



# Monthly Budget Statement

MFMA Section 71 Report for July

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 July 2024**

The total budget approved for the 2024-2025 financial year amounts to 585 610 million.

The total expenditure for operating activities for the month amounts to R91 677 million.

Total revenue for the month amounts to R121 806 million.

The expenditure on Capital activities for the month amounts to R4127 million.

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

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M01 July 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		7,802	7,802	3,254	4,548	140%	22,698
Service charges	214,487	204,272		14,651	14,651	17,023	(2,372)	-14%	189,022
Investment revenue	1,600	897		25	25	75	(50)	-67%	1,244
Transfers and subsidies	225,307	235,098		90,957	90,957	19,592	71,366	364%	174,720
Other own revenue	27,053	106,293		4,182	4,182	8,933	(4,751)	-53%	45,296
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>497,211</b>	<b>585,610</b>	<b>-</b>	<b>117,617</b>	<b>117,617</b>	<b>48,876</b>	<b>68,741</b>	<b>141%</b>	<b>432,980</b>
Employee costs	156,285	174,124		13,483	13,483	14,510	(1,027)	-7%	158,403
Remuneration of Councillors	11,367	10,963		1,261	1,261	914	347	38%	11,339
Depreciation & asset impairment	39,856	47,541		-	-	3,962	(3,962)	-100%	34,265
Finance charges	2,110	1,800		125	125	150	(25)	-17%	1,777
Materials and bulk purchases	177,061	147,936		41,956	41,956	12,328	29,628	240%	138,162
Transfers and subsidies	12,849	5,975		465	465	498	(33)	-7%	6,073
Other expenditure	85,492	127,731		34,387	34,387	10,644	23,743	223%	78,626
<b>Total Expenditure</b>	<b>485,020</b>	<b>516,070</b>	<b>-</b>	<b>91,677</b>	<b>91,677</b>	<b>43,006</b>	<b>48,671</b>	<b>113%</b>	<b>428,645</b>
<b>Surplus/(Deficit)</b>	<b>12,191</b>	<b>69,540</b>	<b>-</b>	<b>25,940</b>	<b>25,940</b>	<b>5,870</b>	<b>20,070</b>	<b>342%</b>	<b>4,335</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	42,307	33,559	-	8,000	8,000	2,797	5,203	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)	4,363	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>58,861</b>	<b>103,099</b>	<b>-</b>	<b>33,940</b>	<b>33,940</b>	<b>8,666</b>	<b>25,274</b>	<b>292%</b>	<b>37,894</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>58,861</b>	<b>103,099</b>	<b>-</b>	<b>33,940</b>	<b>33,940</b>	<b>8,666</b>	<b>25,274</b>	<b>292%</b>	<b>37,894</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>4,127</b>	<b>4,127</b>	<b>8,441</b>	<b>(4,314)</b>	<b>-51%</b>	<b>-</b>
Capital transfers recognised	32,644	33,559		2,502	2,502	2,797	(295)	-11%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	23,886	67,740	-	1,625	1,625	5,645	(4,020)	(0)	67,740
<b>Total sources of capital funds</b>	<b>56,530</b>	<b>101,299</b>	<b>-</b>	<b>4,127</b>	<b>4,127</b>	<b>8,442</b>	<b>(4,315)</b>	<b>-51%</b>	<b>67,740</b>
<b>Financial position</b>									
Total current assets	175,611	207,238	-		215,785				207,238
Total non current assets	682,418	719,646	-		686,545				719,646
Total current liabilities	291,471	168,005	-		249,976				168,005
Total non current liabilities	40,625	41,920	-		40,625				41,920
Community wealth/Equity	555,247	716,960	-		611,808				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>115,869</b>	<b>53,705</b>	<b>-</b>	<b>-</b>	<b>39,920</b>	<b>16,226</b>	<b>-</b>	<b>-</b>	<b>53,705</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	21,690	7,113	5,351	4,603	4,149	3,849	3,574	110,155	160,484
<b>Creditors Age Analysis</b>									
Total Creditors	23,033	5,441	-	61	-	-	14	21,994	50,543

