



# Monthly Budget Statement

MFMA Section 71 Report for May

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 May 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 R37 300 million.

Total revenue for the month amounts to R25 479 million.

The expenditure on Capital activities for the month amounts to R4 945 million.

The following table provides a summary of the municipality's performance as at 31 May 2024

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M11 May 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									
<b>Financial Performance</b>									
Property rates	14 929	26 950	26 950	4 503	27 245	24 704	2 541	10%	22 698
Service charges	167 047	176 127	181 030	16 850	167 309	165 944	1 365	1%	189 022
Investment revenue	469	555	855	–	629	–	629	#DIV/0!	1 244
Transfers and subsidies	176 378	220 628	227 135	901	223 428	208 207	15 221	7%	174 720
Other own revenue	17 560	106 608	106 608	3 226	57 356	98 507	(41 151)	-42%	45 296
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>376 383</b>	<b>530 868</b>	<b>542 578</b>	<b>25 479</b>	<b>475 967</b>	<b>497 362</b>	<b>(21 395)</b>	<b>-4%</b>	<b>432 980</b>
Employee costs	150 650	164 268	164 268	16 852	146 003	150 579	(4 576)	-3%	158 403
Remuneration of Councillors	10 097	11 428	11 428	914	10 454	10 476	(22)	-0%	11 339
Depreciation & asset impairment	30 372	34 000	34 000	–	–	72 417	(72 417)	-100%	34 265
Finance charges	1 070	525	525	–	182	481	(299)	-62%	1 777
Materials and bulk purchases	142 119	149 493	149 493	10 681	145 114	137 035	8 078	6%	138 162
Transfers and subsidies	5 827	4 987	11 494	1 272	13 495	10 536	2 959	28%	6 073
Other expenditure	108 690	120 167	107 231	7 581	85 362	75 379	9 983	13%	78 626
<b>Total Expenditure</b>	<b>448 825</b>	<b>484 868</b>	<b>478 439</b>	<b>37 300</b>	<b>400 610</b>	<b>456 903</b>	<b>(56 294)</b>	<b>-12%</b>	<b>428 645</b>
<b>Surplus/(Deficit)</b>	<b>(72 442)</b>	<b>46 000</b>	<b>64 139</b>	<b>(11 821)</b>	<b>75 357</b>	<b>40 459</b>	<b>34 898</b>	<b>86%</b>	<b>4 335</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31 409	34 036	42 307	–	42 307	31 200	11 107	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-kind - all)	4 363	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(36 670)</b>	<b>80 036</b>	<b>106 446</b>	<b>(11 821)</b>	<b>117 664</b>	<b>71 659</b>	<b>46 006</b>	<b>64%</b>	<b>41 323</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(36 670)</b>	<b>80 036</b>	<b>106 446</b>	<b>(11 821)</b>	<b>117 664</b>	<b>71 659</b>	<b>46 006</b>	<b>64%</b>	<b>41 323</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>37 793</b>	<b>44 955</b>	<b>94 762</b>	<b>4 945</b>	<b>69 101</b>	<b>89 744</b>	<b>(20 643)</b>	<b>-23%</b>	<b>–</b>
Capital transfers recognised	29 283	34 036	42 307	291	39 435	41 660	(2 225)	-5%	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	8 831	46 000	52 455	4 654	23 431	48 084	(24 653)	(0)	–
<b>Total sources of capital funds</b>	<b>38 114</b>	<b>80 036</b>	<b>94 762</b>	<b>4 945</b>	<b>62 866</b>	<b>89 744</b>	<b>(26 878)</b>	<b>-30%</b>	<b>–</b>
<b>Financial position</b>									
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
<b>Cash flows</b>									
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)	–	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the month/year end</b>	<b>94 815</b>	<b>51 296</b>	<b>33 488</b>		<b>(29 786)</b>	<b>66 600</b>	<b>99 386</b>	<b>145%</b>	<b>44 219</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	15 318	6 233	5 199	4 465	4 040	3 592	3 705	109 755	152 307
<b>Creditors Age Analysis</b>									
Total Creditors	2 011	14			–	–	–	–	2 025

