



Monthly Budget Statement

MFMA Section 52 Report for First Quarter from 1st July to
30th September 2022

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1. Introduction

1.1 Purpose

The purpose of this report is to comply with section 71 & 52 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

The monthly Budget Statement also aims to provide an update on indicators critical to the municipality's viability and serve as an early warning indicator where remedial action is required. The consolidated performance is a high level overview of the municipality's viability and sustainability.

1.2 Legislative Framework

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating sustainability and better medium term planning and policy choices on service delivery.

The report has been prepared in terms of the following legislative framework:

- i. The Municipal Finance Management Act – No.56 of 2003, Section 71 & 52
- ii. And the Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements.

“28. the monthly budget statement of a municipality must be in the format specified in Schedule C and includes all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of Section 168 (1) of the Act.”

The objective of these Regulations is to ensure sound and sustainable management of the budgeting and reporting practices of Municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

2. Summary of Overall Budget Performance from 1st July to 30th September 2022

The total budget approved for the 2022-2023 financial year amounts to R451 042 million.

The total expenditure for operating activities for the Quarter amounts to R159 790 million.

Total revenue for the Quarter amounts to R160 176 million.

The expenditure on Capital activities for the Quarter amounts to R8 449 million.

The following table provides a summary of the municipality's performance from 1st July to 30th September 2022

LIM341 Musina - Table C1 Monthly Budget Statement Summary - Q01 First Quarter									
Description	2021/22	Budget Year 2022/23							
	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	25,661	25,814	–	1,862	8,325	6,454	1,872	29%	22,698
Service charges	167,170	177,572	–	14,070	37,955	44,393	(6,438)	-15%	189,022
Investment revenue	–	–	–	–	–	–	–	–	1,244
Transfers and subsidies	176,378	199,191	–	297	79,268	49,798	29,470	59%	174,720
Other own revenue	19,089	48,465	–	12,046	23,626	12,116	11,510	95%	45,296
Total Revenue (excluding capital transfers and contributions)	388,298	451,042	–	28,275	149,174	112,761	36,414	32%	432,980
Employee costs	150,650	162,265	–	11,834	36,411	40,566	(4,155)	-10%	158,403
Remuneration of Councillors	10,097	12,823	–	847	2,583	3,206	(623)	-19%	11,339
Depreciation & asset impairment	31,885	27,942	–	–	–	6,986	(6,986)	-100%	34,265
Finance charges	135	–	–	–	–	–	–	–	1,777
Materials and bulk purchases	142,119	124,511	–	7,063	63,313	31,128	32,186	103%	138,162
Transfers and subsidies	5,827	–	–	377	1,119	–	1,119	-19%	6,073
Other expenditure	108,690	118,500	–	9,509	56,750	29,625	27,125	92%	78,626
Total Expenditure	449,403	446,041	–	29,630	160,176	111,510	48,666	44%	428,645
Surplus/(Deficit)	(61,105)	5,001	–	(1,355)	(11,002)	1,250	(12,253)	-980%	4,335
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31,409	32,713	–	–	10,616	8,178	2,438	30%	36,988
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(29,696)	37,714	–	(1,355)	(386)	9,429	(9,815)	-104%	41,323
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(29,696)	37,714	–	(1,355)	(386)	9,429	(9,815)	-104%	41,323
Capital expenditure & funds sources									
Capital expenditure	37,793	44,955	–	196	17,335	30,035	(12,699)	-42%	–
Capital transfers recognised	28,853	32,713	–	2,704	8,445	8,178	267	3%	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	5,000	–	–	–	1,250	(1,250)	-100%	–
Total sources of capital funds	28,853	37,713	–	2,704	8,445	9,428	(983)	-10%	–
Financial position									
Total current assets	211,176	118,075	–		223,229				118,075
Total non current assets	604,177	515,437	–		610,264				515,437
Total current liabilities	643,089	519,527	–		576,439				519,527
Total non current liabilities	43,472	19,595	–		43,472				19,595
Community wealth/Equity	297,570	94,390	–		213,582				94,390
Cash flows									
Net cash from (used) operating	263,124	38,488	–	(19,589)	7,089	9,622	2,533	26%	–
Net cash from (used) investing	(20,534)	(37,713)	–	(2,704)	(8,445)	(9,428)	(983)	10%	–
Net cash from (used) financing	(80)	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	265,377	13,248	–	–	2,897	12,667	9,770	77%	4,253
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	(7)	13,435	4,703	5,619	2,704	2,421	12,312	44,740	85,927
Creditors Age Analysis									
Total Creditors	22,076	1,901	551	6	52,157	–	–	–	76,691

