.2 million rands expenditure to date.
- c) FMG grant has been allocated R1.8 million rands and it has been received. The expenditure to date is R874 thousand.
- d) EPWP has been allocated R1.4 million rands , and R1.03 million has been received in September, the expenditure to date is R1.4 million. The grant is overspent and subsidised internally.
- e) Library volunteer is allocated R113 thousand, the amount spent to date is R56 thousand.
- f) Library support is allocated R2 million rands , which was received in October the amount spent to date R1.6 million.
- g) Library Modular grant is allocated R1.5 million rands which was received in October, the amount spent to date is R1.2 million rands.
- h) Cybercadet grant is allocated R533 thousand and has been received in October. The expenditure amount to R372 thousand.

2.4. DEBTOR'S ANALYSIS

Total debtors overall balance is R113 million which reflect a slight increase from R108 million rands reported in December. Property rates outstanding debt amounts to R101 million. Metered electricity debt amounts to R6.4 million. Electricity is disconnected regularly to ensure that debt management policy is fully enforced. Refuse collection debt stands at R6.4 million.

Table 4.1: Debtors' analysis for the month ending 31 January 2025

January 2025 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 -11 714 770,76	-R11 714 770,76	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R 0,00	
Adv-Pay Reverse	R 5 754,40	R5 058,48	R 695,92	R 0,00	R 0,00	R 0,00	0,00	R 0,00	
Deposit: Waste Disposal	R2 000,00	R0,00	R0,00	R0,00	R0,00	R0,00	0,00	R2 000,00	
Electricity Basic	R 897 138,34	R244 747,36	R 79 272,74	R 62 537,05	R 58 876,38	R 47 522,37	29157,18	R 375 025,26	
Electricity Metered	R 6 446 803,30	R2 425 668,68	R 629 879,01	R 672 872,31	R 691 981,58	R 654 180,41	300187,79	R1 072 033,52	
Market stalls	R 1 096 577,82	R20 054,39	R 19 421,39	R 19 056,55	R 18 844,33	R 18 448,98	17671,34	R 983 080,84	
OFFICE RENTAL	R 246 670,53	R16 438,15	R 16 338,20	R 16 267,83	R 16 197,69	R 16 276,46	16176,52	R 148 975,68	
Plaza Market Stalls	R 253 595,21	R9 379,79	R 8 890,83	R 8 565,43	R 8 101,04	R 7 705,58	7457,64	R 203 494,90	
Property Rates	R 101 995 788,10	R5 559 898,21	R4 271 724,14	R4 173 189,15	R4 159 928,38	R4 074 977,12	3996851,70	R75 759 219,40	
Rent (M001)	R 485 525,71	R20 230,30	R 14 068,28	R 14 010,97	R 13 934,63	R 14 044,97	14040,97	R 395 195,59	
Repay: Waste Disposal	R 26 915,86	R0,00	R 0,00	R 0,00	R 0,00	R 0,00	0,00	R 26 915,86	
Signs (M001)	R 3 626,59	R16,71	R 16,71	R 16,71	R 16,71	R 16,71	16,71	R 3 526,33	
Stall rental	R 27 846,63	R796,52	R 131,22	R 131,22	R 131,22	R 131,22	131,22	R 26 394,01	
Sundries (VAT)	R 13 732,86	R8 553,01	R 2 555,79	R 2 555,56	R 68,50	R 0,00	0,00	R 0,00	
Tampering Fee	R 562 096,28	R20 000,00	R 112 234,52	R 58 349,80	R 50 490,00	R 0,00	34901,17	R 286 120,79	
Traffic Fines	R 4 268 400,00	R40 000,00	R 98 600,00	R 70 100,00	R 110 100,00	R 105 600,00	111100,00	R3 732 900,00	
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 6 455 975,31	R205 701,24	R 120 217,53	R 100 774,37	R 94 108,40	R 81 340,22	77108,55	R5 776 725,00	
Total	R113 140 397,96	(R3 138 227,92)	R5 374 046,28	R5 198 426,95	R5 222 778,86	R5 020 244,04	R4 604 800,79	R90 858 328,96	

Cash collected for the month amounts to R 4.1 million which translate to 4% collection rate. The collection rate is very low, and it is below the norm of 95%.

Cash Collected for each Revenue Source via Billing (January 2025)				
	Cash collection	Ageing - January 2025	Collection rate per BT	Billed revenue - January 2025
Rates	R -1 497 583,24	R 101 995 788,10	-1%	R 5 720 507,95
Electricity	R -2 332 723,77	R 7 343 941,64	-32%	R 2 615 160,09
Refuse	R -198 626,38	R 6 484 891,17	-3%	R 215 859,00
Stalls Rental , Traffic fines &	R -48 999,49	R 8 007 528,74	-1%	R 69 937,71
Other Rentals	R -	R 1 017 264,67	0%	R -
Advance payments	R -71 861,00	R -11 709 016,36	1%	R -
	R -			R -
TOTAL CASH RECEIVED (BI	R -4 149 793,88	R 113 140 397,96		R 8 621 464,75
Total Ageing	R 113 140 397,96		December 2024 billing	R 7 986 997,60
Total debtors' payments	R 4 149 793,88		January 2025 payments	R 4 149 793,88
	4%			52%

2.5. CREDITOR'S ANALYSIS

The municipality stive to resolve the bottleneck in finalising payments timely. 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.

