



Monthly Budget Statement

MFMA Section 71 Report for February

2024

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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 for February 2024

The total budget approved for the 2023-2024 financial year amounts to R530 868 million adjusted by R11 710 million to R542 578 million.

The total expenditure for operating activities for the month amounts to R27 605 million.

Total revenue for the month amounts to R30 064 million.

The expenditure on Capital activities for the month amounts to R2 156 million.

The following table provides a summary of the municipality's performance as at 29 February 2024

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M08 February 2024									
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	26,950	2,024	18,968	17,967	1,001	6%	22,698
Service charges	167,047	176,127	181,030	15,225	119,974	117,418	2,556	2%	189,022
Investment revenue	469	555	855	—	420	—	420	#DIV/0!	1,244
Transfers and subsidies	176,378	220,628	227,135	713	168,817	147,085	21,731	15%	174,720
Other own revenue	17,560	106,608	106,608	12,102	64,144	71,442	(7,298)	-10%	45,296
	376,383	530,868	542,578	30,064	372,322	353,912	18,410	5%	432,980
Total Revenue (excluding capital transfers and contributions)									
Employee costs	150,650	164,268	164,268	12,992	103,397	109,512	(6,115)	-6%	158,403
Remuneration of Councillors	10,097	11,428	11,428	914	7,712	7,619	93	1%	11,339
Depreciation & asset impairment	30,372	34,000	34,000	—	—	52,667	(52,667)	-100%	34,265
Finance charges	1,070	525	525	—	—	350	(350)	-100%	1,777
Materials and bulk purchases	142,119	149,493	149,493	372	94,177	99,662	(5,485)	-6%	138,162
Transfers and subsidies	5,827	4,987	11,494	452	6,052	3,325	2,727	82%	6,073
Other expenditure	108,690	120,167	107,231	12,854	49,927	50,111	(184)	-0%	78,626
Total Expenditure	448,825	484,868	478,439	27,584	261,265	323,245	(61,981)	-19%	428,645
Surplus/(Deficit)	(72,442)	46,000	64,139	2,480	111,058	30,667	80,391	262%	4,335
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31,409	34,036	42,307	6,993	37,622	22,691	14,931	0	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-	4,363	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	(36,670)	80,036	106,446	9,473	148,680	53,357	95,322	179%	41,323
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	(36,670)	80,036	106,446	9,473	148,680	53,357	95,322	179%	41,323
Capital expenditure & funds sources									
Capital expenditure	37,793	44,955	94,762	5,318	44,177	53,357	(9,180)	-17%	—
Capital transfers recognised	29,283	34,036	42,307	2,156	32,785	22,691	10,094	44%	—
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	(891)	46,000	52,455	3,162	11,392	30,667	(19,274)	(0)	—
Total sources of capital funds	28,392	80,036	94,762	5,318	44,177	53,357	(9,180)	-17%	—
Financial position									
Total current assets	253,862	178,390	204,797		297,457				204,797
Total non current assets	642,932	547,831	565,697		673,309				565,697
Total current liabilities	372,269	81,892	91,483		311,123				91,483
Total non current liabilities	33,705	6,500	6,500		29,210				6,500
Community wealth/Equity	490,820	637,830	672,511		63,433				672,511
Cash flows									
Net cash from (used) operating	45,635	125,617	118,572	21,918	(19,166)	113,714	132,880	117%	118,572
Net cash from (used) investing	43,762	(80,036)	(97,903)	(4,801)	(34,170)	(59,933)	(25,763)	43%	(97,903)
Net cash from (used) financing	(473)	—	—	—	—	—	—	—	—
Cash/cash equivalents at the month/year end	94,815	51,296	33,488	(29,786)	66,600	99,386	145%	44,219	
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Ds	151-180 Ds	181 Ds-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	15,885	6,758	5,003	4,702	4,093	3,653	4,293	104,794	149,181
Creditors Age Analysis									
Total Creditors	2,011	14			—	—	—	—	2,025

