



# Monthly Budget Statement

MFMA Section 71 Report for August

2024

## TABLE OF CONTENTS

1. Introduction
  - 1.1 Purpose
  - 1.2 Legislative Framework
2. Summary of Overall Budget Performance
3. Operational Revenue
  - 3.1 Revenue by Source
  - 3.2 Summary of Revenue Trends
4. Operational Expenditure
  - 4.1 Operational Expenditure by type
  - 4.2 Summary of Operational Expenditure Trends
  - 4.3 Material Variances
5. Financial Position
6. Capital Expenditure
  - 6.1 Capital Expenditure by Function/Department
  - 6.2 Summary of Capital Expenditure Trends
7. Grants Management
  - 7.1 Grants Expenditure per Category
  - 7.2 Grants Expenditure Trends
8. Debtors Management
  - 8.1 Disconnection List
9. Creditors Management
  - 9.1 Expenditure Analysis
  - 9.2 Outstanding Creditors
10. Cash Management
11. Recommendations

## **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 August 2024**

The total budget approved for the 2024-2025 financial year amounts to R585 610 million.

The total expenditure for operating activities for the month amounts to R54 644 million.

Total revenue for the month amounts to R35 620 million.

The expenditure on Capital activities for the month amounts to R11 915 million.

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

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M02 August 2024									
Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%
<b>Financial Performance</b>									
Property rates	28,764	39,050		2,064	9,866	6,508	3,358	52%	22,698
Service charges	214,487	204,272		17,753	32,404	34,045	(1,641)	-5%	189,022
Investment revenue	1,600	897		352	377	150	228	152%	1,244
Transfers and subsidies	225,307	235,098		3,601	94,558	39,183	55,375	141%	174,720
Other own revenue	27,053	106,293		12,202	16,382	17,865	(1,483)	-8%	45,296
	<b>497,211</b>	<b>585,610</b>		<b>35,620</b>	<b>153,587</b>	<b>97,751</b>	<b>55,836</b>	<b>57%</b>	<b>432,980</b>
<b>Total Revenue (excluding capital transfers and contributions)</b>									
Employee costs	156,285	174,124		13,859	27,342	29,021	(1,679)	-6%	158,403
Remuneration of Councillors	11,367	10,963		1,251	2,512	1,827	685	37%	11,339
Depreciation & asset impairment	39,856	47,541		—	—	7,924	(7,924)	-100%	34,265
Finance charges	2,110	1,800		—	125	300	(175)	-58%	1,777
Materials and bulk purchases	177,061	147,936		22,460	64,416	24,656	39,760	161%	138,162
Transfers and subsidies	12,849	5,975		469	934	996	(62)	-6%	6,073
Other expenditure	85,492	127,731		18,105	52,492	21,289	31,204	147%	78,626
	<b>485,020</b>	<b>516,070</b>		<b>56,144</b>	<b>147,821</b>	<b>86,012</b>	<b>61,809</b>	<b>72%</b>	<b>428,645</b>
<b>Surplus/(Deficit)</b>									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,354	33,559		—	8,000	5,593	2,407	0	33,559
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)	—	—	—	—	—	—	—	—	—
	<b>48,545</b>	<b>103,099</b>		<b>(20,524)</b>	<b>13,766</b>	<b>17,333</b>	<b>(3,567)</b>	<b>-21%</b>	<b>37,894</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>									
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
<b>Surplus/ (Deficit) for the year</b>	<b>48,545</b>	<b>103,099</b>		<b>(20,524)</b>	<b>13,766</b>	<b>17,333</b>	<b>(3,567)</b>	<b>-21%</b>	<b>37,894</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	37,793	44,955	94,762	11,915	16,042	16,883	(841)	-5%	—
Capital transfers recognised	32,644	33,559		7,602	10,104	5,593	4,511	81%	—
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	23,886	67,740	—	4,313	5,938	11,290	(5,352)	(0)	67,740
<b>Total sources of capital funds</b>	<b>56,530</b>	<b>101,299</b>		<b>11,915</b>	<b>16,042</b>	<b>16,883</b>	<b>(841)</b>	<b>-5%</b>	<b>67,740</b>
<b>Financial position</b>									
Total current assets	175,611	207,238	—	—	204,731				207,238
Total non current assets	682,418	719,646	—	—	697,771				719,646
Total current liabilities	291,471	168,005	—	—	261,181				168,005
Total non current liabilities	40,625	41,920	—	—	40,625				41,920
Community wealth/Equity	555,247	716,960	—	—	616,319				716,959
<b>Cash flows</b>									
Net cash from (used) operating	51,142	141,815	—	34,256	34,256	11,818	(22,438)	-190%	141,815
Net cash from (used) investing	52,270	(100,929)	—	(4,127)	(4,127)	(8,411)	(4,284)	51%	(100,929)
Net cash from (used) financing	(362)	—	—	—	—	—	—	—	—
<b>Cash/cash equivalents at the month/year end</b>	<b>94,815</b>	<b>51,296</b>	<b>33,488</b>	<b>19,396</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>									
Debtors Age 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
Total By Income Source	19,440	8,483	5,815	4,854	4,189	3,849	3,650	112,083	162,363
Creditors Age Analysis									
Total Creditors	30,061	2,360	4,869	2	18,231	—	—	—	55,523