### 3. Operational Revenue

#### 3.1 Revenue Performance by Source/Classification as at 31 May 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May										
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									%	
<b>Revenue By Source</b>										
Property rates		26,814	26,950	26,950	4,503	27,245	24,704	2,541	10%	22,698
Service charges - electricity revenue		147,424	160,630	160,630	15,460	147,425	147,244	181	0%	174,390
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		19,263	15,497	20,400	1,390	19,884	18,700	1,184	6%	14,632
Rental of facilities and equipment		9	588	588	2	20	539	(519)	-96%	691
Interest earned - external investments		167	555	855	210	629	784	(155)	-20%	1,244
Interest earned - outstanding debtors		6,586	5,767	5,767	(17,541)	8,896	5,286	3,610	68%	3,180
Dividends received		1,419	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		5,815	4,075	4,075	511	2,805	3,735	(930)	-25%	3,380
Licences and permits		3,224	2,565	2,565	8	155	2,351	(2,196)	-93%	5,509
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		199,830	220,628	227,135	901	223,428	208,207	15,221	7%	174,720
Other revenue		325,497	93,612	93,613	20,036	44,851	85,811	(40,960)	-48%	8,843
Gains		48,305	–	–	–	–	–	–	–	23,693
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>784,353</b>	<b>530,867</b>	<b>542,578</b>	<b>25,479</b>	<b>475,338</b>	<b>497,362</b>	<b>(22,025)</b>	<b>-4%</b>	<b>432,980</b>

### 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 - M11 May																	
Description	Ref	Budget Year 2023/24												2024/25 Medium Term Revenue & Budget			
		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	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget				
<b>Cash Receipts By Source</b>																	
Property rates		5 188	1 890	1 771	2 084	1 947	2 041	2 023	2 024	1 786	1 989	4 503	(2 209)	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	13 587	13 681	15 460	(7 422)	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	1 859	1 358	1 390	226	20 111	21 162	21 489	
Rental of facilities and equipment		62	220	2	2	78	2	2	2	100	2	2	67	541	569	596	
Interest earned - external investments		-			200	220		-	210	-	-	210	16	855	582	609	
Interest earned - outstanding debtors		1 028	978	12 972	874	1 604	3 417	5 492	1 612	848	(2 388)	(17 541)	(8 896)	-	-	-	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		202	254	163	146	421	151	269	275	136	277	511	700	3 505	3 677	3 849	
Licences and permits		13	-	-	25	26	55	3	9	7	9	8	2 065	2 220	2 329	2 439	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and Subsidies - Operational		91 777	3 325	-	1 155	588	71 259	-	713	53 134	2 131	901	2 153	227 135	238 567	248 737	
Other revenue		7 859	14 736	897	7 581	9 780	3 221	6 255	9 994	7 082	8 614	24 981	(11 454)	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	78 539	25 673	30 424	(24 754)	508 953	477 512	499 410	

## Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M11 May										
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								%	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		–	25 037	25 037	4 503	23 763	22 951	812	4%	
Service charges		72 168	160 112	145 528	15 460	154 496	146 769	7 727	5%	
Other revenue		95 500	95 813	95 813	5 307	112 256	87 829	24 427	28%	
Transfers and Subsidies - Operational		129 975	215 641	227 135	–	226 083	197 671	28 412	14%	
Transfers and Subsidies - Capital		–	34 036	42 307	–	38 753	31 200	7 553	24%	
Interest		–	555	855	210	629	509	120	24%	
Dividends								–		
<b>Payments</b>										
Suppliers and employees		(37 006)	(405 052)	(418 628)	(36 890)	(490 377)	(371 298)	119 080	-32%	
Finance charges		–	(525)	(525)	(410)	(1 628)	(481)	1 147	-238%	
Transfers and Grants		(6 111)	(4 987)	(11 494)	(1 272)	(13 495)	(4 571)	8 924	-195%	
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>254 526</b>	<b>120 630</b>	<b>106 028</b>	<b>(13 092)</b>	<b>50 479</b>	<b>110 578</b>	<b>60 098</b>	<b>54%</b>	<b>–</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		1 991	–	–			–	–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
<b>Payments</b>										
Capital assets		22 525	(80 036)	(97 903)	(4 945)	(62 300)	(89 744)	(27 444)	31%	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>24 516</b>	<b>(80 036)</b>	<b>(97 903)</b>	<b>(4 945)</b>	<b>(62 300)</b>	<b>(89 744)</b>	<b>(27 444)</b>	<b>31%</b>	<b>–</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans			–				–	–		
Borrowing long term/refinancing		–	–				–	–		
Increase (decrease) in consumer deposits			–				–	–		
<b>Payments</b>										
Repayment of borrowing		(7 666)	–		–	–	–	–		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(7 666)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>271 376</b>	<b>40 594</b>	<b>8 125</b>	<b>(18 037)</b>	<b>(11 821)</b>	<b>20 833</b>			<b>–</b>
Cash/cash equivalents at beginning:		23 257	5 715	12 819		15 770	12 819			15 770
Cash/cash equivalents at month/year end:		294 633	46 309	20 944		3 949	33 652			15 770