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as at 29 February 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	2022/23	Budget Year 2023/24		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands									%	
Revenue By Source										
Property rates		14,929	26,950	26,950	2,024	18,968	17,967	1,001	6%	22,698
Service charges - electricity revenue		152,786	160,630	160,630	13,362	104,696	107,087	(2,391)	-2%	174,390
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		14,261	15,497	20,400	1,863	15,278	10,331	4,947	48%	14,632
Rental of facilities and equipment		819	1,994	1,994	2	370	1,329	(959)	-72%	691
Interest earned - external investments		469	555	855	-	420	370	50	13%	1,244
Interest earned - outstanding debtors		4,436	5,767	5,767	1,612	27,977	3,845	24,132	628%	3,180
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		5,147	4,075	4,075	275	1,881	2,717	(836)	-31%	3,380
Licences and permits		3,112	2,565	2,565	9	131	1,710	(1,579)	-92%	5,509
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		176,378	220,628	227,135	713	168,817	147,085	21,731	15%	174,720
Other revenue		6,356	92,207	92,207	10,204	33,365	61,471	(28,106)	-46%	8,843
Gains		(2,310)	-	-	-	-	-	-	-	23,693
Total Revenue (excluding capital transfers and contributions)		376,383	530,868	542,578	30,064	371,903	353,912	17,991	5%	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 - M08 February													2024/25 Medium Term				
Description	Ref	Budget Year 2023/24												Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June				
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Cash Receipts By Source																	
Property rates		5,188	1,890	1,771	2,084	1,947	2,041	2,023	2,024	6,576	6,576	6,576	(13,659)	25,037	26,292	27,587	
Service charges - electricity revenue		9,854	13,116	13,126	14,272	13,012	13,897	14,057	13,362	36,798	36,798	36,798	(75,088)	140,002	147,121	154,457	
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Service charges - refuse		1,904	1,913	1,926	1,942	1,888	1,922	1,920	1,863	5,230	5,230	5,230	(10,857)	20,111	21,162	21,489	
Rental of facilities and equipment		62	220	2	2	78	2	2	2	142	142	142	(255)	541	569	596	
Interest earned - external investments		–	–	–	–	200	220	–	–	–	–	–	135	555	582	609	
Interest earned - outstanding debtors		1,028	978	12,972	874	1,604	3,417	5,492	1,612	146	146	146	(28,415)	–	–	–	
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Fines, penalties and forfeits		202	254	163	146	421	151	269	275	919	919	919	(1,133)	3,505	3,677	3,849	
Licences and permits		13	–	–	25	26	55	3	9	582	582	582	343	2,220	2,329	2,439	
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Transfers and Subsidies - Operational		91,777	3,325	–	1,155	588	71,259	–	713	58,579	58,579	58,579	(117,419)	227,135	238,567	248,737	
Other revenue		7,859	14,736	897	7,581	9,780	3,221	6,255	10,204	14,064	14,064	14,064	(13,178)	89,547	37,213	39,647	
Cash Receipts by Source		117,887	36,432	30,857	28,281	29,564	95,965	30,021	30,064	123,036	123,036	123,036	(259,526)	508,653	477,512	499,410	

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M08 February										
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	25,037	2,024	15,485	16,691	(1,206)	-7%	
Service charges		72,168	160,112	145,528	13,362	111,768	106,741	5,027	5%	
Other revenue		95,500	95,813	95,813	9,874	61,486	63,875	(2,389)	-4%	
Transfers and Subsidies - Operational		129,975	215,641	227,135	713	172,949	143,761	29,188	20%	
Transfers and Subsidies - Capital		–	34,036	42,307	6,993	37,622	22,691	14,931	66%	
Interest		–	555	855	1,612	6,132	370	5,762	1557%	
Dividends								–		
Payments										
Suppliers and employees		(37,006)	(405,052)	(418,628)	(24,345)	(355,525)	(270,035)	85,491	-32%	
Finance charges		–	(525)	(525)	(78)	(1,000)	(350)	650	-186%	
Transfers and Grants		–	–	–	(452)	(2,280)	–	2,280	#DIV/0!	
NET CASH FROM/(USED) OPERATING ACTIVITIES		260,637	125,617	117,522	9,703	46,637	83,745	37,108	44%	–
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)	(97,903)	(5,318)	(44,177)	(53,357)	(9,180)	17%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		24,516	(80,036)	(97,903)	(5,318)	(44,177)	(53,357)	(9,180)	17%	–
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	19,619	4,385	2,459	30,387			–
Cash/cash equivalents at beginning:		23,257	5,715	12,810	–	9,782	12,819			9,782
Cash/cash equivalents at month/year end:		300,744	51,296	32,438	–	12,241	43,206			9,782