Creditors ageing reconciliation report reflect amounts that are older than 30 days up to 180 days. The total outstanding balance amounts to R12 million.

Table 7: Creditor's ageing reconciliation for the month ending 31 January 2025

CREDITORS ACCOUNT RECONCILIATION REPORT MONTH ENDING JANUARY 2024	
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Total Balances as per EMS INVOICE AGE ANALYSIS REPORT: R 12 143 584,03

AGE ANALYSIS TOTAL AMOUNT: R 12 143 584,03

CLOSING BALANCE FOR UNPAID CREDITORS AS PER AGE ANALYSIS REPORT R 12 143 584,03

AGED ANALYSIS

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

R12 143 584,03	
R	-
R	8 822 082,49
R	839 933,96
R	1 133 796,17
R	1 102 897,16
R	-
R	-
R	244 874,25

Table 5: Top Ten creditors report for the month ending 31 January 2025

CREDITORS REPORT FOR 31 JANUARY 2025			
TOP 10 CREDITOR'S PAYMENTS SUMMARY FOR THE MONTH OF JANUARY 2025			
No.	VENDOR NAME	DESCRIPTION	AMOUNT
1	ESKOM HOLDINGS 5140422473	JABAVU COMMUNITY HALL	4 919,21
	ESKOM HOLDINGS 5687352660	NQUTHU COMMUNITY MULTI-PUPOSE HALL	10 356,18
	ESKOM HOLDINGS 5742571184	LUVISI COMMUNITY HALL	5 300,32
	ESKOM HOLDINGS 6033862343	FREE BASIC ELECTRICITY (FBE)	208 916,82
	ESKOM HOLDINGS 6126932137	POTSOANA LIBRARY	3 039,04
	ESKOM HOLDINGS 6642941367	LEKSAND RURAL COMMUNITY HALL	4 778,12
	ESKOM HOLDINGS 6916174790	TOWN BOARD LIBRARY NONDWENI	6 144,73
	ESKOM HOLDINGS 8505522436	MASOTSHENI HALL	5 464,89
	ESKOM HOLDINGS 8713502790	NKANDE SPORTSFIELD	1 718,76
	ESKOM HOLDINGS 8817457976	NONDWENI URBAN STREETLIGHT	15 764,29
	ESKOM HOLDINGS 9063390800	NGEDLA COMMUNITY HALL	4 641,07
	ESKOM HOLDINGS 9253164668	NGOLOKODO LIBRARY	7 460,46
	ESKOM HOLDINGS 9279445291	SGUBUDU COMMUNITY HALL	5 511,12
	ESKOM HOLDINGS 9426259616	BLOOD RIVER SPORTSFIELD	3 686,57
	ESKOM HOLDINGS BULK 8848733513	BULK ELECTRICITY PURCHASES	3 088 723,79
			3 376 425,37
2	AUDITOR GENERAL - SA	AUDIT FEES 31 DEC 24	686 105,70
			686 105,70
3	SIZOWAKHA SECURITY AND CLEANING SERVICES	PROVISION OF SECURITY GUARD TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR DEC 24	380 458,48
	SIZOWAKHA SECURITY AND CLEANING SERVICES	PROVISION OF SLUM CLEARANCE OFFICERS DAY AND NIGHT SHIFT NOV 24	100 050,00
	SIZOWAKHA SECURITY AND CLEANING SERVICES	PROVISION OF SLUM CLEARANCE OFFICERS DAY AND NIGHT SHIFT DEC 24	100 050,00
			580 558,48
4	NQUTHU COMMUNITY TOURISM ORGANISATIN	ISANDLWANA ANNUAL COMMEMORATION	521 164,00
			521 164,00
5	SIYEJABULA SECURITY SOLUTION	PROVISION OF SECURITY GUARD TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR DEC 24	386 254,94
			386 254,94
6	FEZILE SECURITY SERVICES	PROVISION OF GUARDING SERVICES TO MUNICIPAL PROPERTIES DAY AND NIGHT SHIFT FOR DEC 24	375 629,12
			375 629,12
7	XTEC KZN	LEASES 31 OCTOBER 2024	84 536,83
	XTEC KZN	STAPLE REFILLS (12 NOV 2024)	2 329,34
	XTEC KZN	LEASES 31 DECEMBER 2024	84 572,39
	XTEC KZN	LEASES 30 NOVEMBER 2024	83 305,99
			254 744,55
8	ESRI SOUTH AFRICA	GIS LICENCE FEE	156 391,38
			156 391,38
9	ADVENTURE TRAVEL	ACCOMMODATION FOR MAYOR, DEPUTY MAYOR, SPEAKER AND THEIR GUARDS, COUNCILLORS AT JHB SOUTHERN SUN (21-22 NOV 2024)	43 118,10
	ADVENTURE TRAVEL	ACCOMMODATION FOR FINANCE INTERNS AT CITY LODGE MIDRAND (02-07 FEB 2025)	56 700,75
			99 818,85
10	ONTEC SYSTEMS	ONLINE VENDING SERVICES FEES	51 925,77
			51 925,77

Nquthu Municipality Monthly Budget Statement

Creditors listing report on table 6 show an outstanding creditors balance of R12.1 million rands. The creditors for this month increased from R4 million rands as reported in the previous month. There are creditors outstanding between the range of 90- 120 days amounting to R1.1 million rands . The accruals has decreased from R620 thousand to R 244 thousand.