### 3. Operational Revenue

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

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
Description	Ref	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>Revenue By Source</b>										
Property rates		28 764	39 050	–	7 802	7 802	3 254	4 548	140%	39 050
Service charges - electricity revenue		193 208	180 843	–	13 186	13 186	15 070	(1 884)	-13%	180 843
Service charges - water revenue		–	–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–	–		–
Service charges - refuse revenue		21 279	23 429	–	1 465	1 465	1 952	(487)	-25%	23 429
Rental of facilities and equipment		21	616	–	2	2	51	(49)	-96%	616
Interest earned - external investments		1 600	897	–	25	25	75	(50)	-67%	897
Interest earned - outstanding debtors		7 879	6 049	–	828	828	504	324	64%	6 049
Dividends received		378	–	–	–	–	–	–		–
Fines, penalties and forfeits		6 218	4 275	–	243	243	356	(113)	-32%	4 275
Licences and permits		160	2 691	–	12	12	224	(212)	-95%	2 691
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		225 307	235 098	–	90 957	90 957	19 592	71 366	364%	235 098
Other revenue		11 175	92 662	–	3 072	3 072	7 722	(4 650)	-60%	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>117 592</b>	<b>117 592</b>	<b>48 801</b>	<b>68 791</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 - M01 July																
Description	Ref	Budget Year 2024/25												2024/25 Medium Budget Year 2025/26	Budget Year +1 2025/26	Budget Year +2 2026/27
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		7 802	9 191	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	42 590	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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		2	173	173	173	173	173	173	173	173	173	173	173	660	690	721
Interest earned - external investments		828	1 806	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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		243	1 118	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	708	708	708	708	708	708	708	708	708	708	708	2 708	2 833	2 960
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Subsidies - Operational		90 957	59 004	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	26 394	26 394	26 394	26 394	26 394	26 394	26 394	26 394	26 394	26 394	26 394	128 886	89 600	98 243
Cash Receipts by Source		117 567	140 984	140 984	140 984	140 984	140 984	140 984	140 984	140 984	140 984	140 984	140 984	576 434	548 850	566 521

## Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M01 July										
Description	Ref	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	1								%	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		22 663	35 145		1 825	1 825	2 929	(1 104)	-38%	35 145
Service charges		102 636	183 845		9 106	9 106	15 320	(6 214)	-41%	183 845
Other revenue		122 031	115 444		9 014	9 014	9 620	(606)	-6%	115 444
Transfers and Subsidies - Operational		55 632	235 098		90 963	90 963	19 592	71 372	364%	235 098
Transfers and Subsidies - Capital		12 024	33 559		8 000	8 000	2 797	5 203	186%	33 559
Interest		-	6 903		-	-	575	(575)	-100%	6 903
Dividends		-	-		-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(263 844)	(461 404)		(84 170)	(84 170)	(38 450)	45 719	-119%	(461 404)
Finance charges		-	(1 800)		(17)	(17)	(150)	(133)	88%	(1 800)
Transfers and Grants		-	(4 975)		(465)	(465)	(415)	50	-12%	(4 975)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>51 142</b>	<b>141 815</b>	<b>-</b>	<b>34 256</b>	<b>34 256</b>	<b>11 818</b>	<b>(22 438)</b>	<b>-190%</b>	<b>141 815</b>
<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)		(4 127)	(4 127)	(8 411)	(4 284)	51%	(100 929)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>52 270</b>	<b>(100 929)</b>	<b>-</b>	<b>(4 127)</b>	<b>(4 127)</b>	<b>(8 411)</b>	<b>(4 284)</b>	<b>51%</b>	<b>(100 929)</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		(362)	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(362)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>103 050</b>	<b>40 886</b>	<b>-</b>	<b>30 129</b>	<b>30 129</b>	<b>3 407</b>			<b>40 886</b>
Cash/cash equivalents at beginning:		12 819	12 819	-		9 791	12 819			12 819
Cash/cash equivalents at month/year end:		115 869	53 705	-		39 920	16 226			53 705
<u>References</u>										