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as at 29 February 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February									
Description	Ref	2022/23	Budget Year 2023/24		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
		Audited Outcome	Original Budget	Adjusted Budget					
R thousands								%	
Expenditure By Type									
Employee related costs		150,650	164,268	164,268	12,992	103,397	109,512	(6,115)	-6%
Remuneration of councillors		10,097	11,428	11,428	914	7,712	7,619	93	1%
Debt impairment		41,885	45,000	25,000	-	-	30,000	(30,000)	-100%
Depreciation & asset impairment		30,372	34,000	34,000	-	-	22,667	(22,667)	-100%
Finance charges		1,070	525	525			350	(350)	-100%
Bulk purchases		137,919	144,815	144,815	125	92,404	96,543	(4,140)	-4%
Other materials		4,200	4,678	4,678	247	1,773	3,119	(1,346)	-43%
Contracted services		35,198	39,279	40,316	9,065	18,800	26,186	(7,386)	-28%
Transfers and subsidies		5,827	4,987	11,494	452	6,052	3,325	2,727	82%
Other expenditure		31,607	35,888	41,916	3,789	31,127	23,925	7,202	30%
Losses		-			-	-	-	-	
Total Expenditure		448,825	484,868	478,440	27,584	261,265	323,245	(61,981)	-19%
									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 - M08 February														2024/25 Medium Term				
Description	Ref	Budget Year 2023/24														Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June					
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	—	—	—		
Cash Payments by Type																		
Employee related costs		12,946	12,688	12,755	13,341	12,939	13,525	12,211	12,992	43,154	43,154	43,154	(68,591)	164,268	172,480	181,104		
Remuneration of councillors		878	878	1,394	912	912	912	912	914	854	892	—	1,970	11,428	11,885	12,480		
Interest paid		203	—	95	—	—	302	—	—	—	—	—	(75)	525	551	577		
Bulk purchases - Electricity		73,094	9,886	10,051	125	14,706	43,289	(29,086)	125	45,216	41	10,126	(32,758)	144,815	152,056	159,659		
Bulk purchases - Water & Sewer		—	—	—	—	—	—	—	—	—	—	249	(249)	—	4,907	5,138		
Other materials		145	148	268	130	—	696	139	247	19,135	19,135	19,135	(54,500)	4,678	—	—		
Contracted services		13,456	1,328	2,920	2,765	2,010	8,135	2,270	4,553	—	—	—	2,879	40,316	—	—		
Grants and subsidies paid - other municipalities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Grants and subsidies paid - other		461	383	631	859	479	1,666	577	452	—	—	—	(5,508)	—	—	—		
General expenses		28,407	757	5,836	1,789	6,999	3,712	53,409	13,158	—	—	—	(67,455)	46,612	73,513	76,246		
Cash Payments by Type		129,590	26,068	33,950	19,921	38,045	72,236	40,432	32,441	108,359	63,222	72,664	(224,286)	412,642	415,392	435,204		
Other Cash Flows/Payments by Type																		
Capital assets		2,351	4,059	3,356	8,184	3,370	7,319	1,988	2,156	16,775	16,775	16,775	14,795	97,903	59,933	61,331		
Repayment of borrowing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—		
Other Cash Flows/Payments		—	—	—	—	—	—	—	—	—	—	—	6,507	6,507	—	—		
Total Cash Payments by Type		131,941	30,127	37,306	28,105	41,415	79,555	42,420	34,597	125,134	79,997	89,439	(202,984)	517,052	475,325	496,535		

