



Monthly Budget Statement

MFMA Section 52 Report for First Quarter from 1st July to
30th September 2023

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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 2023

The total budget approved for the 2023-2024 financial year amounts to R530 868 million

The total expenditure for operating activities for the Quarter amounts to R199 374 million.

Total revenue for the Quarter amounts to R201 151 million.

The expenditure on Capital activities for the Quarter amounts to R9 767 million.

The following table provides a summary of the municipality's performance from 1st July to 30th September 2023

LIM341 Musina - Table C1 Monthly Budget Statement Summary - Q01 First Quarter									
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	14 929	26 950	–	1 771	8 849	6 738	2 112	31%	22 698
Service charges	167 047	176 127	–	15 052	41 839	44 032	(2 193)	-5%	189 022
Investment revenue	469	–	–	–	–	–	–	–	1 244
Transfers and subsidies	176 378	220 628	–	–	95 102	55 157	39 945	72%	174 720
Other own revenue	17 560	107 163	–	14 034	39 386	26 791	12 595	47%	45 296
Total Revenue (excluding capital transfers and contributions)	376 383	530 868	–	30 857	185 176	132 717	52 459	40%	432 980
Employee costs	150 650	164 268	–	12 755	38 389	41 067	(2 678)	-7%	158 403
Remuneration of Councillors	10 097	11 428	–	1 394	3 150	2 857	293	10%	11 339
Depreciation & asset impairment	30 372	34 000	–	–	–	8 500	(8 500)	-100%	34 265
Finance charges	1 070	525	–	95	298	131	167	127%	1 777
Materials and bulk purchases	142 119	149 493	–	10 319	93 592	37 373	56 219	150%	138 162
Transfers and subsidies	5 827	4 987	–	631	1 475	1 247	228	18%	6 073
Other expenditure	108 690	120 167	–	12 111	62 469	30 042	32 427	108%	78 626
Total Expenditure	448 825	484 868	–	37 305	199 373	121 217	78 156	64%	428 645
Surplus/(Deficit)	(72 442)	46 000	–	(6 448)	(14 197)	11 500	(25 697)	-223%	4 335
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31 409	34 036	–	–	15 975	8 509	7 466	88%	36 988
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Education)	4 363	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(36 670)	80 036	–	(6 448)	1 778	20 009	(18 231)	-91%	41 323
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(36 670)	80 036	–	(6 448)	1 778	20 009	(18 231)	-91%	41 323
Capital expenditure & funds sources									
Capital expenditure	37 793	44 955	–	196	17 335	30 035	(12 699)	-42%	–
Capital transfers recognised	29 283	34 036	–	2 351	2 351	2 836	(485)	-17%	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	(891)	46 000	–	666	666	3 833	(3 167)	-83%	–
Total sources of capital funds	28 392	80 036	–	3 017	3 017	6 670	(3 653)	-55%	–
Financial position									
Total current assets	207 851	178 390	–	–	240 548	–	–	–	118 075
Total non current assets	562 381	547 831	–	–	601 729	–	–	–	515 437
Total current liabilities	639 664	81 892	–	–	400 212	–	–	–	519 527
Total non current liabilities	31 871	65 000	–	–	27 375	–	–	–	19 595
Community wealth/Equity	98 697	579 329	–	–	285 106	–	–	–	94 390
Cash flows									
Net cash from (used) operating	260 637	125 617	–	5 515	4 272	10 468	6 197	59%	–
Net cash from (used) investing	24 516	(80 036)	–	(2 351)	(2 351)	(6 670)	(4 319)	65%	–
Net cash from (used) financing	(7 666)	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	300 744	51 296	–	–	2 790	9 513	6 723	71%	1 013
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	19 583	5 901	6 247	4 170	3 379	3 145	3 021	96 508	141 954
Creditors Age Analysis									
Total Creditors	21 211	13 806	14 085	11 522	25 586	–	–	–	86 209