#### 4. Operational Expenditure

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

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July										
Description	Ref	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									%	
Employee related costs		156 285	174 124		13 483	13 483	14 510	(1 027)	-7%	174 124
Remuneration of councillors		11 367	10 963		1 261	1 261	914	347	38%	10 963
Debt impairment		7 397	12 225		-	-	1 019	(1 019)	-100%	12 225
Depreciation & asset impairment		32 459	35 316		-	-	2 943	(2 943)	-100%	35 316
Finance charges		2 110	1 800		125	125	150	(25)	-17%	1 800
Bulk purchases		173 878	142 145		41 906	41 906	11 845	30 060	254%	142 145
Other materials		3 183	5 791		50	50	483	(433)	-90%	5 791
Contracted services		40 819	51 187		18 371	18 371	4 266	14 105	331%	51 187
Transfers and subsidies		12 849	5 975		465	465	498	(33)	-7%	5 975
Other expenditure		44 673	76 544		16 016	16 016	6 379	9 637	151%	76 544
Losses		-	-				-	-		-
<b>Total Expenditure</b>		<b>485 020</b>	<b>516 070</b>	<b>-</b>	<b>91 677</b>	<b>91 677</b>	<b>43 006</b>	<b>48 671</b>	<b>113%</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 - M01 July																
Description	Ref	Budget Year 2024/25												2024/25 Medium Budget Year 2025/26	Budget Year +1 2025/26	Budget Year +2 2026/27
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
													-			
Cash Payments by Type													-			
Employee related costs		13 483	45 227	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	2 868	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	450	1 800	1 800	1 800
Bulk purchases - Electricity		41 906	38 379	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
Bulk purchases - Water & Sewer			1 499	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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		18 371	14 142	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
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		465	915	915	915	915	915	915	915	915	915	915	915	4 975	3 000	3 000
General expenses		15 825	19 433	19 433	19 433	19 433	19 433	19 433	19 433	19 433	19 433	19 433	19 433	76 194	76 249	80 751
Cash Payments by Type		91 311	122 913	122 913	122 913	122 913	122 913	122 913	122 913	122 913	122 913	122 913	122 913	467 179	494 652	513 108
													-			

## 4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - M01 July				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
1	<b>Revenue By Source</b>			
	Service Charges-Electricity revenue	(1 884)	New tariffs hikes	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(49)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(113)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licence and permits	(212)	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	(1 027)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	(3 962)	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	30 060	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	14 105	Appointment of new contractors	Work in progress
3	<b>Capital Expenditure</b>			
	Mig Projects	(295)	SCM process underway	Work in progress
	Own Funded projects	(4 020)	SCM process underway	Work in progress
4	<b>Financial Position</b>			
	Total assets	902 329	The municipality is still working on its improving financial	Implementation of fundind Plan
	Total liabilities	290 601	The municipality is still working on its improving financial	Implementation of fundind Plan
	Net assets	611 729	The municipality is still working on its improving financial	Implementation of fundind Plan
5	<b>Cash Flow</b>			
	Cash/cash equivalents at month end	39 920	The municipality is still in financial distress not all creditors are paid in 30 days	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. Financial Position