### 3. Operational Revenue

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

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August											
Description	Ref	2023/24	Budget Year 2024/25								Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
R thousands											%
<u>Revenue By Source</u>											
Property rates		28 764	39 050	—	2 064	9 866	6 508	3 358	52%	39 050	
Service charges - electricity revenue		193 208	180 843	—	16 305	29 491	30 141	(650)	-2%	180 843	
Service charges - water revenue		—	—	—	—	—	—	—	—	—	
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—	
Service charges - refuse revenue		21 279	23 429	—	1 448	2 913	3 905	(992)	-25%	23 429	
Rental of facilities and equipment		21	616	—	2	4	103	(99)	-96%	616	
Interest earned - external investments		1 600	897	—	352	377	150	228	152%	897	
Interest earned - outstanding debtors		7 879	6 049	—	5 648	5 669	1 008	4 661	462%	6 049	
Dividends received		378	—	—	—	—	—	—	—	—	
Fines, penalties and forfeits		6 218	4 275	—	323	586	713	(147)	-21%	4 275	
Licences and permits		160	2 691	—	11	23	449	(426)	-95%	2 691	
Agency services		—	—	—	—	—	—	—	—	—	
Transfers and subsidies		225 307	235 098	—	3 601	94 558	39 183	55 375	141%	235 098	
Other revenue		11 175	92 662	—	5 866	9 743	15 444	(5 701)	-37%	92 662	
Gains		6 378	—	—	—	—	—	—	—	—	
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>502 367</b>	<b>585 610</b>	<b>—</b>	<b>35 620</b>	<b>153 210</b>	<b>97 602</b>	<b>55 608</b>	<b>0</b>	<b>585 610</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 - M02 August													2024/25 Medium			
Description	Ref	Budget Year 2024/25												Budget Year 2025/26	+1 2025/26	+2 2026/27
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Budget	2025/26	+1 2025/26	+2 2026/27									
<b>Cash Receipts By Source</b>																
Property rates		7 802	2 064	9 191	9 191	9 191	9 191	9 191	9 191	9 191	9 191	9 191	9 191	35 145	36 727	38 416
Service charges - electricity revenue		13 186	16 305	42 590	42 590	42 590	42 590	42 590	42 590	42 590	42 590	42 590	42 590	162 759	170 246	178 077
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		1 465	1 448	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	5 514	21 086	21 993	23 093
Rental of facilities and equipment		2	2	173	173	173	173	173	173	173	173	173	173	660	690	721
Interest earned - external investments		828	352	1 806	1 806	1 806	1 806	1 806	1 806	1 806	1 806	1 806	1 806	6 903	7 220	7 545
Interest earned - outstanding debtors		-	5 648	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		243	323	1 118	1 118	1 118	1 118	1 118	1 118	1 118	1 118	1 118	1 118	4 275	4 472	4 673
Licences and permits		12	11	708	708	708	708	708	708	708	708	708	708	2 708	2 833	2 960
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		90 957	3 601	59 004	59 004	59 004	59 004	59 004	59 004	59 004	59 004	59 004	59 004	235 098	237 062	235 886
Other revenue		3 072	5 866	20 880	20 880	20 880	20 880	20 880	20 880	20 880	20 880	20 880	20 880	107 800	67 607	75 150
<b>Cash Receipts by Source</b>		<b>117 567</b>	<b>35 620</b>	<b>140 984</b>	<b>576 434</b>	<b>548 850</b>	<b>566 521</b>									

## Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M02 August									
	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates		22 663	35 145	—	5 022	6 848	5 858	991	17%
Service charges		102 636	183 845	—	9 758	18 864	30 641	(11 777)	-38%
Other revenue		122 031	115 444	—	13 914	22 928	19 241	3 687	19%
Transfers and Subsidies - Operational		55 632	235 098	—	4 529	95 492	39 183	56 309	144%
Transfers and Subsidies - Capital		12 024	33 559	—	—	8 000	5 593	2 407	43%
Interest		—	6 903	—	—	—	1 151	(1 151)	-100%
Dividends		—	—	—	—	—	—	—	—
<b>Payments</b>									
Suppliers and employees		(263 844)	(461 404)	—	(71 441)	(155 610)	(76 901)	78 710	-102%
Finance charges		—	(1 800)	—	(52)	(69)	(300)	(231)	77%
Transfers and Grants		—	(4 975)	—	(469)	(934)	(829)	105	-13%
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		51 142	141 815	—	(36 739)	(4 482)	23 636	28 117	119%
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE		1 414	—	—	—	—	—	—	—
Decrease (increase) in non-current receivables		—	—	—	—	—	—	—	—
Decrease (increase) in non-current investments		2 438	—	—	—	—	—	—	—
<b>Payments</b>									
Capital assets		48 418	(100 929)	—	(11 915)	(16 042)	(16 822)	(780)	5%
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		52 270	(100 929)	—	(11 915)	(16 042)	(16 822)	(780)	5%
<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		(362)	—	—	—	—	—	—	—
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		(362)	—	—	—	—	—	—	—
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		103 050	40 886	—	(50 654)	(20 524)	6 814		40 886
Cash/cash equivalents at beginning:		12 819	12 819	—		39 920	12 819		12 819
Cash/cash equivalents at month/year end:		115 869	53 705	—		19 396	19 633		53 705
<b>References</b>									