3. Operational Revenue

3.1 Revenue Performance by Source/Classification From 1st July to 30th September 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter										
Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		25,661	25,814	–	1,862	8,325	6,454	1,872	29%	22,698
Service charges - electricity revenue		152,800	162,728	–	12,497	33,386	40,682	(7,296)	-18%	174,390
Service charges - water revenue		2								–
Service charges - sanitation revenue		–								–
Service charges - refuse revenue		14,368	14,844	–	1,573	4,569	3,711	858	23%	14,632
Rental of facilities and equipment		16	558	–	1	1	140	(139)	-99%	691
Interest earned - external investments		–	–	–	–	–	–	–		1,244
Interest earned - outstanding debtors		5,499	2,966	–	7,999	9,399	742	8,658	1168%	3,180
Dividends received		469	527	–	1	130	132	(2)	-1%	–
Fines, penalties and forfeits		5,147	3,870	–	236	679	968	(289)	-30%	3,380
Licences and permits		3,112	2,436	–	19	(25)	609	(634)	-104%	5,509
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		176,378	199,191	–	297	79,268	49,798	29,470	59%	174,720
Other revenue		9,036	38,108	–	3,790	13,442	9,527	3,915	41%	8,843
Gains		(4,190)	–	–	–	–	–	–		23,693
Total Revenue (excluding capital transfers and contributions)		388,298	451,042	–	28,275	149,174	112,761	36,414	32%	432,980

3.2 Summary of Revenue Trends

The following table provides a summary of the monthly revenue trends based on current years actual own revenue.

LIM341 Musina - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q1 First Quarter													2022/23 Medium Term Revenue & Expenditure Framework			
Description	Ref	Budget Year 2022/23												Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		July	August	Sept	October	Budget										
R thousands	1	Outcome	Outcome	Outcome	Budget	2022/23	+1 2023/24	+2 2024/25								
<u>Cash Receipts By Source</u>																
Property rates		4,510	1,953	1,862	1,957	1,957	1,957	1,957	1,957	1,957	1,957	1,957	(495)	23,486	24,250	23,020
Service charges - electricity revenue		9,351	11,538	12,497	12,205	12,205	12,205	12,205	12,205	12,205	12,205	12,205	15,430	146,456	152,691	144,608
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		1,511	1,485	1,573	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	(13,460)	13	13,948	13,226
Rental of facilities and equipment		-	-	1	38	38	38	38	38	38	38	38	149	454	474	454
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest earned - outstanding debtors		637	763	7,999	609	974	1,313	5,991	380	633	4,624	759	(24,682)	-	-	-
Dividends received		-	129	1	-	-	-	1	-	-	-	-	(131)	-	-	-
Fines, penalties and forfeits		217	226	236	430	430	430	430	430	430	430	430	1,037	5,156	5,383	5,156
Licences and permits		9	(53)	19	203	203	203	203	203	203	203	203	839	2,438	2,548	2,548
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		75,683	3,288	297	16,349	16,349	16,349	16,349	16,349	16,349	16,349	16,349	(13,869)	196,191	215,979	238,145
Other revenue		5,350	4,302	3,790	144	144	144	144	144	144	144	144	(12,871)	1,723	1,799	1,723
Cash Receipts by Source		97,268	23,631	28,275	33,048	33,413	33,752	38,431	32,819	33,072	37,063	33,198	(48,053)	375,917	417,072	428,880
<u>Other Cash Flows by Source</u>														-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		10,616	-	-	2,726	2,726	2,726	2,726	2,726	2,726	2,726	2,726	289	32,713	44,040	45,902
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		107,884	23,631	28,275	35,774	36,139	36,478	41,157	35,545	35,798	39,789	35,924	(47,764)	408,630	461,112	474,782