Table 6: Outstanding creditor’s listing for the month ending 31 January 2025

Invoice Age Analysis Report - January 2025											
Creditor/VendorName	InvoiceDate	Outstanding Invoice Amount Incl VAT	Interest Amount	Days 30	Days 30-60	Days 60-90	Days 90-120	Days 120-150	Days 150-180	Days180Yr1	Yr1
ESKOM HOLDINGS BULK 8848733513	2025/01/24	R 3 059 205,62	R -	R 3 059 205,62	R -	R -	R -	R -	R -	R -	R -
SOUTH AFRICAN REVENUE SERVICES	2025/01/14	R 97 421,00	R -	R 97 421,00	R -	R -	R -	R -	R -	R -	R -
SOUTH AFRICAN REVENUE SERVICES	2025/01/14	R 84 285,13	R -	R 84 285,13	R -	R -	R -	R -	R -	R -	R -
SOUTH AFRICAN REVENUE SERVICES	2025/01/14	R 1 311 085,92	R -	R 1 311 085,92	R -	R -	R -	R -	R -	R -	R -
NJMPPF:PROVIDENT FUND	2025/01/14	R 1 126 953,42	R -	R 1 126 953,42	R -	R -	R -	R -	R -	R -	R -
S R SECURITY	2024/10/09	R 1 090 358,32	R -	R -	R -	R -	R 1 090 358,32	R -	R -	R -	R -
TOYOTA SOUTH AFRICA MOTORS	2025/01/23	R 708 502,72	R -	R 708 502,72	R -	R -	R -	R -	R -	R -	R -
VANGISA TRADING AND CONSTRUCTION PR	2024/12/02	R 697 362,12	R -	R -	R -	R 697 362,12	R -	R -	R -	R -	R -
RIVER QUEEN TRADING 249	2025/01/23	R 569 623,34	R -	R 569 623,34	R -	R -	R -	R -	R -	R -	R -
THOKOMELA ENGINEERING (PTY) LTD	2024/12/05	R 475 000,00	R -	R -	R 475 000,00	R -	R -	R -	R -	R -	R -
LA HEALTH	2025/01/14	R 314 713,00	R -	R 314 713,00	R -	R -	R -	R -	R -	R -	R -
QUANTUM LEAP INVESTMENTS 88	2024/12/04	R 272 788,94	R -	R -	R -	R 272 788,94	R -	R -	R -	R -	R -
SELE AND MUSA TRADING AND TOURS	2024/12/05	R 220 356,45	R -	R -	R 220 356,45	R -	R -	R -	R -	R -	R -
AFRICAN LIFE	2025/01/14	R 172 705,78	R -	R 172 705,78	R -	R -	R -	R -	R -	R -	R -
SANWUMED	2025/01/14	R 122 177,00	R -	R 122 177,00	R -	R -	R -	R -	R -	R -	R -
NISSAN VRYHEID	2025/01/21	R 121 702,40	R -	R 121 702,40	R -	R -	R -	R -	R -	R -	R -
IGATSHA CONSULTING	2024/06/30	R 121 300,00	R -	R -	R -	R -	R -	R -	R -	R 121 300,00	R -
Old Mutual Group Scheme	2025/01/14	R 97 204,33	R -	R 97 204,33	R -	R -	R -	R -	R -	R -	R -
BONGA TRADING ENTERPRISE	2025/01/24	R 93 279,38	R -	R 93 279,38	R -	R -	R -	R -	R -	R -	R -
KHANS CONCRETE PRODUCTS	2024/12/04	R 98 286,61	R -	R -	R -	R 98 286,61	R -	R -	R -	R -	R -
Bonitas Nquthu	2025/01/14	R 79 500,00	R -	R 79 500,00	R -	R -	R -	R -	R -	R -	R -
NJMPPF: SUPER ANNUATION	2025/01/14	R 75 838,23	R -	R 75 838,23	R -	R -	R -	R -	R -	R -	R -
EMALANGENI TECHNOLOGIES	2024/12/19	R 43 067,51	R -	R -	R 43 067,51	R -	R -	R -	R -	R -	R -
EMALANGENI TECHNOLOGIES	2025/01/25	R 43 067,51	R -	R 43 067,51	R -	R -	R -	R -	R -	R -	R -
IFP MEMBERS	2025/01/14	R 69 575,41	R -	R 69 575,41	R -	R -	R -	R -	R -	R -	R -
SOUTH AFRICAN BROADCASTING CORPOR	2025/01/20	R 75 084,07	R -	R 75 084,07	R -	R -	R -	R -	R -	R -	R -
AVBOB	2025/01/14	R 63 351,99	R -	R 63 351,99	R -	R -	R -	R -	R -	R -	R -
UMHLABA GEOMATICS INC	2025/01/09	R 64 400,00	R -	R 64 400,00	R -	R -	R -	R -	R -	R -	R -
FEZILE SECURITY SERVICES	2024/06/25	R 64 239,00	R -	R -	R -	R -	R -	R -	R -	R 64 239,00	R -
MZOLO CONSULTING ENGINEERS	2024/06/28	R 59 335,25	R -	R -	R -	R -	R -	R -	R -	R 59 335,25	R -
FIT & GO DUNDEE T/A YTTRES TO GO	2025/01/24	R 46 800,00	R -	R 46 800,00	R -	R -	R -	R -	R -	R -	R -
CMAM SOUTH AFRICA	2025/01/10	R 39 997,00	R -	R 39 997,00	R -	R -	R -	R -	R -	R -	R -