## 4. Operational Expenditure

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

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
Description	Ref	2023/24	Budget Year 2024/25	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
		Audited Outcome								
R thousands										
<u>Expenditure By Type</u>										
Employee related costs		156 285	174 124			13 859	27 342	29 021	(1 679)	-6%
Remuneration of councillors		11 367	10 963			1 251	2 512	1 827	685	37%
Debt impairment		7 397	12 225			-	-	2 038	(2 038)	-100%
Depreciation & asset impairment		32 459	35 316			-	-	5 886	(5 886)	-100%
Finance charges		2 110	1 800			-	125	300	(175)	-58%
Bulk purchases		173 878	142 145			22 363	64 269	23 691	40 578	171%
Other materials		3 183	5 791			97	147	965	(818)	-85%
Contracted services		40 819	51 187			3 987	22 358	8 531	13 827	162%
Transfers and subsidies		12 849	5 975			469	934	996	(62)	-6%
Other expenditure		44 673	76 544			14 118	30 134	12 757	17 377	136%
Losses		-	-			-	-	-	-	-
<b>Total Expenditure</b>		<b>485 020</b>	<b>516 070</b>			<b>56 144</b>	<b>147 821</b>	<b>86 012</b>	<b>61 809</b>	<b>72%</b>
										<b>516 070</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 - M02 August															2024/25 Medium Term			
Description	Ref	Budget Year 2024/25																
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2025/26	Budget Year +1 2025/26	Budget Year +2 2026/27		
R thousands	1	Outcome	Outcome	Budget	Budget Year 2025/26	Budget Year +1 2025/26	Budget Year +2 2026/27											
<u>Cash Receipts By Source</u>																		
<u>Cash Payments by Type</u>																		
Employee related costs		13,483	13,859	45,227	45,227	45,227	45,227	45,227	45,227	45,227	45,227	45,227	45,227	174,124	180,243	188,354		
Remuneration of councillors		1,261	1,251	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	10,963	11,467	11,983		
Interest paid		–	–	450	450	450	450	450	450	450	450	450	450	1,800	1,800	1,800		
Bulk purchases - Electricity		41,906	22,363	38,379	38,379	38,379	38,379	38,379	38,379	38,379	38,379	38,379	38,379	142,145	155,696	162,703		
Acquisitions-water & other inventory		–	–	1,499	1,499	1,499	1,499	1,499	1,499	1,499	1,499	1,499	1,499	5,791	5,963	6,231		
Other materials		–	97	–	–	–	–	–	–	–	–	–	–	–	–	–		
Contracted services		18,371	3,987	14,142	14,142	14,142	14,142	14,142	14,142	14,142	14,142	14,142	14,142	51,187	60,234	58,286		
Transfers and subsidies- other municipalities		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		
Transfers and subsidies- other		465	469	915	915	915	915	915	915	915	915	915	915	4,975	3,000	3,000		
Other expenditure		13,178	2,203	19,432	19,432	19,432	19,432	19,432	19,432	19,432	19,432	19,432	19,432	76,194	76,250	80,752		
<u>Cash Payments by Type</u>		88,664	44,229	122,912	122,912	122,912	122,912	122,912	122,912	122,912	122,912	122,912	122,912	467,179	494,653	513,109		
<u>Other Cash Flows/Payments by Type</u>														–				
Capital assets		4,127	11,915	23,391	23,391	23,391	23,391	23,391	23,391	23,391	23,391	23,391	23,391	100,929	80,164	99,151		
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		
Other Cash Flows/Payments		2,647	–	275	275	275	275	275	275	275	275	275	275	1,000	1,100	1,199		
<u>Total Cash Payments by Type</u>		95,438	56,144	146,578	146,578	146,578	146,578	146,578	146,578	146,578	146,578	146,578	146,578	569,108	575,917	613,459		
<u>NET INCREASE/(DECREASE) IN CASH HELD</u>		30,129	(20,524)	4,605	4,605	4,605	4,605	4,605	4,605	4,605	4,605	4,605	4,605	40,885	14,586	239		
Cash/cash equivalents at the month/year beginning:		9,791	39,920	19,396	24,001	28,606	33,211	37,816	9,781	14,386	18,991	23,596	28,201	9,791	50,676	65,262		
Cash/cash equivalents at the month/year end:		39,920	19,396	24,001	28,606	33,211	37,816	42,421	14,386	18,991	23,596	28,201	32,806	50,676	65,262	65,501		