4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - M08 February

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue By Source			
	Service Charges-Electricity revenue	(2,390)	Lower sales due to load shedding	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(378)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(836)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licences and permits	(1,580)	This is due to lower registration of vehicles	Monitor this line item and ensure that the income is allocated correctly
2	Expenditure By Type			
	Employee related cost	(6,115)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	(22,667)	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	(4,139)	Eskom account is settled as we received equitable share	Account for ESKOM is settled
	Contracted Services	(5,744)	Most contract will appoint during the last quarter	Work in progress
3	Capital Expenditure			
	Mig Projects	(3,486)	Projects have appointed and are underway	Work in progress
	Own Funded projects	(23,068)	procurement processes still underway	Work in progress
4	Financial Position			
	Total assets	970,765	The municipality is still working on its improving financial status	Implementation of funding Plan
	Total liabilities	340,333	The municipality is still working on its improving financial status	Implementation of funding Plan
	Net assets	630,433	The municipality is still working on its improving financial status	Implementation of funding Plan
5	Cash Flow			
	Cash/cash equivalents at month end	12,241	The municipality is still in financial distress not all creditors are paid	Work in progress, monitoring and implementation of funding Plan.
6	Measureable performance			
7	Municipal Entities			
	N/A	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) - M08 February										
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										
<i>Governance and administration</i>		(19,107)	4,300	9,250	-	-	2,867	(2,867)	-100%	-
Executive and council		(324)	-	-	-	-		-		
Finance and administration		(18,783)	4,300	9,250	-		2,867	(2,867)	-100%	
Internal audit								-		
<i>Community and public safety</i>		3,643	1,780	1,780	-	1,804	1,187	617	52%	-
Community and social services		3,643	-				-	-		
Sport and recreation					-		-	-		
Public safety			1,780	1,780	-	1,804	1,187	617	52%	
Housing								-		
Health								-		
<i>Economic and environmental services</i>		24,319	31,456	48,501	2,156	23,382	20,971	2,411	11%	-
Planning and development		25,210	8,765	19,697	335	9,246	5,843	3,403	58%	
Road transport		(891)	22,691	28,804	1,820	14,136	15,127	(991)	-7%	
Environmental protection								-		
<i>Trading services</i>		430	42,500	38,371	3,162	18,991	28,333	(9,342)	-33%	-
Energy sources		430	35,000	29,540	3,162	4,581	23,333	(18,752)	-80%	
Water management								-		
Waste water management					-	3,258		3,258	#DIV/0!	
Waste management			7,500	8,831	-	11,152	5,000	6,152	123%	
<i>Other</i>								-		
Total Capital Expenditure - Functional Classification	3	9,285	80,036	97,902	5,318	44,177	53,357	(9,180)	-17%	-
Funded by:										
National Government		28,853	34,036	45,447	2,156	32,785	22,691	10,094	44%	
Provincial Government								-		
District Municipality								-		
Transfers recognised - capital		29,283	34,036	45,447	2,156	32,785	22,691	10,094	44%	-
Borrowing	6							-		
Internally generated funds		(891)	46,000	52,455	3,162	11,392	30,667	(19,274)	-63%	
Total Capital Funding		28,392	80,036	97,902	5,318	44,177	53,357	(9,180)	-17%	-

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 - M08 February

Description	Ref	2022/23		Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands									%
<u>EXPENDITURE</u>									
<u>Operating expenditure of Transfers and Grants</u>									
National Government:		169,864	220,628	220,628	95	165,187	147,085	18,102	12.3%
Local Government Equitable Share		169,864	216,341	216,341	-	161,256	144,227	17,029	11.8%
Finance Management		-	3,000	3,000	95	2,644	2,000	644	32.2%
EPWP Incentive		-	1,287	1,287	-	1,287	858	429	50.0%
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	220,628	95	165,187	147,085	18,102	12.3%
<u>Capital expenditure of Transfers and Grants</u>									
National Government:		-	37,590	42,307	168	30,797	25,060	5,737	22.9%
MIG		-	34,036	31,760	168	27,322	22,691	4,631	20.4%
MDRG		-	3,554	10,547	-	3,475	2,369	1,106	46.7%
Total capital expenditure of Transfers and Grants		-	37,590	42,307	168	30,797	25,060	5,737	22.9%
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		169,864	258,218	262,935	263	195,984	172,145	23,839	13.8%

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 - M08 February									
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	3,526	(2,352)		3,526		–	
August		2,836	3,526	(4,059)		7,052		–	
September		2,836	3,526	(3,356)		10,578		–	
October		2,836	3,526	(8,185)		14,104		–	
November		2,836	3,526	(3,370)		17,630		–	
December		2,836	3,526	(7,319)		21,156		–	
January		2,836	3,526	(1,988)		24,682		–	
February		2,836	3,526	(168)		28,208		–	
March		2,836	3,526			31,734		–	
April		2,836	3,526			35,260		–	
May		2,836	3,526			38,786		–	
June		2,836	3,521			42,307		–	
Total Capital ex	–	34,036	42,307	(30,797)					