RENDERSOUR TRADING T/A NDEBELE CONG	2025/01/21	R 33 980,00	R -	R 33 980,00	R -	R -	R -	R -	R -	R -	R -
AYANDA MBANGA	2025/01/09	R 6 285,99	R -	R 6 285,99	R -	R -	R -	R -	R -	R -	R -
AYANDA MBANGA	2025/01/24	R 23 163,76	R -	R 23 163,76	R -	R -	R -	R -	R -	R -	R -
KeyHealth Medical Scheme	2025/01/14	R 25 512,00	R -	R 25 512,00	R -	R -	R -	R -	R -	R -	R -
METROPOLITAN LIFE	2025/01/14	R 25 303,73	R -	R 25 303,73	R -	R -	R -	R -	R -	R -	R -
LILUNGILE TRADING ENTERPRISE	2024/12/17	R 16 600,00	R -	R -	R 16 600,00	R -	R -	R -	R -	R -	R -
LILUNGILE TRADING ENTERPRISE	2024/12/20	R 7 500,00	R -	R -	R 7 500,00	R -	R -	R -	R -	R -	R -
WENZILEOVAYO TRADING ENTERPRISE	2024/11/18	R 12 000,00	R -	R -	R -	R 12 000,00	R -	R -	R -	R -	R -
WENZILEOVAYO TRADING ENTERPRISE	2024/12/20	R 7 500,00	R -	R -	R 7 500,00	R -	R -	R -	R -	R -	R -
WENZILEOVAYO TRADING ENTERPRISE	2025/01/10	R 3 798,00	R -	R 3 798,00	R -	R -	R -	R -	R -	R -	R -
IFP SAVING CLUB NQUTHU	2025/01/14	R 19 000,00	R -	R 19 000,00	R -	R -	R -	R -	R -	R -	R -
GEFF	2025/01/14	R 18 165,84	R -	R 18 165,84	R -	R -	R -	R -	R -	R -	R -
MARK V FAKU	2024/12/02	R 8 520,00	R -	R -	R -	R 8 520,00	R -	R -	R -	R -	R -
MARK V FAKU	2024/12/02	R 8 520,00	R -	R -	R -	R 8 520,00	R -	R -	R -	R -	R -
SILUTSHANA CONSTRUCTION	2025/01/08	R 14 630,00	R -	R 14 630,00	R -	R -	R -	R -	R -	R -	R -
ANC	2025/01/14	R 14 000,00	R -	R 14 000,00	R -	R -	R -	R -	R -	R -	R -
ADVENTURE TRAVEL	2024/10/29	R 6 151,35	R -	R -	R -	R -	R 6 151,35	R -	R -	R -	R -
ADVENTURE TRAVEL	2025/01/21	R 2 495,50	R -	R 2 495,50	R -	R -	R -	R -	R -	R -	R -
ADVENTURE TRAVEL	2025/01/30	R 6 505,55	R -	R 6 505,55	R -	R -	R -	R -	R -	R -	R -
CN Mhlongo	2025/01/27	R 12 184,00	R -	R 12 184,00	R -	R -	R -	R -	R -	R -	R -
CUWANA TRADING	2024/12/20	R 7 000,00	R -	R -	R 7 000,00	R -	R -	R -	R -	R -	R -
CUWANA TRADING	2025/01/08	R 5 000,00	R -	R 5 000,00	R -	R -	R -	R -	R -	R -	R -
LIBERTY LIFE	2025/01/14	R 11 008,78	R -	R 11 008,78	R -	R -	R -	R -	R -	R -	R -
MAFLOWER CATERERS AND TRADING	2025/01/15	R 11 000,00	R -	R 11 000,00	R -	R -	R -	R -	R -	R -	R -
SANDY SPLASH TRADING	2025/01/16	R 11 000,00	R -	R 11 000,00	R -	R -	R -	R -	R -	R -	R -
BONGASTHOMBE	2025/01/17	R 11 000,00	R -	R 11 000,00	R -	R -	R -	R -	R -	R -	R -
GIVING CONSULTING	2025/01/15	R 2 500,00	R -	R 2 500,00	R -	R -	R -	R -	R -	R -	R -
GIVING CONSULTING	2025/01/23	R 2 500,00	R -	R 2 500,00	R -	R -	R -	R -	R -	R -	R -
GIVING CONSULTING	2025/01/23	R 1 998,00	R -	R 1 998,00	R -	R -	R -	R -	R -	R -	R -
GIVING CONSULTING	2025/01/29	R 4 000,00	R -	R 4 000,00	R -	R -	R -	R -	R -	R -	R -
SINENKAZIMULO (PTY) LTD	2024/12/19	R 10 625,00	R -	R -	R 10 625,00	R -	R -	R -	R -	R -	R -
SSPS OPULENCE GROUP	2024/11/15	R 11 672,50	R -	R -	R -	R 11 672,50	R -	R -	R -	R -	R -
DODOZA HOLDINGS (PTY) LTD	2024/12/20	R 9 900,00	R -	R -	R 9 900,00	R -	R -	R -	R -	R -	R -
YALOZIKAG (PTY) LTD	2025/01/13	R 9 000,00	R -	R 9 000,00	R -	R -	R -	R -	R -	R -	R -
KWAZI AND KHULI PLANT HIRE AND PROJEC	2024/12/19	R 9 000,00	R -	R -	R 9 000,00	R -	R -	R -	R -	R -	R -
LOLUNTU TRADING (PTY) LTD	2024/12/20	R 9 000,00	R -	R -	R 9 000,00	R -	R -	R -	R -	R -	R -
LWANDES TRADING	2024/11/28	R 9 000,00	R -	R -	R -	R 9 000,00	R -	R -	R -	R -	R -
ULWANDLE ALUWELWA TRADING	2025/01/15	R 9 000,00	R -	R 9 000,00	R -	R -	R -	R -	R -	R -	R -