## 4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - M02 August				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>R thousands</b>				
<b>1</b>	<b>Revenue By Source</b>			
	Service Charges-Electricity revenue	(650)	New tariffs hikes	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(99)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(147)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licences and permits	(426)	This is due to lower registration of vehicles	Monitor this line item and ensure that the income is allocated correctly
<b>2</b>	<b>Expenditure By Type</b>			
	Employee related cost	(1 679)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	(2 038)	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	40 578	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	13 827	Appointment of new contractors	Work in progress
<b>3</b>	<b>Capital Expenditure</b>			
	Mig Projects	4 511	SCM process underway	Work in progress
	Own Funded projects	(5 352)	SCM process underway	Work in progress
<b>4</b>	<b>Financial Position</b>			
	Total assets	902 502	The municipality is still working on its improving financial	Implementation of funding Plan
	Total liabilities	301 806	The municipality is still working on its improving financial	Implementation of funding Plan
	Net assets	600 696	The municipality is still working on its improving financial	Implementation of funding Plan
<b>5</b>	<b>Cash Flow</b>			
	Cash/cash equivalents at month end	19 396	The municipality is still in financial distress not all creditors are paid in 30 days	Work in progress, monitoring and implementation of funding Plan.
<b>6</b>	<b>Measureable performance</b>			
<b>7</b>	<b>Municipal Entities</b>			
	N/A	N/A	N/A	N/A

## 5. Financial Position

LIM341 Musina - Table C6 Monthly Budget Statement -Financial Position M02 August

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		10 225	53 705	—	21 833	53 705
Trade and other receivables from exchange transactions		109 234	71 982	—	113 593	71 982
Receivables from non-exchange transactions		18 355	21 200	—	22 024	21 200
Current portion of non-current receivables		—	—	—	—	—
Inventory		24 528	25 852	—	24 554	25 852
VAT		13 219	34 499	—	22 669	34 499
Other current assets		50	—	—	58	—
<b>Total current assets</b>		<b>175 611</b>	<b>207 238</b>	—	<b>204 731</b>	<b>207 238</b>
<b>Non current assets</b>						
Investments		13 169	10 731	—	13 169	10 731
Investment property		205 010	203 449	—	205 010	203 449
Property, plant and equipment		463 770	502 015	—	479 123	502 015
Biological assets		—	—	—	—	—
Living and non-living resources		—	—	—	—	—
Heritage assets		65	65	—	65	65
Intangible assets		404	3 386	—	404	3 386
Trade and receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
<b>Total non current assets</b>		<b>682 418</b>	<b>719 646</b>	—	<b>697 771</b>	<b>719 646</b>
<b>TOTAL ASSETS</b>		<b>858 029</b>	<b>926 884</b>	—	<b>902 502</b>	<b>926 884</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		504	—	—	504	—
Financial liabilities		—	362	—	—	362
Consumer deposits		6 188	5 232	—	5 970	5 232
Trade and other payables from exchange transactions		238 725	76 933	—	205 512	76 933
Trade and other payables from non-exchange transactions		10 506	52 305	—	10 506	52 305
Provisions		30 115	2 532	—	30 612	2 532
VAT		4 936	30 641	—	8 077	30 641
Other current liabilities		497	—	—	—	—
<b>Total current liabilities</b>		<b>291 471</b>	<b>168 005</b>	—	<b>261 181</b>	<b>168 005</b>
<b>Non current liabilities</b>						
Financial liabilities		—	—	—	—	—
Provisions		26 240	41 920	—	26 240	41 920
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		14 385	—	—	14 385	—
<b>Total non current liabilities</b>		<b>40 625</b>	<b>41 920</b>	—	<b>40 625</b>	<b>41 920</b>
<b>TOTAL LIABILITIES</b>		<b>332 096</b>	<b>209 925</b>	—	<b>301 806</b>	<b>209 925</b>
<b>NET ASSETS</b>	2	<b>525 933</b>	<b>716 959</b>	—	<b>600 696</b>	<b>716 959</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		555 247	716 960	—	616 319	716 960
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>555 247</b>	<b>716 960</b>	—	<b>616 319</b>	<b>716 960</b>