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2021/22		Budget Year 2022/23					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands	1								%
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		–	23 486	–	1 862	8 325	5 872	2 454	42%
Service charges		72 168	159 815	–	14 070	37 796	39 954	(2 158)	-5%
Other revenue		95 500	9 771	–	4 047	23 843	2 443	21 400	876%
Transfers and Subsidies - Operational		129 975	196 191	–	297	79 268	49 048	30 220	62%
Transfers and Subsidies - Capital		–	32 713	–	–	–	8 178	(8 178)	-100%
Interest		–	–	–	7 999	9 399	–	9 399	#DIV/0!
Dividends								–	
Payments									
Suppliers and employees		(34 519)	(379 098)	–	(47 721)	(151 168)	(94 775)	56 394	-60%
Finance charges		–	–	–	–	–	–	–	
Transfers and Grants		–	(4 390)	–	(143)	(374)	(1 098)	(723)	66%
NET CASH FROM/(USED) OPERATING ACTIVITIES		263 124	38 488	–	(19 589)	7 089	9 622	2 533	26%
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		1 991	–	–	–	–	–	–	
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	
Payments									
Capital assets		(22 525)	(37 713)	–	(2 704)	(8 445)	(9 428)	(983)	10%
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20 534)	(37 713)	–	(2 704)	(8 445)	(9 428)	(983)	10%
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		–	–	–	–	–	–	–	
Borrowing long term/refinancing		–	–	–	–	–	–	–	
Increase (decrease) in consumer deposits		304	–	–	–	–	–	–	
Payments									
Repayment of borrowing		(384)	–	–	–	–	–	–	
NET CASH FROM/(USED) FINANCING ACTIVITIES		(80)	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		242 510	775	–	(22 293)	(1 356)	194		–
Cash/cash equivalents at beginning:		22 867	12 473	–	–	4 253	12 473		4 253
Cash/cash equivalents at month/year end:		265 377	13 248	–	–	2 897	12 667		4 253

4. Operational Expenditure

4.1 Operational Expenditure Performance by type from 1st July to 30th September 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter										
Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Expenditure By Type										
Employee related costs		150,650	162,265	–	11,834	36,411	40,566	(4,155)	-10%	158,403
Remuneration of councillors		10,097	12,823	–	847	2,583	3,206	(623)	-19%	11,339
Debt impairment		41,885	38,307	–	–	–	9,577	(9,577)	-100%	8,325
Depreciation & asset impairment		31,885	27,942	–	–	–	6,986	(6,986)	-100%	34,265
Finance charges		135	–	–	–	–	–	–	–	1,777
Bulk purchases		137,919	121,518	–	6,799	62,847	30,380	32,468	107%	129,748
Other materials		4,200	2,993	–	264	466	748	(282)	-38%	8,414
Contracted services		35,198	38,078	–	2,898	3,832	9,520	(5,688)	-60%	37,767
Transfers and subsidies		5,827	–	–	377	1,119	–	1,119	-19%	6,073
Other expenditure		31,607	42,115	–	6,611	52,918	10,529	42,389	403%	32,534
Losses		–	–	–	–	–	–	–	–	–
Total Expenditure		449,403	446,041	–	29,630	160,176	111,510	48,666	44%	428,645

4.2 Summary of Expenditure Trends

The following table provides a summary of the expenditure trends based on current year's actual spending.

LIM341 Musina - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Q1 First Quarter														2022/23 Medium Term Revenue & Expenditure Framework		
Description	Ref	Budget Year 2022/23												Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Outcome	Budget	2022/23	+1 2023/24	+2 2024/25								
Cash Payments by Type																
Employee related costs		12,608	11,969	11,834	14,536	14,536	14,536	14,536	14,536	14,536	14,536	14,536	21,739	174,438	182,113	207,720
Remuneration of councillors		889	847	847	-	-	-	-	-	-	-	-	(2,583)	-	-	-
Interest paid		-	-	-	13	2	-	-	-	-	-	-	(15)	-	-	-
Bulk purchases - Electricity		54,000	2,048	6,799	10,126	10,126	10,126	10,126	10,126	10,126	10,126	10,126	(22,337)	121,518	126,227	127,199
Bulk purchases - Water & Sewer		-	-	-	249	249	249	249	249	249	249	249	1,001	2,993	3,125	3,910
Other materials		90	112	264	-	-	-	-	-	-	-	-	(466)	-	-	-
Contracted services		8,199	934	2,898	-	-	-	-	-	-	-	-	(12,031)	-	-	-
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		373	369	377	-	-	-	-	-	-	-	-	(1,119)	-	-	-
General expenses		27,534	4,833	3,907	6,679	6,679	6,679	6,679	6,679	6,679	6,679	6,679	(9,557)	80,149	89,676	87,733
Cash Payments by Type		103,693	21,112	26,926	31,603	31,592	31,590	31,590	31,590	31,590	31,590	31,590	(25,368)	379,098	401,141	426,562
Other Cash Flows/Payments by Type																
Capital assets		4,649	1,092	2,704	2,045	963	196	1,439	2,383	1,971	1,290	2,879	16,102	37,713	44,040	45,902
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		108,342	22,204	29,631	33,648	32,555	31,786	33,029	33,973	33,561	32,880	34,469	(9,266)	416,811	445,181	472,464