Nquthu Municipality Monthly Budget Statement

NELISWE 999	2025/01/21	R	9 000,00	R	-	R	9 000,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MCAMELO TRADING AND PROJECTS	2025/01/23	R	9 000,00	R	-	R	9 000,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
AYAMUKELWE 3320 TRADING ENTERPRISE	2024/11/20	R	8 500,00	R	-	R	-	R	-	R	8 500,00	R	-	R	-	R	-	R	-	R	-	R	-
MACACISA PROJECTS (PTY)LTD	2025/01/08	R	8 500,00	R	-	R	8 500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MLINDOS TRADING	2024/12/12	R	8 300,00	R	-	R	-	R	8 300,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-
M. E. MBATHA	2024/12/02	R	7 146,00	R	-	R	-	R	-	R	7 146,00	R	-	R	-	R	-	R	-	R	-	R	-
SALGABC LEVIES	2025/01/14	R	7 014,65	R	-	R	7 014,65	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NOSIPHO MCHUNU	2025/01/27	R	6 882,00	R	-	R	6 882,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MNUMZANE GROUP	2025/01/16	R	6 543,50	R	-	R	6 543,50	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
AMAGWABA ENTERPRISE	2025/01/23	R	6 500,00	R	-	R	6 500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	1 178,35	R	-	R	-	R	-	R	1 178,35	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	874,55	R	-	R	-	R	-	R	874,55	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	992,50	R	-	R	-	R	-	R	992,50	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	673,29	R	-	R	-	R	-	R	673,29	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	1 032,19	R	-	R	-	R	-	R	1 032,19	R	-	R	-	R	-	R	-	R	-	R	-
NQUTHU SERVICE STATION	2024/10/30	R	1 636,61	R	-	R	-	R	-	R	1 636,61	R	-	R	-	R	-	R	-	R	-	R	-
ASSUPOL	2025/01/14	R	5 764,86	R	-	R	5 764,86	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
DUMISANI NGWENYA	2025/01/28	R	5 735,00	R	-	R	5 735,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
SNIKE CONSTRUCTION AND GENERAL SERV	2025/01/15	R	5 500,00	R	-	R	5 500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE NQUTHU	2025/01/14	R	1 200,00	R	-	R	1 200,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE NQUTHU	2025/01/14	R	500,00	R	-	R	500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE NQUTHU	2025/01/14	R	800,00	R	-	R	800,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE NQUTHU	2025/01/14	R	3 000,00	R	-	R	3 000,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
VEZIQINISO INVESTMENTS	2024/12/20	R	5 200,00	R	-	R	-	R	5 200,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-
INTWENHLE NJENGE ULTRAMELOH TRADING	2025/01/23	R	5 000,00	R	-	R	5 000,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NOYANDA EVENTS	2024/12/13	R	4 800,00	R	-	R	-	R	4 800,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-
KASOMPISI HOLDINGS	2025/01/17	R	4 800,00	R	-	R	4 800,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
ISIBANI PRIMARY CO-OPERATIVE	2025/01/13	R	4 500,00	R	-	R	4 500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
SALGBC(AGENCY SHOP FEES)	2025/01/14	R	4 475,00	R	-	R	4 475,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
LETHUBUHLEH PTY LTD	2025/01/01	R	3 900,00	R	-	R	-	R	3 900,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-
SEMAROBS N11 (PTY) LTD	2025/01/09	R	3 800,00	R	-	R	3 800,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
BPG MASS APPRAISALS	2024/12/06	R	2 185,00	R	-	R	-	R	2 185,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-
IMATU LOAN	2025/01/14	R	882,91	R	-	R	882,91	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NJMPPF FUNERAL AID SCHEME	2025/01/14	R	700,00	R	-	R	700,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE-BSS BUTHHELEZI	2025/01/14	R	500,00	R	-	R	500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE-MEMELA	2025/01/14	R	500,00	R	-	R	500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NGWENYA SIMPHIWE	2025/01/14	R	500,00	R	-	R	500,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
NSFAS	2025/01/14	R	285,00	R	-	R	285,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
A SINGHT & ASSOCIATES	2025/01/14	R	285,00	R	-	R	285,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
MAGISTRATE-XA XIMBA	2025/01/14	R	250,00	R	-	R	250,00	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
BEST FUNERAL SOCIETY	2025/01/14	R	160,17	R	-	R	160,17	R	-	R	-	R	-	R	-	R	-	R	-	R	-	R	-
TOTAL		R	12 143 584,03	R	-	R	8 822 082,49	R	839 933,96	R	1 133 796,17	R	1 102 897,16	R	-	R	-	R	-	R	-	R	-