3. Operational Revenue

3.1 Revenue Performance by Source/Classification From 1st July to 30th September 2023

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q01 First Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		14 929	26 950		1 771	8 849	6 738	2 112	31%	22 698
Service charges - electricity revenue		152 786	160 630		13 126	36 096	40 158	(4 062)	-10%	174 390
Service charges - water revenue		—	—					—		—
Service charges - sanitation revenue		—	—					—		—
Service charges - refuse revenue		14 261	15 497		1 926	5 743	3 874	1 869	48%	14 632
Rental of facilities and equipment		819	1 994		2	284	499	(215)	-43%	691
Interest earned - external investments		469	—		—	—	—	—		1 244
Interest earned - outstanding debtors		4 436	5 767		12 972	14 978	1 442	13 536	939%	3 180
Dividends received		—	555		—	—	139	(139)	-100%	—
Fines, penalties and forfeits		5 147	4 075		163	619	1 019	(400)	-39%	3 380
Licences and permits		3 112	2 565		—	13	641	(628)	-98%	5 509
Agency services		—	—		—	—	—	—		—
Transfers and subsidies		176 378	220 628		—	95 102	55 157	39 945	72%	174 720
Other revenue		6 356	92 207		897	23 492	23 052	440	2%	8 843
Gains		(2 310)	—	—	—	—	—	—		23 693
Total Revenue (excluding capital transfers and contributions)		376 383	530 868	—	30 857	185 176	132 717	52 459	40%	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 - Q01 First Quarter																
Description	Ref	Budget Year 2023/24												2024/25 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		5 188	1 890	1 771	6 576	6 576	6 576	6 576	6 576	6 576	6 576	6 576	(36 420)	25 037	26 292	27 587
Service charges - electricity revenue		9 854	13 116	13 126	36 798	36 798	36 798	36 798	36 798	36 798	36 798	36 798	(190 478)	140 002	147 121	154 457
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		1 904	1 913	1 926	5 230	5 230	5 230	5 230	5 230	5 230	5 230	5 230	(27 472)	20 111	21 162	21 489
Rental of facilities and equipment		62	220	2	142	142	142	142	142	142	142	142	(879)	541	569	596
Interest earned - external investments		-	-	-	-	-	-	-	-	-	-	-	555	555	582	609
Interest earned - outstanding debtors		1 028	978	12 972	146	146	146	146	146	146	146	146	(16 146)	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		202	254	163	919	919	919	919	919	919	919	919	(4 466)	3 505	3 677	3 849
Licences and permits		13	-	-	582	582	582	582	582	582	582	582	(2 449)	2 220	2 329	2 439
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		91 777	3 325	-	58 579	58 579	58 579	58 579	58 579	58 579	58 579	58 579	(348 093)	215 641	238 567	248 737
Other revenue		7 859	14 736	897	14 064	14 064	14 064	14 064	14 064	14 064	14 064	14 064	(47 554)	88 450	37 213	39 647
Cash Receipts by Source		117 887	36 432	30 857	123 036	123 036	123 036	123 036	123 036	123 036	123 036	123 036	(673 402)	496 062	477 512	499 410
													-			

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - Q01 First Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		—	25 037		1 771	8 849	6 259	2 590	41%	
Service charges		72 168	160 112		15 052	41 839	40 028	1 811	5%	
Other revenue		95 500	95 813		897	12 832	23 953	(11 121)	-46%	
Transfers and Subsidies - Operational		129 975	215 641			95 102	53 910	41 192	76%	
Transfers and Subsidies - Capital		—	34 036		—	15 975	8 509	7 466	88%	
Interest		—	555		12 972	14 978	139	14 839	10695%	
Dividends								—		
Payments										
Suppliers and employees		(37 006)	(405 052)		(27 803)	(184 483)	(101 263)	83 220	-82%	
Finance charges		—	(525)		(95)	(298)	(131)	167	-127%	
Transfers and Grants		—	—		(631)	(1 475)	—	1 475	#DIV/0!	
NET CASH FROM/(USED) OPERATING ACTIVITIES		260 637	125 617	—	2 163	3 319	31 404	28 086	89%	—
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	(80 036)		(3 356)	(9 766)	(20 009)	(10 243)	51%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		24 516	(80 036)	—	(3 356)	(9 766)	(20 009)	(10 243)	51%	—
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			—				—	—		
Borrowing long term/refinancing		—	—				—	—		
Increase (decrease) in consumer deposits			—				—	—		
Payments										
Repayment of borrowing		(7 666)	—		—	—	—	—		
NET CASH FROM/(USED) FINANCING ACTIVITIES		(7 666)	—	—	—	—	—	—	—	—
NET INCREASE/ (DECREASE) IN CASH HELD		277 487	45 581	—	(1 193)	(6 447)	11 395			—
Cash/cash equivalents at beginning:		23 257	5 715			9 238	5 715			9 238
Cash/cash equivalents at month/year end:		300 744	51 296	—		2 791	17 110			9 238