LIM341 Musina - Table C6 Monthly Budget Statement - Financial Position - M01 July						
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	–	40 235	53 705
Trade and other receivables from exchange transactions		109 234	71 982	–	109 227	71 982
Receivables from non-exchange transactions		18 355	21 200	–	24 648	21 200
Current portion of non-current receivables		–	–	–	–	–
Inventory		24 528	25 852	–	24 480	25 852
VAT		13 219	34 499	–	17 145	34 499
Other current assets		50	–	–	50	–
<b>Total current assets</b>		<b>175 611</b>	<b>207 238</b>	<b>–</b>	<b>215 785</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	–	467 897	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>–</b>	<b>686 545</b>	<b>719 646</b>
<b>TOTAL ASSETS</b>		<b>858 029</b>	<b>926 884</b>	<b>–</b>	<b>902 330</b>	<b>926 884</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		504	–	–	504	–
<b>Financial liabilities</b>		–	362	–	–	362
<b>Consumer deposits</b>		6 188	5 232	–	5 974	5 232
Trade and other payables from exchange transactions		238 725	76 933	–	197 432	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	–	4 948	30 641
Other current liabilities		497	–	–	–	–
<b>Total current liabilities</b>		<b>291 471</b>	<b>168 005</b>	<b>–</b>	<b>249 976</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>–</b>	<b>40 625</b>	<b>41 920</b>
<b>TOTAL LIABILITIES</b>		<b>332 096</b>	<b>209 925</b>	<b>–</b>	<b>290 601</b>	<b>209 925</b>
<b>NET ASSETS</b>	2	<b>525 933</b>	<b>716 959</b>	<b>–</b>	<b>611 729</b>	<b>716 959</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		555 247	716 960	–	611 729	716 960
Reserves and funds		–	–	–	–	–
Other		–	–	–	79	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>555 247</b>	<b>716 960</b>	<b>–</b>	<b>611 808</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 classif										
Vote Description	Ref	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	1								%	
<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		4 111	27 049	-	-	-	2 254	(2 254)	-100%	27 049
Executive and council		-	-	-	-	-	-	-		
Finance and administration		4 111	27 049		-	-	2 254	(2 254)	-100%	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	-	2 502	2 502	3 783	(1 281)	-34%	45 400
Planning and development		11 790	32 140		2 502	2 502	2 678	(176)	-7%	32 140
Road transport		19 126	13 260		-	-	1 105	(1 105)	-100%	13 260
Environmental protection								-		
<i>Trading services</i>		21 199	28 850	-	1 625	1 625	2 404	(779)	-32%	28 850
Energy sources		9 873	26 200		1 625	1 625	2 183	(558)	-26%	26 200
Water management		-					-	-		
Waste water management		3 995			-	-	-	-		
Waste management		7 331	2 650		-	-	221	(221)	-100%	2 650
<i>Other</i>								-		
<b>Total Capital Expenditure - Functional Classification</b>	3	57 215	101 299	-	4 127	4 127	8 441	(4 314)	-51%	101 299
<b>Funded by:</b>										
National Government		32 644	33 559	-	2 502	2 502	2 797	(295)	-11%	33 559
Provincial Government		-						-		
District Municipality		-						-		
<b>Transfers recognised - capital</b>		33 074	33 559	-	2 502	2 502	2 797	(295)	-11%	33 559
<b>Borrowing</b>	6							-		
<b>Internally generated funds</b>		23 886	67 740	-	1 625	1 625	5 645	(4 020)	-71%	67 740
<b>Total Capital Funding</b>		56 960	101 299	-	4 127	4 127	8 442	(4 315)	-51%	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 - M01 July										
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</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	235 098	-	91 380	91 380	19 592	71 788	366.4%	235 098
Local Government Equitable Share		-	229 123	-	90 915	90 915	19 094	71 821	376.2%	229 123
Finance Management		-	3 000	-	17	17	250	(233)	-93.1%	3 000
EPWP Incentive		-	1 975	-	448	448	165	283	172.1%	1 975
Infrastructure Skills Development Grant		-	1 000	-			83	(83)	-100.0%	1 000
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total operating expenditure of Transfers and Grants:		-	235 098	-	91 380	91 380	19 592	71 788	366.4%	235 098
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	34 036	-	-	2 502	2 836	(334)	-11.8%	34 036
MIG		-	34 036	-	2 502	2 502	2 836	(334)	-11.8%	34 036
MDRG		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	34 036	-	-		2 836	(334)	-11.8%	34 036
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	269 134	-	91 380	91 380	22 428	71 454	318.6%	269 134