CREDITORS AGEING SUMMARY

Payroll Invoices	3 760 354,15
Accruals	244 874,25
Total Current Invoices	R 8 138 355,63
GRN (SCM UNIT)	1 485 242,22
Actual Invoices	6 653 113,41
TOTAL	12 143 584,03

2.6. SUPPLY CHAIN MANAGEMENT

Regulation 6 of the Municipal SCM Regulations of 2005 requires that council of the municipality to maintain oversight over the implementation of supply chain management policy. For the purposes of such oversight the Accounting Officer must submit a report to the Mayor on the implementation of the supply chain management policy within 10 days of the end of each quarter. In summary this report outlines implementation status on deviations, UIFW, inventory management, awarded orders and contract management.

a) Deviations

The deviations balance is R 1.8 million rands , all the deviations are approved and the details of the reasons for deviations are included in the in the deviation documents.

The increase in the number of deviations is caused by proper documentation of sole service provider such as car dealership for vehicle repairs services in this financial year and also registrations with professional bodies such as CMAM, CIGFARO and SALGA.

Nquthu Municipality Monthly Budget Statement

Table 8: Deviation register for the month ending 31 January 2025

Date identified	Date reported to Mayor	Description	Supplier	Services Rendered	End User Department	Amount
19/07/2024	26/07/2024	MAINTENANCE VEHICLE EMERGENCY REPAIR OF BG42PW ZN WHICH ITD STARTER STOP WORKING	NTT TOYOTA VRYHEID	VEHICLE EMERGENCY REPAIR	CORPORATE SERVICES	R5 893,75
19/07/2024	26/07/2024	REPAIR AND SERVICE FIRE FIGHTING EQUIPMENT FOR RAPID INTERVENTION VEHICLE NTU 4806	VEXOSCORE FIRE	MAINTENANCE VEHICLE EMERGENCY	CORPORATE SERVICES	R127 650,00
19/07/2024	26/07/2024	REPAIR MAJOR PUMPER FOR NTU 3872 FIRE FIGHTER MACHINERY AND PERIPHERALS	VEXOSCORE FIRE	MAINTENANCE VEHICLE EMERGENCY	CORPORATE SERVICES	R136 580,00
31/07/2024	08/06/2024	MAINTENANCE VEHICLE CONDITION BASED (CHANGING TYRES) SUPPLY, FITTING, BALANCING AND WHEEL ALIGNMENT OF 02 TYRE FOR BJ59RL-ZN	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R2 900,00
31/07/2024	08/07/2024	REPLACEMENT OF BATTERY FOR LAND CRUISER NTU 4677	FARMTRAC DUNDEE	MAINTENANCE VEHICLE EMERGENCY	CORPORATE SERVICES	R2 046,20
2024/08/08	15/08/2024	SERVICE FOR BJ 59 RL -ZN WHICH IS ON 200 000KM	NTT TOYOTA VRYHEID	MAINTENANCE VEHICLE	CORPORATE SERVICES	R10 471,80
22/08/2024	22/08/2024	SUPPLY AND FIT 5 TYRES FOR NISSAN NAVARA WITH WHEEL ALIGNMENT PLUS BALANCING	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R13 999,97
22/08/2024	23/08/2024	REQUEST TO PURCHASE AND FIT 04 TYRES USED AS SPARE WHEELS FOR FIRE ENGINE AND SUPPORT VEHICLE	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	EXECUTIVE & COUNCIL	R12 300,00
22/08/2024	27/08/2024	REQUEST TO PURCHASE 05 TYRES FOR LANDCRUISER NTU 4677	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R14 000,00