5. Capital Expenditure

5.1 Capital Expenditure by Function/Department

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter										
Vote Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		18 586	3 000	-	-	3 878	375	3 503	934%	-
Executive and council		(324)	1 500						-	
Finance and administration		18 910	1 500	-	-	3 878	375	3 503	934%	
Internal audit									-	
<i>Community and public safety</i>		3 643	4 751	-	2 544	5 279	1 188	4 091	344%	-
Community and social services		3 643	4 751	-	1 606	4 341	1 188	3 153	265%	
Sport and recreation					938	938	-	938	#DNV/0!	
Public safety									-	
Housing									-	
Health									-	
<i>Economic and environmental services</i>		24 319	28 962	-	160	3 166	7 241	(4 075)	-56%	-
Planning and development		25 210	27 962	-	160	3 166	6 991	(3 825)	-55%	
Road transport		(891)	1 000	-	-	-	250	(250)	-100%	
Environmental protection									-	
<i>Trading services</i>		430	-	-	-	-	-	-	-	-
Energy sources		430							-	
Water management									-	
Waste water management									-	
Waste management									-	
<i>Other</i>									-	
Total Capital Expenditure - Functional Clas	3	46 978	36 713	-	2 704	12 324	8 803	3 520	40%	-
Funded by:										
National Government		28 853	32 713		2 704	8 449	8 178	271	3%	
Provincial Government									-	
District Municipality									-	
Transfers and subsidies - capital									-	
Transfers recognised - capital		28 853	32 713	-	2 704	8 449	8 178	271	3%	-
Borrowing	6								-	
Internally generated funds			5 000		-	-	1 250	(1 250)	-100%	
Total Capital Funding		28 853	37 713	-	2 704	8 449	9 428	(979)	-10%	-

6. Grants Management

6.1 Monthly grants cumulative expenditure performance trend Expenditure per Category

LIM341 Musina - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter											
Description	Ref	2021/22		Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance		
R thousands		%									
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:	-	198 183	-	469	76 598	49 546	27 053	54.6%	-		
Local Government Equitable Share	-	193 793	-	-	75 589	48 448	27 141	56.0%			
Finance Management	-	3 000	-	95	267	750	(483)	-64.4%			
EPWP Incentive	-	1 390	-	374	742	348	395	113.7%			
Other transfers and grants [insert description]								-			
Provincial Government:	-	-	-	-	-	-	-	-	-		
Other transfers and grants [insert description]								-			
District Municipality:	-	-	-	-	-	-	-	-	-		
[insert description]								-			
Other grant providers:	-	-	-	-	-	-	-	-	-		
[insert description]								-			
Total operating expenditure of Transfers and Grants:	-	198 183	-	469	76 598	49 546	27 053	54.6%	-		
Capital expenditure of Transfers and Grants											
National Government:	-	32 713	-	2 704	8 445	5 452	2 993	54.9%	-		
0	-	32 713	-	2 704	8 445	5 452	2 993	54.9%			
0								-			
Other capital transfers [insert description]								-			
Provincial Government:	-	-	-	-	-	-	-	-	-		
0								-			
District Municipality:	-	-	-	-	-	-	-	-	-		
0								-			
Other grant providers:	-	-	-	-	-	-	-	-	-		
0								-			
Total capital expenditure of Transfers and Grants	-	32 713	-	2 704	8 445	5 452	2 993	54.9%	-		
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	230 896	-	3 174	85 044	54 998	30 046	54.6%	-		

6.2 Grants Expenditure Trends

The table below outlines the expenditure trend on MIG Grant:

LIM341 Musina - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q1 First Quarter										
Month	2021/22	Budget Year 2022/23								
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget	
R thousands									%	
<u>Monthly expenditure performance trend</u>										
July		32 713		(4 649)		32 713		-		
August		32 713		(1 092)		65 426		-		
September		32 713		(2 704)		98 139		-		
October		32 713				130 852		-		
November		32 713				163 565		-		
December		32 713				196 278		-		
January		32 713				228 991		-		
February		32 713				261 704		-		
March		32 713				294 417		-		
April		32 713				327 130		-		
May		32 713				359 843		-		
June		32 713				392 556		-		
Total Capital expenditure	-	392 556	-	(8 445)						

MIG Projects 2022/2023	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 12 paved roads	68 802.22												
Construction of brigde & culvert from Tshivhongweni to Tshipale village on the road to tshokotshoko	504 300.25	-											
Development of Nancefield grave yard	4 750 877.36	-											
Construction of Tshikhudini community hall	3 350 685.65	1 801 724.04	932 948.61	1 235 251.91									
Rehabilitation of Manyathela Stadium	4 595 311.03	1 845 495.42		370 864.88									
Nancefield ext 9 & 10 paved roads and stormwater phase 2	7 513 613.69	777 963.43		938 121.45									
Shakadza Multi Purpose Centre	5 487 497.66												
Mabvete Community hall	4 806 262.14												
PMU Management fees	1 635 650.00	223 683.20	159 492.73	159 809.56									
	32 713 000.00	4 648 866.09	1 092 441.34	2 704 047.80	-	-	-	-	-	-	-	-	-

7. Debtors Management

The age analysis of the outstanding trade debtors from 1st July to 30th September 2022 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter														
Description	NT Code	Budget Year 2022/23											Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200													
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	7 101	1 657	833	727	611	2 859	11 769	25 556	16 798			16 798
Receivables from Non-exchange Transactions - Property Rates	1400	(5)	2 555	1 226	3 277	742	671	3 475	35 090	47 029	43 254			43 254
Receivables from Exchange Transactions - Waste Water Management	1500													
Receivables from Exchange Transactions - Waste Management	1600	0	1 503	705	576	429	356	1 822	8 244	13 635	11 426			11 426
Receivables from Exchange Transactions - Property Rental Debtors	1700													
Interest on Arrear Debtor Accounts	1810													
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820													
Other	1900	(2)	2 276	1 115	933	807	784	4 157	(10 364)	(294)	(3 683)			(3 683)
Total By Income Source	2000	(7)	13 435	4 703	5 619	2 704	2 421	12 312	44 740	85 927	67 796	–	–	67 796
2021/22 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	(3)	894	402	1 336	144	113	889	8 258	12 034	10 741			10 741
Commercial	2300	(3)	6 525	898	1 652	593	678	3 319	(1 424)	12 238	4 818			4 818
Households	2400	(1)	4 573	2 664	1 997	1 438	1 169	6 172	24 775	42 788	35 552			35 552
Other	2500	(0)	1 443	739	633	528	461	1 932	13 131	18 867	16 685			16 685
Total By Customer Group	2600	(7)	13 435	4 703	5 619	2 704	2 421	12 312	44 740	85 927	67 796	–	–	67 796

7.1 Disconnection List

DISCONNECTION LIST SEPTEMBER 2022

	ELECTRICITY MUSINA	ELECTRICITY NANCEFIELD
TOWN	84	344
EXTENTION 1	164	104
EXTENTION 2	54	70
EXTENSION 3	45	0
EXTENSION 4	111	367
EXTENTION 5	45	128
EXTENSION 6	48	50
EXTENTION 7	66	98
EXTENTION 8	14	1196
EXTENTION 9	7	130
EXTENTION 10	14	182
EXTENTION 11	5	62
EXTENTION 12	8	54
EXTENTION 14	13	158
MUSINA 4 MT	3	0
MUSINA EXT 17	0	0
VOGELZANG 3 MT	0	0
BUITEGEBIED	7	0
DISCONNECTIONS	688	2943
ARRANGEMENTS	5	0
TOTAL DISCONNECTED	28	574
PAID/RESPONDED	163	263
TOTAL NOT DISCONNECTED	492	65
AMOUNT COLLECTED-TOWN	R 1,893,487.52	R 619,741.77
CREDIT CONTROL COLLECTION	R 2,513,229.29	