#### 4. Operational Expenditure

##### 4.1 Operational Expenditure Performance by type as at 31 May 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May										
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									%	
<b>Expenditure By Type</b>										
Employee related costs		153,904	164,268	164,268	16,852	146,003	150,579	(4,576)	-3%	158,403
Remuneration of councillors		10,372	11,428	11,428	914	10,454	10,476	(22)	0%	11,339
Debt impairment		41,885	45,000	25,000	–	–	41,250	(41,250)	-100%	8,325
Depreciation & asset impairment		39,249	34,000	34,000	–	–	31,167	(31,167)	-100%	34,265
Finance charges		1,235	525	525		182	481	(299)	-62%	1,777
Bulk purchases		126,092	144,815	144,815	10,567	142,445	132,747	9,698	7%	129,748
Other materials		3,285	4,678	4,678	114	2,669	4,288	(1,619)	-38%	8,414
Contracted services		34,316	39,279	40,316	5,674	32,466	36,956	(4,490)	-12%	37,767
Transfers and subsidies		6,111	4,987	11,494	1,272	13,495	10,536	2,959	28%	6,073
Other expenditure		48,829	35,888	41,916	1,907	52,896	38,423	14,473	38%	32,534
Losses			–		–	–	–	–		
<b>Total Expenditure</b>		<b>465,278</b>	<b>484,868</b>	<b>478,439</b>	<b>37,300</b>	<b>400,610</b>	<b>456,902</b>	<b>(56,293)</b>	<b>-12%</b>	<b>428,645</b>

## 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 - M11 May																
Description	Ref	Budget Year 2023/24													2024/25 Medium Term	
		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	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget			
													-			
<b>Cash Payments by Type</b>													-			
Employee related costs		12 946	12 688	12 755	13 341	12 939	13 525	12 211	12 992	12 962	12 791	16 852	18 266	164 268	172 480	181 104
Remuneration of councillors		878	878	1 394	912	912	912	912	914	914	914	914	974	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	24 648	13 270	10 567	(25 860)	144 815	152 056	159 659
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-		4 907	5 138
Other materials		145	148	268	130	-	696	139	247	383	399	114	2 009	4 678	-	-
Contracted services		13 456	1 328	2 920	2 765	2 010	8 135	2 270	4 553	7 592	3 430	5 674	(13 817)	40 316	-	-
Grants and subsidies paid - other municipalities		-		-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		461	383	631	859	479	1 666	577	452	630	3 469	1 272	(10 879)	-	-	-
General expenses		28 407	757	5 836	1 789	6 999	3 712	53 409	13 158	13 933	1 287	1 907	(84 582)	46 612	73 513	76 246
<b>Cash Payments by Type</b>		<b>129 590</b>	<b>26 068</b>	<b>33 950</b>	<b>19 921</b>	<b>38 045</b>	<b>72 236</b>	<b>40 432</b>	<b>32 441</b>	<b>61 062</b>	<b>35 560</b>	<b>37 300</b>	<b>(113 963)</b>	<b>412 642</b>	<b>415 392</b>	<b>435 204</b>
													-			