MIG Projects 2023/2024	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 10 paved roads	17,542,215.11				1,655,913.75	1,460,381.56		1,820,386.75					
Waste Removal Trucks	7,100,000.00						6,411,884.09						
Construction of Tshikhudini community hall	36,000.00												
Nancefield ext 9 & 10 paved roads and stormwater p	1,860,086.40	850,940.90				827,037.86							
Shakadza Multi Purpose Centre	3,391,910.86	669,389.70	950,981.38	1,417,823.50	1,030,330.31								
Mabvete Community hall	2,403,987.63	589,359.48	2,937,230.90	1,757,773.45	3,440,759.75								
PMU Management fees	1,701,800.00	241,818.48	171,562.28	180,302.33	164,426.99	186,562.81	221,738.62	167,369.61	167,868.84				
	34,036,000.00	2,351,508.56	4,059,774.56	3,355,899.28	6,291,430.80	2,473,982.23	6,633,622.71	1,987,756.36	167,868.84	–	–	–	–
MDRG Projects 2023/2024	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Gravel Road Masisi	1,104,454.50				672,990.35								
Skoonplaas Culvert Storm water	2,030,509.21				1,220,094.69		445,806.52						
Tshikotoni Village Portal Culvert	419,168.91						239,449.33						
	3,554,132.62				1,893,085.04		685,055.85						

7. Debtors Management

The age analysis of the outstanding trade debtors as at 29 February 2024 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February												
Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors
		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	7,483	1,812	1,000	842	764	733	1,425	19,475	33,534	23,239	-
Receivables from Non-exchange Transactions - Property Rates	1400	1,960	1,135	940	826	871	736	660	36,958	44,086	40,051	-
Receivables from Exchange Transactions - Waste Water Management	1500											
Receivables from Exchange Transactions - Waste Management	1600	2,151	1,205	973	873	747	649	587	11,774	18,959	14,630	-
Receivables from Exchange Transactions - Property Rental Debtors	1700											
Interest on Arrear Debtor Accounts	1810	779	756	740	710	693	660	647	16,094	21,079	18,804	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820											
Other	1900	3,512	1,850	1,350	1,451	1,018	875	974	20,357	31,387	24,675	-
Total By Income Source	2000	15,885	6,758	5,003	4,702	4,093	3,653	4,293	104,794	149,181	121,535	-
2022/23 - totals only		13414000	5636000	4392000	3854000	3554000	3966000	14772000	90395000	139,983	116,541	
Debtors Age Analysis By Customer Group												
Organs of State	2200	2,526	1,249	696	649	578	596	858	24,168	31,320	26,849	-
Commercial	2300	5,506	1,318	992	1,131	981	946	1,399	28,285	40,558	32,742	-
Households	2400	7,853	4,191	3,314	2,922	2,534	2,111	2,037	52,341	77,303	61,945	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	15,885	6,758	5,002	4,702	4,093	3,653	4,294	104,794	149,181	121,536	-

7.2 Disconnection List

DISCONNECTION LIST FEBRUARY 2024				
	ELECTRICITY MUSINA	MUSINA	ELECTRICITY NANCEFIELD	
TOWN	32	4	101	
EXTENTION 1	13		328	
EXTENTION 2	11		241	
EXTENSION 3	2		0	
EXTENSION 4	9		313	
EXTENTION 5	6		505	
EXTENSION 6	3		185	
EXTENTION 7	2		387	
EXTENTION 8	0		356	
EXTENTION 9	0		397	
EXTENTION 10	0		527	
EXTENTION 11	1		119	
EXTENTION 12	0		0	
EXTENTION 14	8		489	
MUSINA 4 MT	0		0	
MUSINA EXT 17	0		0	
VOGELZANG 3 MT	0		0	
BUITEGEBIED	3		0	
DISCONNECTIONS	90	4	3948	
ARRANGEMENTS	6	0	21	
TOTAL DISCONNECTED	20	0	3420	
PAID/RESPONDED	11	0	2941	
TOTAL NOT DISCONNECTED	70	0	528	
AMOUNT COLLECTED-TOWN	R 1,745,000.00		R 423,532.22	
CREDIT CONTROL COLLECTION		R 2,168,532.22		

8. Creditors Management

The age analysis of the outstanding creditors as at 29 February 2024 was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February											
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	16,943	19,589	2,417	3,739	21,109				63,797	
Auditor General	0800										-
Other	0900										-
Total By Customer Type	1000	16,943	19,589	2,417	3,739	21,109	-	-	-	63,797	-