4. Operational Expenditure

4.1 Operational Expenditure Performance by type from 1st July to 30th September 2023

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q01 First Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type										
Employee related costs		150 650	164 268		12 755	38 389	41 067	(2 678)	-7%	158 403
Remuneration of councillors		10 097	11 428		1 394	3 150	2 857	293	10%	11 339
Debt impairment		41 885	45 000		–	–	11 250	(11 250)	-100%	8 325
Depreciation & asset impairment		30 372	34 000		–	–	8 500	(8 500)	-100%	34 265
Finance charges		1 070	525		95	298	131	167	127%	1 777
Bulk purchases		137 919	144 815		10 051	93 031	36 204	56 827	157%	129 748
Other materials		4 200	4 678		268	561	1 170	(609)	-52%	8 414
Contracted services		35 198	39 279		2 920	19 763	9 820	9 943	101%	37 767
Transfers and subsidies		5 827	4 987		631	1 475	1 247	228	18%	6 073
Other expenditure		31 607	35 888		9 191	42 706	8 972	33 734	376%	32 534
Losses			–		–	–	–	–		
Total Expenditure		448 825	484 868	–	37 305	199 373	121 217	78 156	64%	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 - Q01 First Quarter																
Description	Ref	Budget Year 2023/24												2024/25 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Payments by Type													-			
Employee related costs		12 946	12 688	12 755	43 154	43 154	43 154	43 154	43 154	43 154	43 154	43 154	(219 353)	164 268	172 480	181 104
Remuneration of councillors		878	878	1 394	847	847	870	875	854	854	892	-	2 239	11 428	11 885	12 480
Interest paid		203		95	-	-		-	-	-	-	-	227	525	551	577
Bulk purchases - Electricity		73 094	9 886	10 051	47	7 118	52 684	96	48	45 216	41	10 126	(63 591)	144 815	152 056	159 659
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	249	4 429	4 678	4 907	5 138
Other materials		145	148	268	19 135	19 135	19 135	19 135	19 135	19 135	19 135	19 135	(153 641)	-	-	-
Contracted services		13 456	1 328	2 920	-	-	-	-	-	-	-	-	(17 704)	-	-	-
Grants and subsidies paid - other municipalities		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		461	383	631	-	-	-	-	-	-	-	-	(1 475)	-	-	-
General expenses		28 407	757	5 836	-	-	-	-	-	-	-	-	44 864	79 864	73 513	76 246
Cash Payments by Type		129 590	26 068	33 950	63 183	70 254	115 843	63 260	63 191	108 359	63 222	72 664	(404 005)	405 578	415 392	435 204
Other Cash Flows/Payments by Type													-			
Capital assets		2 351	4 059	3 356	16 775	16 775	16 775	16 775	16 775	16 775	16 775	16 775	(63 930)	80 036	59 933	61 331
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		131 941	30 127	37 306	79 958	87 029	132 618	80 035	79 966	125 134	79 997	89 439	(467 935)	485 614	475 325	496 535
NET INCREASE/(DECREASE) IN CASH HELD													-			
		1 921	6 305	(6 449)	54 500	47 429	1 840	54 423	54 492	9 324	54 461	45 019	(278 782)	44 484	52 631	55 459
Cash/cash equivalents at the month/year beginning:		1 014	2 934	9 240	2 791	57 291	104 720	106 560	160 983	215 475	224 800	279 260	324 279	1 014	45 498	98 129
Cash/cash equivalents at the month/year end:		2 934	9 240	2 791	57 291	104 720	106 560	160 983	215 475	224 800	279 260	324 279	45 498	45 498	98 129	153 588