### 4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - M11 May				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<b>Revenue By Source</b>			
	Service Charges-Electricity revenue	181	Lower sales due to load shedding but now is picking	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	519	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	930	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licences and permits	(2)	This is due to lower registration of vehicles	Monitor this line item and ensure that the income is allocated correctly
2	<b>Expenditure By Type</b>			
	Employee related cost	4 576	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	31 167	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	4 701	Eskom account is settled as we received equitable share	Account for ESKOM is settled
	Contracted Services	2 234	Most contract will appoint during the last quarter	Work in progress
3	<b>Capital Expenditure</b>			
	Mig Projects	13 585	Projects have appointed and are underway	Work in progress
	Own Funded projects	(32)	procurement processes all underway	Work in progress
4	<b>Financial Position</b>			
	Total assets	958 463	The municipality is still working on its improving financial status	Implementation of fundind Plan
	Total liabilities	359 805	The municipality is still working on its improving financial status	Implementation of fundind Plan
	Net assets	598 685	The municipality is still working on its improving financial status	Implementation of fundind Plan
5	<b>Cash Flow</b>			
	Cash/cash equivalents at month end	3 949	The municipality is still in financial distress not all creditors are paid	Work in progress, monitoring and implementation of funding Plan.
6	<b>Measureable performance</b>			
7	<b>Municipal Entities</b>			
	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)										
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								%	
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		(9 098)	4 300	9 250	1 324	1 380	8 479	(7 099)	-84%	-
Executive and council		1 115	-	-	-	-	-	-	-	
Finance and administration		(10 213)	4 300	9 250	1 324	1 380	8 479	(7 099)	-84%	
Internal audit								-	-	
<b>Community and public safety</b>		4 091	1 780	1 780	109	1 011	1 632	(621)	-38%	-
Community and social services		4 083	-				-	-	-	
Sport and recreation					-		-	-	-	
Public safety		8	1 780	1 780	109	1 011	1 632	(621)	-38%	
Housing								-	-	
Health								-	-	
<b>Economic and environmental services</b>		37 301	31 456	48 501	3 334	51 480	44 459	7 021	16%	-
Planning and development		15 818	8 765	19 697	725	23 282	18 056	5 226	29%	
Road transport		21 483	22 691	28 804	2 609	28 198	26 404	1 794	7%	
Environmental protection								-	-	
<b>Trading services</b>		4 816	42 500	38 371	178	15 230	35 173	(19 943)	-57%	-
Energy sources		4 816	35 000	29 540	612	6 501	27 078	(20 577)	-76%	
Water management								-	-	
Waste water management					-	3 154		3 154	#DIV/0!	
Waste management			7 500	8 831	(434)	5 575	8 095	(2 520)	-31%	
<b>Other</b>								-	-	
<b>Total Capital Expenditure - Functional Classification</b>	3	37 110	80 036	97 902	4 945	69 101	89 744	(20 643)	-23%	-
<b>Funded by:</b>										
National Government		38 484	34 036	45 447	291	39 435	41 660	(2 225)	-5%	
Provincial Government								-	-	
District Municipality								-	-	
<b>Transfers recognised - capital</b>		38 914	34 036	45 447	291	39 435	41 660	(2 225)	-5%	-
<b>Borrowing</b>	6							-	-	
<b>Internally generated funds</b>		8 831	46 000	52 455	4 654	23 431	48 084	(24 653)	-51%	
<b>Total Capital Funding</b>		47 745	80 036	97 902	4 945	62 866	89 744	(26 878)	-30%	-

## 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 - M11 May									
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									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:		169 864	220 628	220 628	-	220 628	202 242	18 386	9,1%
Local Government Equitable Share		169 864	216 341	216 341	-	216 341	198 313	18 028	9,1%
Finance Management		-	3 000	3 000	-	3 000	2 750	250	9,1%
EPWP Incentive		-	1 287	1 287	-	1 287	1 180	107	9,1%
Other transfers and grants [insert description]								-	
Provincial Government:		-	-	-	-	-	-	-	-
Other transfers and grants [insert description]								-	
District Municipality:		-	-	-	-	-	-	-	-
[insert description]								-	
Other grant providers:		-	-	-	-	-	-	-	-
[insert description]								-	
<b>Total operating expenditure of Transfers and Grants:</b>		<b>169 864</b>	<b>220 628</b>	<b>220 628</b>	<b>-</b>	<b>220 628</b>	<b>202 242</b>	<b>18 386</b>	<b>9,1%</b>
<b>Capital expenditure of Transfers and Grants</b>									
National Government:		-	37 590	42 307	-	34 434	34 458	(23)	-0,1%
MIG		-	34 036	31 760	-	30 959	31 200	(241)	-0,8%
MDRG			3 554	10 547	-	3 475	3 258	217	6,7%
<b>Total capital expenditure of Transfers and Grants</b>		<b>-</b>	<b>37 590</b>	<b>42 307</b>	<b>-</b>	<b>34 434</b>	<b>34 458</b>	<b>(23)</b>	<b>-0,1%</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>169 864</b>	<b>258 218</b>	<b>262 935</b>	<b>-</b>	<b>255 062</b>	<b>236 700</b>	<b>18 362</b>	<b>7,8%</b>