## 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 - M01 July									
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								%	
Monthly expenditure performance trend									
July	1 635	8 442	-	4 127	4 127	8 442	4 315	51.1%	4%
August	305	8 441	-	-		16 883	-		
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	14 714	8 442	-	-		101 299	-		
Total Capital	57 216	101 299	-	4 127					

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												
Nancefield ext 9 & 10 paved roads and stormwater phase	6,000,000.00												
Masisi Street Phase 1	9,040,709.26												
Shakadza Access Street	6,000,000.00												
Tshikotoni Bridge	6,000,000.00												
PMU Management fees	1,677,950.00	-		-	-	-	-	-	-	-	-	-	-
	33,559,000.00	-	-	-	-	-	-	-	-	-	-	-	-

## 8. Debtors Management

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

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July													
Description		2024/25											
	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													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2 929	1 727	1 460	1 138	847	751	612	16 540	26 004	19 888	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	8 030	2 107	1 373	1 101	750	734	743	21 242	36 080	24 570	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	7 602	1 251	915	861	787	740	717	36 405	49 278	39 510	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	568	335	237	216	247	223	201	4 874	6 901	5 761	1	-
Receivables from Exchange Transactions - Waste Management	1600	1 605	810	590	524	773	674	601	12 695	18 272	15 267	1	-
Receivables from Exchange Transactions - Property Rental Debtors	1700											-	-
Interest on Arrear Debtor Accounts	1810	956	883	776	763	744	727	700	18 090	136	21 024	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	1	-	-	309	310	310	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>21 690</b>	<b>7 113</b>	<b>5 351</b>	<b>4 603</b>	<b>4 149</b>	<b>3 849</b>	<b>3 574</b>	<b>110 155</b>	<b>136 981</b>	<b>126 330</b>	<b>2</b>	<b>-</b>
<b>2022/23 - totals only</b>		<b>19583000</b>	<b>5902000</b>	<b>6247000</b>	<b>4170000</b>	<b>3379000</b>	<b>3145000</b>	<b>3021000</b>	<b>96508000</b>	<b>141 955</b>	<b>110 223</b>		
Debtors Age Analysis By Customer Group													
Organs of State	2200	4 481	940	873	659	585	593	572	25 023	33 726	27 432	-	-
Commercial	2300	7 841	1 595	1 644	1 169	949	865	802	29 512	44 377	33 297	-	-
Households	2400	9 368	4 578	2 833	2 775	2 615	2 391	2 199	55 756	82 515	65 736	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>21 690</b>	<b>7 113</b>	<b>5 350</b>	<b>4 603</b>	<b>4 149</b>	<b>3 849</b>	<b>3 573</b>	<b>110 291</b>	<b>160 618</b>	<b>126 463</b>	<b>-</b>	<b>-</b>



## 8.1 Disconnection List

DISCONNECTION LIST JULY 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
BUILEGEBIED	3		0
DISCONNECTIONS	90	4	3948
ARRANGEMENTS	0	0	0
TOTAL DISCONNECTED	0	0	3365
PAID/RESPONDED	0	0	2685
TOTAL NOT DISCONNECTED	90	0	583
AMOUNT COLLECTED-TOWN	R 0.00		R 568 356.22
CREDIT CONTROL COLLECTION		R568 356.22	

## 9. Creditors Management

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

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July											
Description	NT Code	Budget Year 2024/25									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	22 599				-				22 599	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	434	5 441	-	60	-		14	21 994	27 943	740
Auditor General	0800				1					1	
Other	0900									-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>23 033</b>	<b>5 441</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>21 994</b>	<b>50 543</b>	<b>740</b>