28/09/2024	29/08/2024	SERVICE AND REPAIRS FOR NTU 7346	KOMATSU SOUTH AFRICA	MAINTENANCE VEHICLE	CORPORATE SERVICES	R62 334,12
28/08/2024	29/08/2024	REQUEST FOR SERVICE AND REPAIRS FOR TNT MINI MAJOR RESCUE SETS	VEXOSCORE FIRE	MECHINERY EQUIPMENT PLANNER	CORPORATE SERVICES	R99 000,05
22/08/2024	22/08/2024	REGISTRATION FOR S XABA AND S HADEBE	CIGFARO	REGISTRATION	FINANCE	R19 006,00
2024/01/10	10/01/2024	REPAIRS ON THE WATER TANK BK 28 MR -ZN	AUTOHOUSE VRYHEID	MAINTENANCE VEHICLE	CORPORATE SERVICES	R148 217,75
2024/10/10	10/10/2024	PURCHASE OF 04 TYRES SIZE 265/R18	BESTDRIVE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R11 887,00
2024/10/10	10/10/2024	PURCHASE OF 04 TYRES SIZE 245/70 R16	BESTDRIVE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R9 487,50
2024/10/15	15/10/2024	06 X 315/80 R22.5B TYRES	BESTDRIVE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R31 050,00
14/10/2024	17/10/2024	PROMO	SABC	ADVERTISING	EXECUTIVE & COUNCIL	R96 048,00
14/10/2024	17/10/2024	HIRE OF 100 MINIBUSES FOR SALGA SELECTION	NQUTHU PIONEER	HIRE OF MINIBUSES	CORPORATE SERVICES	R263 500,00
17/10/2024	17/10/2024	HIRE OF 19 MINIBUSES FOR SALGA SELECTION	NQUTHU PIONEER	HIRE OF MINIBUSES	CORPORATE SERVICES	R70 000,00
24/10/2024	24/10/2024	REPAIR ON NTU 3696	NISSAN VRYHEID	MAINTENANCE VEHICLE	CORPORATE SERVICES	R123 967,00
24/10/2024	24/10/2024	REPAIR ON NTU 4356	NISSAN VRYHEID	MAINTENANCE VEHICLE	CORPORATE SERVICES	R48 701,53
24/10/2024	24/10/2024	REPAIR ON NTU	MMG TOYOTA	MAINTENANCE VEHICLE	CORPORATE SERVICES	R15 598,80
29/10/2024	29/10/2024	SERVICE FOR VEHICLE BL56KZ-ZN	NISSAN VRYHEID	MAINTENANCE VEHICLE	CORPORATE SERVICES	R6 120,83
29/10/2024	29/10/2024	HIRE 17 MINIBUSES FOR DISTRICT SALGA SELECTION	NQUTHU PIONEER	HIRE OF MINIBUSES	CORPORATE SERVICES	R152 000,00
29/10/2024	29/10/2024	PURCHASE OF ROLLER TYRE	MOLLS RETREADING	MAINTENANCE VEHICLE	TECHNICAL SERVICES	R115 441,02
29/10/2024	29/10/2024	PURCHASE OF 04 ROLLER TYRE	FIT AND GO DUNDEE	MAINTANANCE VEHICLE	TECHNICAL SERVICES	R61 500,00
29/10/2024	29/10/2024	REPAIR ON VEHICLE	MMG TOYOTA	MAINTENANCE VEHICLE	TECHNICAL SERVICES	R9 657,30
2024/12/02	2024/12/10	HIRE 19 MINIBUSES FOR SENIOR CITIZEN	NQUTHU PIONEER	HIRE OF MINIBUSES	COMMUNITY	R52 500,00
2024/12/02	2024/12/10	REPAIRS ON VEHICLE BJ59RL-ZN	MMG TOYOTA	MAINTENANCE VEHICLE	TECHNICAL SERVICES	R27 524,80
2024/12/08	2024/12/10	REPAIRS ON NTU 3882	AUTOHOUSE VRYHEID	MAINTENANCE VEHICLE	TECHNICAL SERVICES	R16 046,96
2024/12/09	2024/12/10	PURCHASE TYRES FOR FIRE ENGINE	FIT AND GO DUNDEE	MAINTENANCE VEHICLE	CORPORATE SERVICES	R46 800,01
2024/12/12	2024/12/10	RADIO PROMO	SABC	MAINTENANCE VEHICLE	EXECUTIVE & COUNCIL	R78 727,50
TOTAL						R1 890 957,89

b) Fruitless and Wasteful Expenditure Register

Fruitless and Wasteful Expenditure Register for the month ending 31 January 20254 reflects brought forward figures of R184 519,66 and R5.56 emanating from Telkom and COIDA penalties respectively there are no changes from the previous month. Telkom has eventually stopped to bill the municipality.