## 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 - M11 May									
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								%	
<b>Monthly expenditure performance trend</b>									
July		6 670	8 159	(4 726)		8 159	-		
August		6 670	8 159	(6 433)		16 318	-		
September		6 670	8 159	(5 730)		24 477	-		
October		6 670	8 159	(10 559)		32 636	-		
November		6 670	8 159	(5 744)		40 795	-		
December		6 670	8 159	(9 693)		48 954	-		
January		6 670	8 158	(4 362)		57 112	-		
February		6 670	8 158	(2 542)		65 270	-		
March		6 669	8 158	(6 011)		73 428	-		
April		6 669	8 158	(1 555)		81 586	-		
May		6 669	8 158	(4 945)		89 744	-		
June		6 669	8 158			97 902	-		
<b>Total Capital expenditure</b>	<b>-</b>	<b>80 036</b>	<b>97 902</b>	<b>(62 300)</b>					

MIG Projects 2023/2024	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 12 paved roads	17 542 215,11				1 655 913,75	1 460 381,56		1 820 386,75	-	3 554 748,37	-		
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 g	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	82 451,51			
	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	3 637 199,88	-	-	-
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								
Skooplaas Culvert Storm water	2 030 509,21				1 220 094,69		445 606,52						
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 31 May 2024 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May													
Description		Budget Year 2023/24											
	NT Code	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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200									–	–		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	7 296	1 774	1 165	886	877	648	663	21 159	34 468	24 233		–
Receivables from Non-exchange Transactions - Property Rates	1400	1 967	1 057	880	818	777	742	680	37 780	44 701	40 797		–
Receivables from Exchange Transactions - Waste Water Management	1500									–	–		
Receivables from Exchange Transactions - Waste Management	1600	1 529	770	1 034	828	714	636	581	12 270	18 362	15 029		–
Receivables from Exchange Transactions - Property Rental Debtors	1700								136	136	136		
Interest on Arrear Debtor Accounts	1810	801	784	766	752	723	714	686	17 324	22 550	20 199		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	3 725	1 848	1 354	1 181	949	852	1 095	21 086	32 090	25 163		–
<b>Total By Income Source</b>	<b>2000</b>	<b>15 318</b>	<b>6 233</b>	<b>5 199</b>	<b>4 465</b>	<b>4 040</b>	<b>3 592</b>	<b>3 705</b>	<b>109 755</b>	<b>152 307</b>	<b>125 557</b>	<b>–</b>	<b>–</b>
<b>2022/23 - totals only</b>		<b>12886000</b>	<b>5544000</b>	<b>4451000</b>	<b>3791000</b>	<b>3412000</b>	<b>3194000</b>	<b>14795000</b>	<b>82717000</b>	<b>130 790</b>	<b>107 909</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 393	838	671	670	643	572	556	25 075	31 418	27 516		–
Commercial	2300	6 250	1 574	1 233	947	844	741	1 043	30 571	43 203	34 146		–
Households	2400	6 675	3 821	3 295	2 848	2 553	2 279	2 106	54 110	77 687	63 896		–
Other	2500	–	–	–	–	–	–	–	–	–	–		–
<b>Total By Customer Group</b>	<b>2600</b>	<b>15 318</b>	<b>6 233</b>	<b>5 199</b>	<b>4 465</b>	<b>4 040</b>	<b>3 592</b>	<b>3 705</b>	<b>109 756</b>	<b>152 308</b>	<b>125 558</b>	<b>–</b>	<b>–</b>