## 9.1 EXPENDITURE ANALYSIS

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

<b>MUSINA LOCAL MUNICIPALITY.</b>	
<b>EXPENDITURE ANALYSIS</b>	
<b>MONTH-END JULY 2024</b>	
<b>DESCRIPTION</b>	<b>AMOUNT</b>
ESKOM	41 905 874.75
TELKOM	32 725.70
SALARIES	13 826 801.55
SUNDRY CREDITORS	6 164 853.65
TRADE CREDITORS	7 137 391.48
SARS ( PAYE VAT )	2 646 133.27
UKUKHOMBA	1 486 172.60
MAHOSI	1 865 689.43
MUNSOFT	4 062 341.02
BANK CHARGES	17 410.38
DEBIT ORDERS	890 865.64
PORVERTY ALLIVATION WORKERS	447 801.74
LEARNERS LGSETA	56 430.00
WARD COMMITTEE MEMBERS -STIPENS	180 000.00
<b>SUB-TOTAL</b>	<b>80 720 491.21</b>
CONSTRUCTION OF NANCEFIELD EXT 9 & 10 PAVED ROAD AND STORM WATER	144 516.40
DESIGN & CONSTRUCTION OF RHINO RIDGE	1 600 000.00
RECONSTRUCTION OF DAMAGED STORM WATER NANCEFIELD EXT 8	241 822.50
RECONSTRUCTION OF DAMAGED STORM WATER NANCEFIELD EXT 2	640 799.55
CONSTRUCTION OF SHAKADZA ACCESS STREET	1 255 282.84
INSTALLATION OF ELECTRICAL INFRASTRUCTURE	588 480.30
CONSTRUCTION OF MASISI PAVED STREETS	1 622 138.77
CONSTRUCTION OF ENHANCING SECURITY FEATURE	1 280 394.84
CONSTRUCTION OF NANCEFIELD PAVED ROAD PHASE 6-12	2 284 879.56
CONSTRUCTION OF TSHIKHUDINI COMMUNITY HALL	36 000.00
CONSTRUCTION OF SHAKADZA MULTI PURPOSE CENTRE	1 262 146.85
<b>SUB-TOTAL</b>	<b>10 956 461.61</b>
<b>TOTAL EXPENDITURE</b>	<b>91 676 952.82</b>
VDM	
TELKOM	1 166.49
ESKOM RIOOLDAMME	28 324.00
	29 490.49
	91 706 443.31

## 9.2 Outstanding Creditors

<b>OUTSTANDING CREDITORS</b>	<b>Jul-24</b>
SUPPLIERS	R6 113 994.58
MIG PROJECTS	R56 453.60
Own projects	R13 743 314.27
CONTRACTED SERVICES	R220 150.00
REFUNDS	R8 579.76
ESKOM	R22 723 471.18
DEPARTMENT OF TRANSPORT	R7 676 941.60
<b>TOTAL</b>	<b>R50 542 904.99</b>

## 10. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 31 July 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 JULY 2024</u></b>			
BALANCE AS ON 30 JUNE 2024			<b>9,790,536.05</b>
<b><u>LESS:</u></b>	EXPENDITURE	91,676,952.82	
	SHORTAGE ON DEPOSIT	-	
	DAY CALL	-	
	TOTAL EXPENDITURE	<u>91,676,952.82</u>	
<b><u>PLUS:</u></b>	INCOME	121,806,067.35	
	INCOME NOT RECEIPTED	-	
	CANCELLED STALE CHEQUES	-	
	DAY CALL	-	
	TOTAL REVENUE	<u>121,806,067.35</u>	
	BALANCE AS ON 31 JULY 2024		<b>39,919,650.58</b>
BALANCE AS PER BANK STATEMENT			<b>39,919,650.58</b>
<b><u>LESS:</u></b>	OUTSTANDING CHEQUE		-
			<b>39,919,650.58</b>
TRAFFIC			-
	BALANCE AS ON 31 JULY 2024		<b>450,638.02</b>

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

## 11. Recommendations

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