4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - Q01 First Quarter				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service Charges-Electricity revenue	(4 061)	Lower sales due to load shedding	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(142)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines, penalties and forfeits	(400)	Low collection	Apply credit control measures
	Licences and permits	—		0
	Other Revenue	—		0
2	Expenditure By Type			
	Employee related cost	(2 678)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation		Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	34 513	Eskom account is settled as we received equitable share	Account for ESKOM is settled
	Contracted Services	(4 787)	Most contracts will appoint during the last quarter	Work in progress
3	Capital Expenditure			
	Mig Projects	13 526	Mig projects underway	Work in progress
	Own Funded projects	(7 001)	procurement processes still underway	Work in progress
4	Financial Position			
	Current assets	842 350	The municipality is still working on its improving financial	Implementation of funding Plan
	Current liabilities	652 985	The municipality is still working on its improving financial	Implementation of funding Plan
	Net assets	189 366	The municipality is still working on its improving financial	Implementation of funding Plan
5	Cash Flow			
	Cash/cash equivalents at month end	3 702	The municipality is still in financial distress not all creditors	Work in progress, monitoring and implementation of funding Plan.
6	Measureable performance			
	Software licensing purchased	(0)	Ms office process will begin after appointment of service p	To be realised in the 3rd or 4th quarter after SCM process is finalised
	Environmental clean up campaigns	(0)	Lack of participation by community due to the festive seas	Rescheduled
7	Municipal Entities			
	N/A		N/A	N/A

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) - Q01 First Quarter										
Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		(19 107)	4 300	-	-	667	1 075	(408)	-38%	-
Executive and council		(324)	-	-	-	-	-	-	-	-
Finance and administration		(18 783)	4 300	-	-	667	1 075	(408)	-38%	-
Internal audit								-	-	-
Community and public safety		3 643	1 780	-	3 176	8 584	-	8 584	#DIV/0!	-
Community and social services		3 643	-		1 418	3 220	-	3 220	#DIV/0!	-
Sport and recreation					1 758	5 364	-	5 364	#DIV/0!	-
Public safety			1 780					-	-	-
Housing								-	-	-
Health								-	-	-
Economic and environmental services		24 319	31 456	-	180	1 182	7 864	(6 682)	-85%	-
Planning and development		25 210	8 765		180	769	2 191	(1 422)	-65%	-
Road transport		(891)	22 691			413	5 673	(5 260)	-93%	-
Environmental protection								-	-	-
Trading services		430	42 500	-	-	-	-	-	-	-
Energy sources		430	35 000					-	-	-
Water management								-	-	-
Waste water management								-	-	-
Waste management			7 500					-	-	-
Other								-	-	-
Total Capital Expenditure - Functional Classification	3	9 285	80 036	-	3 356	10 433	8 939	1 494	17%	-
Funded by:										
National Government		28 853	34 036		3 356	9 767	8 509	1 258	15%	-
Provincial Government								-	-	-
District Municipality								-	-	-
Transfers recognised - capital		29 283	34 036	-	3 356	9 767	8 509	1 258	15%	-
Borrowing	6							-	-	-
Internally generated funds		(891)	46 000		-	666	11 500	(10 834)	-94%	-
Total Capital Funding		28 392	80 036	-	3 356	10 433	20 009	(9 576)	-48%	-

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 - Q01 First Quarter										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		169 864	220 628	–	631	217 995	55 157	162 838	295.2%	–
Local Government Equitable Share		169 864	216 341		–	216 341	54 085	162 256	300.0%	
Finance Management		–	3 000		94	367	750	(383)	-51.0%	
EPWP Incentive		–	1 287		537	1 287	322	965	300.0%	
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:		169 864	220 628	–	631	217 995	55 157	162 838	295.2%	–
Capital expenditure of Transfers and Grants										
National Government:		–	37 590	–	3 356	9 767	8 509	1 258	14.8%	–
MIG		–	34 036		3 356	9 767	8 509	1 258	14.8%	
MDRG			3 554					–		
Total capital expenditure of Transfers and Grants		–	37 590	–	3 356	9 767	8 509	1 258	14.8%	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		169 864	258 218	–	3 987	227 762	63 666	164 096	257.7%	–