## 6. Capital Expenditure

### 6.1 Capital Expenditure by Function/Department

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification)										
Vote Description	Ref	2023/24	Budget Year	Monthly	YearTD	YearTD	YTD variance	YTD variance	Full Year	Forecast
			2024/25	Original Budget	Adjusted Budget	actual	actual	budget	%	
R thousands	1		Audited Outcome							
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		4 111	27 049	–	426	426	4 508	(4 082)	-91%	27 049
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		4 111	27 049		426	426	4 508	(4 082)	-91%	27 049
Internal audit									–	–
<i>Community and public safety</i>		989	–	–	–	–	–	–	–	–
Community and social services		–	–		–	–	–	–	–	–
Sport and recreation					–	–	–	–	–	–
Public safety		989	–		–	–	–	–	–	–
Housing					–	–	–	–	–	–
Health						–	–	–	–	–
<i>Economic and environmental services</i>		30 916	45 400	–	5 381	7 883	7 567	316	4%	45 400
Planning and development		11 790	32 140		3 892	6 394	5 357	1 037	19%	32 140
Road transport		19 126	13 260		1 489	1 489	2 210	(721)	-33%	13 260
Environmental protection					–	–	–	–	–	–
<i>Trading services</i>		21 199	28 850	–	6 108	7 733	4 808	2 925	61%	28 850
Energy sources		9 873	26 200		3 887	5 512	4 367	1 145	26%	26 200
Water management		–			–	–	–	–	–	–
Waste water management		3 995			–	–	–	–	–	–
Waste management		7 331	2 650		2 221	2 221	442	1 779	403%	2 650
Other					–	–	–	–	–	–
<b>Total Capital Expenditure - Functional Classification</b>	3	57 215	101 299	–	11 915	16 042	16 883	(841)	-5%	101 299
<b>Funded by:</b>										
National Government		32 644	33 559	–	7 602	10 104	5 593	4 511	81%	33 559
Provincial Government		–			–	–	–	–	–	–
District Municipality		–			–	–	–	–	–	–
Transfers recognised - capital		33 074	33 559	–	7 602	10 104	5 593	4 511	81%	33 559
<i>Borrowing</i>	6							–	–	–
Internally generated funds		23 886	67 740	–	4 313	5 938	11 290	(5 352)	-47%	67 740
<b>Total Capital Funding</b>		56 960	101 299	–	11 915	16 042	16 883	(841)	-5%	101 299

## 7. Grants Management

### 7.1 Monthly grants cumulative expenditure performance trend Expenditure per Category

LIM341 Musina - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August									
Description	Ref	2023/24		Budget Year 2024/25		YearTD actual	YearTD budget	YTD variance	YTD variance
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual				Full Year Forecast
R thousands									%
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:		–	235 098	–	469	91 849	20 089	71 759	357.2%
Local Government Equitable Share		–	229 123	–	–	90 915	19 094	71 821	376.2%
Expanded Public Works Programme Intergrated Grant		–	1 975	–	448	896	329	566	172.1%
Infrastructure Skills Development Grant		–	1 000	–	–	–	167	(167)	-100.0%
Local Government Financial Management Grant		–	3 000	–	21	38	500	(462)	-92.4%
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>		–	235 098	–	469	91 849	20 089	71 759	357.2%
<b>Capital expenditure of Transfers and Grants</b>									
National Government:		(399)	33 559	–	7 602	10 104	5 593	5 593	100.0%
MDRG		(2 399)	–	–	–	–	–	–	33 559
MIG		2 000	33 559	–	7 602	10 104	5 593	5 593	100.0%
<b>Total capital expenditure of Transfers and Grants</b>		(399)	33 559	–	7 602	10 104	5 593	5 593	-100.0%
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		(399)	268 657	–	8 071	101 953	25 683	77 352	0
									42 534

MIG Projects 2024/2025	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 12 paved roads phase 2	4 840 340.74	1 610 921.73	–	–	–	–	–	–	–	–	–	–	–
Nancefield ext 9 & 10 paved roads and stormwater phase 3	6 000 000.00	1 191 933.76	–	–	–	–	–	–	–	–	–	–	–
Masisi Street Phase 1	9 040 709.26	1 622 138.77	–	–	–	–	–	–	–	–	–	–	–
Shakadza Access Street	6 000 000.00	1 255 282.84	–	–	–	–	–	–	–	–	–	–	–
Tshikoton Bridge	6 000 000.00	2 326 632.19	–	–	–	–	–	–	–	–	–	–	–
PMU Management fees	1 677 950.00	411 443.52	–	–	–	–	–	–	–	–	–	–	–
	33 559 000.00	8 418 352.81	–	–	–	–	–	–	–	–	–	–	–