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on current month of February 2024

<u>MUSINA LOCAL MUNICIPALITY.</u>	
<u>EXPENDITURE ANALYSIS</u>	
MONTH-END FEBRUARY 2024	
DESCRIPTION	AMOUNT
ESKOM	50,463.20
TELKOM	-
SALARIES	11,722,279.77
SUNDRY CREDITORS	2,315,896.59
TRADE CREDITORS	762,605.06
SARS (PAYE VAT)	2,333,864.61
MAHOSI SECURITY	3,731,379.70
UKUKHOMBA	780,137.00
BANK CHARGES	77,691.26
DEBIT ORDERS	1,960,231.74
PORVERTY ALLISSION WORKERS	450,199.35
LEARNERS LGSETA	59,860.00
WARD COMMITTEE MEMBERS -STIPENS	177,620.64
SUB-TOTAL	24,422,228.92
ELECTRIFICATION OF RHINO RIDGE DEVELOPMENT	3,162,442.50
SUB-TOTAL	3,162,442.50
TOTAL EXPENDITURE	27,584,671.42
VDM	
TELKOM	1,141.77
ESKOM RIOOLDAMME	25,918.24
	27,060.01
	27,611,731.43

8.2 Outstanding Creditors

OUTSTANDING CREDITORS FEBRUARY 2024	
SUPPLIERS	Feb-24
ESKOM	31,078,769.51
DEPARTMENT OF TRANSPORT	7,676,941.60
CONTRACTED SERVICES	14,738,418.24
REFUNDS	18,295.44
STUDY FEES	51,060.00
SUPPLIERS	10,233,346.44
TOTAL	63,796,831.23

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 29 February 2024.

MUSINA LOCAL MUNICIPALITY																																									
<u>MONTHLY REPORT</u>																																									
<u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u>																																									
<u>BANK RECONCILIATION AS 29 FEBRUARY 2024</u>																																									
<table><tbody><tr><td>BALANCE AS ON 31 JANUARY 2023</td><td></td><td>9,781,684.07</td></tr><tr><td><u>LESS:</u></td><td></td><td></td></tr><tr><td> EXPENDITURE</td><td>27,584,671.42</td><td></td></tr><tr><td> SHORTAGE ON DEPOSIT</td><td>20,124.07</td><td></td></tr><tr><td> DAY CALL</td><td>-</td><td></td></tr><tr><td> TOTAL EXPENDITURE</td><td> 27,604,795.49</td><td></td></tr><tr><td><u>PLUS:</u></td><td></td><td></td></tr><tr><td> INCOME</td><td>30,064,358.10</td><td></td></tr><tr><td> INCOME NOT RECEIPTED</td><td>-</td><td></td></tr><tr><td> CANCELLED STALE CHEQUES</td><td>-</td><td></td></tr><tr><td> DAY CALL</td><td>-</td><td></td></tr><tr><td> TOTAL REVENUE</td><td> 30,064,358.10</td><td></td></tr><tr><td>BALANCE AS ON 29 FEBRUARY 2024</td><td></td><td>12,241,246.68</td></tr></tbody></table>			BALANCE AS ON 31 JANUARY 2023		9,781,684.07	<u>LESS:</u>			EXPENDITURE	27,584,671.42		SHORTAGE ON DEPOSIT	20,124.07		DAY CALL	-		 TOTAL EXPENDITURE	 27,604,795.49		<u>PLUS:</u>			INCOME	30,064,358.10		INCOME NOT RECEIPTED	-		CANCELLED STALE CHEQUES	-		DAY CALL	-		 TOTAL REVENUE	 30,064,358.10		BALANCE AS ON 29 FEBRUARY 2024		12,241,246.68
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<p>interest 10.50%</p> <table><tbody><tr><td>TRAFFIC</td><td></td><td>-</td></tr><tr><td>BALANCE AS ON 29 FEBRUARY 2024</td><td></td><td>379,906.75</td></tr></tbody></table>			TRAFFIC		-	BALANCE AS ON 29 FEBRUARY 2024		379,906.75																																	
TRAFFIC		-																																							
BALANCE AS ON 29 FEBRUARY 2024		379,906.75																																							

The municipality closed the financial month of February with a positive bank balance.

10. Recommendations

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