8. Creditors Management

The age analysis of the outstanding creditors from 1st July to 30th September **2022** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter										
Description R thousands	NT Code	Budget Year 2022/23								Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100					—				—
Bulk Water	0200									—
PAYE deductions	0300									—
VAT (output less input)	0400									—
Pensions / Retirement deductions	0500									—
Loan repayments	0600									—
Trade Creditors	0700	22 076	1 901	551	6	52 157				76 691
Auditor General	0800									—
Other	0900									—
Total By Customer Type	1000	22 076	1 901	551	6	52 157	—	—	—	76 691

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on current Quarter from 1st July to 30th September 2022

<u>EXPENDITURE ANALYSIS</u>		
FIRST QUARTER FROM JULY TO SEPTEMBER 2022		
	DESCRIPTION	AMOUNT
ESKOM		62,847,022.84
SALARIES		32,361,596.98
SUNDRY CREDITORS		667,763.67
TRADE CREDITORS		21,030,278.05
SARS (PAYE VAT)		7,242,179.88
MAHOSI SECURITY		2,987,520.62
AUDITOR		791,008.43
TELKOM		176,004.11
BANK CHARGES		189,471.81
DEBIT ORDERS		5,259,761.15
PORVERTY ALLISSION WORKERS		1,113,166.88
LEARNERS LGSETA		148,070.64
WARD COMMITTEE MEMBERS -STIPENS		537,000.00
SUB-TOTAL		135,350,845.06
Construction of Tshivhongweni		150,000.00
Construction of Muswodi Community Hall		705,936.18
Supplementary valuations		477,997.50
Electrification of Malale		376,933.26
Development of Mmberegeni Graveyard		839,686.13
Design & Construction of Rhino ridge park internal streets and stormwater infrastructure.		1,500,000.00
Operation and Management of Musina Landfill August 2022		611,546.00
Construction of Tshikhudini Community Hall		70,552.42
Construction of Tshikhudini Community Hall -Electrical Material		46,210.00
Construction of Tshikhudini Community Hall - Steel Structural		314,088.00
Construction of Nancefield paved road phase 6 - 12		1,592,764.97
Construction of Mmberegeni Graveyard		1,621,551.62
Construction of Tshikhudini Community Hall		632,888.22
Construction of Lesley Manyathela Stadium		700,167.09
Stock bricks,plumbing,ready mix ,paving bricks - Tshikhudini Community Hall		710,335.00
Construction of Tshikhudini Community Hall Supply & Install roofing		220,651.47
SUB-TOTAL		10,571,307.86
TOTAL EXPENDITURE		156,478,560.27
VDM		2,093.79
TELKOM		118,461.50
ESKOM RIOOLDAMME		132,986.56
		253,541.85
		156,732,102.12

8.2 Outstanding Creditors

OUTSTANDING CREDITORS SEPTEMBER 2022	
SUPPLIER	SEPTEMBER
ESKOM	36,961,140.34
DEPARTMENT OF TRANSPORT	14,718,957.13
CONTRACTED SERVICES	6,851,720.09
SUPPLIERS	18,159,470.47
TOTAL	76,691,288.03

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents from 1st July to 30th September 2022.

<u>QUARTERLY REPORT</u>		
<u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u>		
<u>BANK RECONCILIATION FROM JULY TO 30 SEPTEMBER (Q1) 2022</u>		
	BALANCE AS ON 30 JUNE 2022	3 284 435.18
<u>LESS:</u>	EXPENDITURE RETURNED CHEQUE DAY CALL	145 877 451.39 - 14 300 000.00
	TOTAL EXPENDITURE	<u>160 177 451.39</u>
<u>PLUS:</u>	INCOME INCOME NOT RECEIPTED CANCELLED STALE CHEQUES DAY CALL	157 790 562.17 2 000 000.00
	TOTAL REVENUE	<u>159 790 562.17</u>
	BALANCE AS ON 30 SEPTEMBER 2022	2 897 545.96
	BALANCE AS PER BANK STATEMENT	2 897 545.96
<u>LESS:</u>	OUTSTANDING CHEQUE	-
		2 897 545.96
	interest 2.78%	
	TRAFFIC	180 431.89
	BALANCE AS ON 30 SEPTEMBER 2022	3 077 977.85

The municipality closed the financial first Quarter with a positive bank balance.

10. Recommendations

It is recommended that the Finance Committee consider and approves the report.