Table 9: Fruitless and Wasteful Expenditure Register – 31 January 2025

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 Summary Jul 2024- June 2025		
Description	Payment no./EFT no/ Cheque No. / Month	Amount		
Telkom				R5,56
Interest on overdue account- #66587	Jul-24	R5,56		
	Aug-24	R	-	
	Sep-24	R	-	
	Oct-24	-		
	Nov-24	-		
	Dec-24	-		
	Jan-25	-		
Other- Penalty fees paid in Aug 2024				R184 514,10
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		
Other				
TOTAL 2024/2025				R 184 519,66

c) **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**.

d) **Top 10 Issued Orders List – 31 January 2025**

NO.	SERVICE PROVIDER	CONTRACT AMOUNT	DATE OF AWARD	DESCRIPTION
1.	GOLI ROUP	R186250.00	24/01/2025	TRAFFIC STATIONERY
2.	FIRST TECHNOLOGY	R155 927.35	24/01/2025	RENEW SENTINEL ON LICENCE
3.	ANH SITHOLE	R52 000.00	27/01/2025	100 BOXES OF A4 PHOTOCOPIING PAPERS
4.	ADVENTURE TRAVEL	R60 587.00	17/01/2025	ACC FOR INTERNS IN MIDRAND FROM 02-07 FEB 2025
5.	WENZILEOVAYO TRADING	R24 000.00	24/01/2025	DECORATION FOR MOYARAL EXCELLENCE AWARDS
6.	AYANDA MBANGA	R23 163.76	20/01/2025	ADVERTISEMENT ON ILANGA NEWSPAPE
7.	SNIKE CONSTRUCTION	R16 500.00	29/01/2025	CATERING FOR 150 PEOPLE FOR MAYORAL EXCELLENCE AWARDS
8.	MMG TOYOTA	R12 641.50	30/01/2025	SERVICE FOR BJ59TJ-ZN
9.	MAFLOWER	R11 000.00	06/01/2025	CATERING FOR 100 PEOPLE BEHIND NQUTHU PLAZA
10.	ULWANDLE ALUWELWA	R9000.00	06/01/2025	CATERING FOR COUNCILLORS AND OFFICIALS

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

e) IRREGULAR EXPENDITURE (CAPITAL AND OPERATIONAL EXPENDITURE)

No report – to be reported in the following month.

f) INVENTORY MANAGEMENT

No report - to be reported in the following month.

2.7. COST CONTAINMENT MEASURES

MCCR quarterly report will be tabled in council for the second 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.

Total Cost Savings Disclosure in the In-Year and Annual Report Cost

Measures	Cost Containment In-Year Report Measures					
	Budget	Q1	Q2	Q3	Q4	Savings
	R'000	R'000	R'000	R'000	R'000	
Use of consultants	48 251	10 369	12 609			25 273
vehicles use for political office-baeearers	692	25	66			602
Travel and subsitence	824	159	601			64
Domestic accommodation	2 033	531	902			601
Sponsorships, events and catering	6 246	148	1 655			4 443
Communication	1 131	122	210			800
Other related expenditures	-	-		-	-	-
Total	59 178	11 353	16 042	-	-	31 783

Cost Contatiment Annual Report

Cost Contaiment Measures	Budget	Total Expenditure	Savings
	R'000	R'000	R'000
Use of consultants	48 251	22 978	25 273
vehicles use for political office-baeearers	692	90	602
Travel and subsitence	824	760	64
Domestic accommodation	2 033	1 432	601
Sponsorships, events and catering	6 246	1 803	4 443
Communication	1 131	332	800
Other related expenditures	-	-	-
Total	59 178	27 395	31 783

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.

The following material variances on Table C4 based on actuals against budget were noted:

- Interest for both exchange revenue and non-exchange revenue reflect 273286% and 166% respectively. The excessive variance for exchange revenue is caused by the zero-budget compared to actual figure of R19 thousand. Non-exchange revenue the budget is available at R1.3 million whereas the actual YTD figure is R2 million above the budget. Essentially the transactions in this line item are 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, 1161% is the variance which requires that the municipality study the current trend of this revenue source and adjust the budget accordingly during the mid-year review 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 sale of tender documents. There is -17% variance from original budget. This revenue source dependent significantly on consumer needs and 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, however in January tender document sales increased significantly hence the decrease in variance from -44% reported last month.
- Property rates has a 36% variance from a YTD actual that is higher than the YTD budget. The billing of property rates is done monthly; however, concerns exists over collection rate which is below the norm.
- Fines, penalties and forfeits line item and licences and permits show variances of 87% and -16% respectively. Review of original budget is needed since the YTD actual exceeds the budget for the fines line item.
- Employee related costs – 18% variance is noted. The payroll data is in the process of being uploaded in the financial system. The comparison between system information and actual information at hand contracts each month which proves that the municipality is working tirelessly to ensure data is fully captured before the end of the year.
- Remuneration of councillors -3% variance is noted. There is a great improvement in updating this line item hence the decrease in the variance. The remaining transactions will be updated.

- The negative 100% variance is caused by the items that has zero YTD actual figures as per the following: a) debt impairment b) interest. The depreciation has been captured in Month 06 thus a variance of 55% shows. Debt impairment has no calculations thus far. The transfers and subsidies line item reflect a 61% variance because the actual YTD figures are way below the YTD budget.
- Irrecoverable debt written off shows 92% – including the debtors that have been written off relating to indigent status approval.
- Transfers and subsidies show a 60% variance due to actual figure that is below the actual budget YTD.

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 January 2025

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

Name Mr Mpumelelo B. Jiyane

Designation Municipal Manager of Nquthu Municipality (KZN 242)

Signature: 

Date 04/02/2025