## 7.2 Grants Expenditure Trends

The table below outlines the expenditure trend on MIG Grant:

LIM341 Musina - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August									
Month	2023/24	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	1 635	8 442	–	4 127	4 127	8 442	4 315	51.1%	4%
August	305	8 441	–	11 915	16 042	16 883	841	5.0%	16%
September	3 784	8 442	–	–		25 325	–		
October	4 882	8 441	–	–		33 766	–		
November	6 009	8 442	–	–		42 208	–		
December	3 387	8 441	–	–		50 649	–		
January	6 410	8 442	–	–		59 091	–		
February	3 966	8 442	–	–		67 533	–		
March	5 624	8 441	–	–		75 974	–		
April	1 555	8 442	–	–		84 416	–		
May	4 945	8 441	–	–		92 857	–		
June	14 707	8 442	–	–		101 299	–		
<b>Total Capital</b>	<b>57 209</b>	<b>101 299</b>	<b>–</b>	<b>16 042</b>					

## 8. Debtors Management

The age analysis of the outstanding trade debtors as at 31 August 2024 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August													
Description	NT Code	2024/25											
		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	2 836	1 446	1 311	1 313	1 028	759	688	16 791	26 172	20 579	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11 276	1 751	1 656	1 228	968	694	714	21 739	40 026	25 343	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2 048	3 365	1 061	817	780	733	699	36 844	46 347	39 873	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	582	304	282	213	193	225	207	4 903	6 909	5 741	1	
Receivables from Exchange Transactions - Waste Management	1600	1 687	797	629	514	465	704	622	12 828	18 246	15 133	1	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	136	136	136	-	
Interest on Arrear Debtor Accounts	1810	1 009	820	876	769	755	734	719	18 533	136	21 510	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	1	-	-	-	-	-	-	308	309	308	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>19 439</b>	<b>8 483</b>	<b>5 815</b>	<b>4 854</b>	<b>4 189</b>	<b>3 849</b>	<b>3 649</b>	<b>112 082</b>	<b>138 281</b>	<b>128 623</b>	<b>2</b>	<b>-</b>
<b>2022/23 - totals only</b>		<b>16707000</b>	<b>8949000</b>	<b>4661000</b>	<b>5489000</b>	<b>3632000</b>	<b>2971000</b>	<b>2820000</b>	<b>96139000</b>	<b>141 368</b>	<b>111 051</b>		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	3 278	2 357	769	826	610	593	567	25 321	34 321	27 917	-	
Commercial	2300	8 837	2 052	1 202	1 555	1 102	865	858	30 177	46 648	34 557	-	
Households	2400	7 325	4 074	3 844	2 473	2 477	2 391	2 225	56 585	81 394	66 151	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>19 440</b>	<b>8 483</b>	<b>5 815</b>	<b>4 854</b>	<b>4 189</b>	<b>3 849</b>	<b>3 650</b>	<b>112 083</b>	<b>162 363</b>	<b>128 625</b>	<b>-</b>	<b>-</b>

## 8.1 Disconnection List

DISCONNECTION LIST AUGUST 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	0	0	42	
TOTAL DISCONNECTED	16	0	2475	
PAID/RESPONDED	11	0	2685	
TOTAL NOT DISCONNECTED	74	0	1431	
AMOUNT COLLECTED-TOWN	R 1 054 556.00		R 786 547.55	
CREDIT CONTROL COLLECTION		R1 841 103.55		

## 9. Creditors Management

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

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August											Prior year totals for chart (same period)	
Description	NT Code	Budget Year 2024/25										
		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	30 061	2 360	4 869	2	18 231	-	-	-	55 523	1 354	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>30 061</b>	<b>2 360</b>	<b>4 869</b>	<b>2</b>	<b>18 231</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55 523</b>	<b>1 354</b>	