## 7.2 Disconnection List

DISCONNECTION LIST MAY 2024			
	ELECTRICITY 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
BUILEGEBIED	3		0
DISCONNECTIONS	90	4	3948
ARRANGEMENTS	3	0	0
TOTAL DISCONNECTED	21	0	1568
PAID/RESPONDED	44	0	964
TOTAL NOT DISCONNECTED	69	0	2380
AMOUNT COLLECTED-TOWN	R 235 412,04		R 165 235,00
CREDIT CONTROL COLLECTION		R400 647,04	
PREPARED BY : BT TLOU .....			



## 8. Creditors Management

The age analysis of the outstanding creditors as at 31 May 2024 was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May											
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											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100					-				-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	16 512	10 252	3 467	36	25 321				55 589	
Auditor General	0800									-	
Other	0900									-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>16 512</b>	<b>10 252</b>	<b>3 467</b>	<b>36</b>	<b>25 321</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55 589</b>	<b>-</b>

## 8.1 EXPENDITURE ANALYSIS

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

<b>MUSINA LOCAL MUNICIPALITY.</b>	
<b>EXPENDITURE ANALYSIS</b>	
MONTH-END MAY 2024	
DESCRIPTION	AMOUNT
ESKOM	7 732 285,13
TELKOM	33 072,75
SALARIES	11 469 377,79
SUNDRY CREDITORS	938 485,81
TRADE CREDITORS	387 043,00
SARS ( PAYE VAT )	2 983 622,57
MAHOSI SECURITY	3 731 378,86
UKUKHOMBA	780 137,00
YELLOW SOLUTIONS TECHNOLOGY	1 481 763,50
LAMELA CONSUTANTS	3 000 000,00
CIGICEL	438 660,60
DIDO DIGITAL DOCUMENT	338 419,75
LOLA TRAVEL AND TOURISM	168 349,19
BANK CHARGES	71 690,69
DEBIT ORDERS	1 789 889,39
PORVERTY ALLIVATION WORKERS	210 823,69
LEARNERS LGSETA	57 000,00
WARD COMMITTEE MEMBERS -STIPENDS	179 322,63
<b>SUB-TOTAL</b>	<b>35 791 322,35</b>
ELECTRIFICATION OF RHINO RIDGE	704 214,00
CONSTRUCTION OF SHAKADZA MULTIPURPOSE CENTRE	804 900,00
<b>SUB-TOTAL</b>	<b>1 509 114,00</b>
<b>TOTAL EXPENDITURE</b>	<b>37 300 436,35</b>
VDM	
TELKOM	1 146,48
ESKOM RIOOLDAMME	24 296,12
	<b>25 442,60</b>
	<b>37 325 878,95</b>

## 8.2 Outstanding Creditors

OUTSTANDING CREDITORS	May-24
SUPPLIERS	R5 569 938,53
CONTRACTED SERVICES	R19 652 230,13
REFUNDS	R18 389,85
ESKOM	R22 671 317,51
DEPARTMENT OF TRANSPORT	R7 676 941,60
<b>TOTAL</b>	<b>R55 588 817,62</b>

## 9. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 30 May 2024.

MUSINA LOCAL MUNICIPALITY			
MONTHLY REPORT			
DEPARTMENT OF THE CHIEF FINANCIAL OFFICER			
BANK RECONCILIATION AS 31 MAY 2024			
BALANCE AS ON 30 APRIL 2024			15 770 358,45
LESS:	EXPENDITURE	37 300 436,35	
	SHORTAGE ON DEPOSIT	223,06	
	DAY CALL	-	
	TOTAL EXPENDITURE	37 300 659,41	
PLUS:	INCOME	25 479 895,79	
	INCOME NOT RECEIPTED	-	
	CANCELLED STALE CHEQUES	-	
	DAY CALL	-	
	TOTAL REVENUE	25 479 895,79	
BALANCE AS ON 31 MAY 2024			3 949 594,83

BALANCE AS PER BANK STATEMENT			3 949 594,83
LESS:	OUTSTANDING CHEQUE		-
			3 949 594,83

interest 10.50%

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

## 10. Recommendations

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