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 - Q01 First Quarter									
Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July		2 836	–	(2 352)		2 836	–		
August		2 836		(4 059)		5 673	–		
September		2 836		(3 356)		8 509	–		
October		2 836				11 345	–		
November		2 836				14 182	–		
December		2 836				17 018	–		
January		2 836				19 854	–		
February		2 836				22 691	–		
March		2 836				25 527	–		
April		2 836				28 363	–		
May		2 836				31 200	–		
June		2 836				34 036	–		
Total Capital	–	34 036	–	(9 767)					

MIG Projects 2022/2023	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 12 paved roads	17 542 215.11												
Waste Removal Trucks	7 100 000.00												
Construction of Tshikhudini community hall	36 000.00												
Nancefield ext 9 & 10 paved roads and stormwater	1 860 086.40	850 940.90											
Shakadza Multi Purpose Centre	3 391 910.86	669 389.70	950 981.38	1 417 823.50									
Mabvete Community hall	2 403 987.63	589 359.48	2 937 230.90	1 757 773.45									
PMU Management fees	1 701 800.00	241 818.48	171 562.28	180 302.33									
	34 036 000.00	2 351 508.56	4 059 774.56	3 355 899.28	-	-	-	-	-	-	-	-	-

7. Debtors Management

The age analysis of the outstanding trade debtors from 1st July to 30th September 2023 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q01 First Quarter													
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands		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		
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200									–	–		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	8 465	2 877	1 174	750	2 218	591	460	17 321	33 856	21 340		–
Receiv ables from Non-ex change Transactions - Property Rates	1400	2 009	1 073	3 367	756	714	672	680	35 130	44 401	37 952		–
Receiv ables from Exchange Transactions - Waste Water Management	1500									–	–		
Receiv ables from Exchange Transactions - Waste Management	1600	2 141	1 184	958	780	655	568	527	11 001	17 814	13 531		–
Receiv ables from Exchange Transactions - Property Rental Debtors	1700									–	–		
Interest on Arrear Debtor Accounts	1810	717	695	675	649	623	628	616	14 160	18 763	16 676		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	2 894	1 888	1 404	1 099	854	926	567	19 942	29 574	23 388		–
Total By Income Source	2000	16 226	7 717	7 578	4 034	5 064	3 385	2 850	97 554	144 408	112 887	–	–
2022/23 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 358	1 633	1 801	551	530	530	510	22 575	30 488	24 696		–
Commercial	2300	7 012	1 906	1 803	755	717	798	542	26 244	39 777	29 056		–
Households	2400	6 856	4 178	3 974	2 728	3 817	2 057	1 800	48 735	74 145	59 137		–
Other	2500	–	–	–	–	–	–	–		–	–		–
Total By Customer Group	2600	16 226	7 717	7 578	4 034	5 064	3 385	2 852	97 554	144 410	112 889	–	–

7.1 Disconnection List

DISCONNECTION LIST FROM 01 JULY TO 30 SEPTEMBER 2023			
	ELECTRICITY MUSINA	MUSINA	ELECTRICITY NANCEFIELD
TOWN	64	8	204
EXTENTION 1	43		444
EXTENTION 2	43		803
EXTENSION 3	15		0
EXTENSION 4	18		313
EXTENTION 5	12		888
EXTENSION 6	11		367
EXTENTION 7	11		700
EXTENTION 8	0		676
EXTENTION 9	0		867
EXTENTION 10	0		565
EXTENTION 11	5		434
EXTENTION 12	0		0
EXTENTION 14	13		489
MUSINA 4 MT	0		0
MUSINA EXT 17	0		0
VOGELZANG 3 MT	0		0
BUTE GEBIED	3		0
DISCONNECTIONS	238	4	6750
ARRANGEMENTS	4	0	59
TOTAL DISCONNECTED	16	0	2674
PAID/RESPONDED	13	0	3643
TOTAL NOT DISCONNECTED	87	0	235
AMOUNT COLLECTED-TOWN	R 573 153.49		R 1 347 094.70
CREDIT CONTROL COLLECTION		R 1 920 248.19	