## 9.1 EXPENDITURE ANALYSIS

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

<b>MUSINA LOCAL MUNICIPALITY.</b>	
<b>EXPENDITURE ANALYSIS</b>	
<u>MONTH-END AUGUST 2024</u>	
DESCRIPTION	AMOUNT
ESKOM	22 783 757.10
TELKOM	32 278.20
SALARIES	11 657 656.19
SUNDRY CREDITORS	3 339 733.02
TRADE CREDITORS	195 105.00
SARS ( PAYE VAT )	2 561 161.55
UKUKHOMBA	706 035.60
MAHOSI	1 865 689.43
PK CONSULTANTS	768 116.70
BANK CHARGES	51 993.46
DEBIT ORDERS	1 156 669.15
PORVERTY ALLISSION WORKERS	447 801.73
LEARNERS LGSETA	56 430.00
WARD COMMITTEE MEMBERS -STIPENS	180 000.00
<b>SUB-TOTAL</b>	<b>45 802 427.13</b>
RECONSTRUCTION OF FLOOD DAMAGED ROAD NANCEFIELD EXT 2	2 454 075.60
CONSTRUCTION OF STORM WATER DRAINAGE NANCEFIELD EXT 5-SKOONPLAAS	101 519.42
DESIGN NANCEFIELD EXTENSION 9 & 10 INTERNAL STREETS	1 191 933.76
DEVELOPMENT OF MBEREGENI GRAVEYARD	409 202.89
CONSTRUCTION OF SHAKADZA MULTIPURPOSE CENTRE	956 986.88
CONSTRUCTION OF TSHIKOTONI BRIDGE PROJECT	2 326 632.19
CONSTRUCTIONS OF NANCEFIELD ROAD PHASE 6-12 PHASE 7	1 400 801.50
<b>SUB-TOTAL</b>	<b>8 841 152.24</b>
<b>TOTAL EXPENDITURE</b>	<b>54 643 579.37</b>
VDM	
TELKOM	1 146.47
ESKOM RIOOLDAMME	46 320.40
	47 466.87
	54 691 046.24

## 9.2 Outstanding Creditors

OUTSTANDING CREDITORS	Aug-24
SUPPLIERS	R6 563 730.87
MIG PROJECTS	R5 404 994.71
Own projects	R13 903 533.21
CONTRACTED SERVICES	R220 150.00
REFUNDS	R8 579.76
ESKOM	R25 535 342.70
DEPARTMENT OF TRANSPORT	R3 887 048.00
<b>TOTAL</b>	<b>R55 523 379.25</b>

## 10. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 31 August 2024.

<b>MUSINA LOCAL MUNICIPALITY</b>		
<b><u>MONTHLY REPORT</u></b>		
<b><u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u></b>		
<b><u>BANK RECONCILIATION AS 31 AUGUST 2024</u></b>		
	BALANCE AS ON 31 JULY 2024	39,919,650.58
<u>LESS:</u>	EXPENDITURE SHORTAGE ON DEPOSIT DAY CALL	54,643,579.37 - 1,500,000.00
	TOTAL EXPENDITURE	<u>56,143,579.37</u>
<u>PLUS:</u>	INCOME INCOME NOT RECEIPTED CANCELLED STALE CHEQUES DAY CALL	35,620,116.15 - - -
	TOTAL REVENUE	<u>35,620,116.15</u>
	BALANCE AS ON 31 AUGUST 2024	<b>19,396,187.36</b>
	BALANCE AS PER BANK STATEMENT	<b>19,396,187.36</b>
<u>LESS:</u>	OUTSTANDING CHEQUE	-
		<b>19,396,187.36</b>
	TRAFFIC	-
	BALANCE AS ON 31 AUGUST 2024	<b>452,896.15</b>

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

## 11. Recommendations

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