8. Creditors Management

The age analysis of the outstanding creditors from 1st July to 30th September **2023** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q01 First Quarter											
Description	NT Code	Budget Year 2023/24									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	Total	
R thousands											
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	381	11 981	574	-	7 897				20 833	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	381	11 981	574	-	7 897	-	-	-	20 833	-

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on current Quarter from 1st July to 30th September 2023

MUSINA LOCAL MUNICIPALITY.	
EXPENDITURE ANALYSIS	
FIRST QUARTER-END 30 SEPTEMBER 2023	
DESCRIPTION	AMOUNT
ESKOM	93 031 004.09
TELKOM	148 391.71
SALARIES	28 795 830.22
SUNDRY CREDITORS	8 514 881.30
TRADE CREDITORS	1 524 823.20
SARS (PAYE VAT)	8 617 583.87
MAHOSI SECURITY	7 616 905.00
NESBEN	1 227 699.36
HLEKETANI CONSTRUCTION	1 079 670.60
DIDO	298 279.50
CATHU CONSULTING	207 000.00
PK CONSULTANTS	1 247 115.67
MUNSOFT	4 606 444.73
DEPARTMENT OF TRANSPORT	900 000.00
SALGA	1 413 873.64
MODHOPE	1 861 160.00
COMPENSATION FUND	500 000.00
LIANA CONSULTING	1 346 694.12
DR MABEBA	1 149 687.15
BANK CHARGES	186 309.97
DEBIT ORDERS	4 305 362.22
PORVERTY ALLIVATION WORKERS	1 356 569.32
LEARNERS LGSETA	189 000.00
WARD COMMITTEE MEMBERS -STIPENS	536 516.19
SUB-TOTAL	170 660 801.86
CONSTRUCTION OF SHAKADZA MULTIPURPOSE CENRE: TENDER 02-2022/2023 CERTIFICATE NO.7	4 186 531.95
CONSTRUCTION OF TSHIKHUDINI COMMUNITY HALL	350 885.17
CONSTRUCTION OF NANCEFIELD PHASE 6 & 12 PAVED ROAD	2 713 975.08
CONSTRUCTION OF NANCEFIELD EXT 9 & 10 PAVED ROADS AND STORMWATER CERTIFICATE NO.5	2 564 006.81
CONSTRUCTION OF MABVETE COMMUNITY HALL CERTIFICATE NO.6	1 367 414.45
SUB-TOTAL	11 182 813.46
TOTAL EXPENDITURE	181 843 615.32
VDM	
TELKOM	3 331.61
ESKOM RIOOLDAMME	119 474.45
	122 806.06
	181 966 421.38

8.2 Outstanding Creditors

OUTSTANDING CREDITORS SEPTEMBER 2023	
SUPPLIER	SEPTEMBER
ESKOM CURRENT	10 080 742.90
ESKOM	
DEPARTMENT OF TRANSPORT	7 676 941.60
CONTRACTED SERVICES	864 964.81
SUPPLIERS	2 210 375.77
TOTAL	20 833 025.08

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents from 1st July to 30th September 2023.

MUSINA LOCAL MUNICIPALITY		
<u>MONTHLY REPORT</u>		
<u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u>		
<u>BANK RECONCILIATION AS FROM 01 JULY TO 30 SEPTEMBER 2023</u>		
	BALANCE AS ON 30 JUNE 2023	1 013 539.08
<u>LESS:</u>	EXPENDITURE	199 374 535.50
	RETURNED CHEQUE	-
	DAY CALL	
	TOTAL EXPENDITURE	<u>199 374 535.50</u>
<u>PLUS:</u>	INCOME	201 151 967.69
	INCOME NOT RECEIPTED	-
	CANCELLED STALE CHEQUES	
	DAY CALL	
	TOTAL REVENUE	<u>201 151 967.69</u>
	BALANCE AS ON 30 SEPTEMBER 2023	<u>2 790 971.27</u>
	BALANCE AS PER BANK STATEMENT	<u>2 790 971.27</u>
<u>LESS:</u>	OUTSTANDING CHEQUE	-
		<u>2 790 971.27</u>
Interest 10.50%		
	TRAFFIC	
	BALANCE AS ON 30 SEPTEMBER 2023	<u>316 665.54</u>

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.