



Monthly Budget Statement

MFMA Section 71 Report for October
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
 - 3.3 Cash Flow
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 October 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 R26 229 million.

Total revenue for the month amounts to R27 278 million.

The expenditure on Capital activities for the month amounts to R593 thousands.

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

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M04 October 2024									
Description	2023/24	Budget Year 2024/25		Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
	Audited Outcome	Original Budget	%						
R thousands									
Financial Performance									
Property rates	28,764	39,050			2,138	14,207	13,017	1,190	9%
Service charges	214,487	204,272			18,036	67,980	68,091	(111)	-0%
Investment revenue	1,600	897			68	593	299	294	98%
Transfers and subsidies	225,307	235,098			392	95,737	78,366	17,371	22%
Other own revenue	27,053	106,293			6,712	26,423	35,730	(9,307)	-26%
	497,211	585,610		-	27,346	204,940	195,502	9,438	5%
Total Revenue (excluding capital transfers and contributions)									432,980
Employee costs	156,285	174,124			14,818	57,153	58,041	(888)	-2%
Remuneration of Councillors	11,367	10,963			1,278	5,057	3,654	1,403	38%
Depreciation & asset impairment	39,856	47,541			—	—	15,847	(15,847)	-100%
Finance charges	2,110	1,800			—	125	600	(475)	-79%
Materials and bulk purchases	177,061	147,936			343	61,341	49,312	12,029	24%
Transfers and subsidies	12,849	5,975			701	2,924	1,992	932	47%
Other expenditure	85,492	127,731			9,089	27,008	42,577	(15,569)	-37%
Total Expenditure	485,020	516,070		-	26,229	153,608	172,023	(18,415)	-11%
Surplus/(Deficit)	12,191	69,540		-	1,117	51,332	23,479	27,853	119%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,354	33,559		-	12,941	23,500	11,186	12,314	0
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)	-	-		-	-	-	-	-	-
	48,545	103,099		-	14,058	74,832	34,665	40,167	116%
Surplus/(Deficit) after capital transfers & contributions									37,894
Share of surplus/ (deficit) of associate	-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year	48,545	103,099		-	14,058	74,832	34,665	40,167	116%
Capital expenditure & funds sources									
Capital expenditure	37,793	44,955		94,762	593	18,029	33,766	(15,737)	-47%
Capital transfers recognised	32,644	33,559			487	11,700	11,186	514	5%
Borrowing	-	-		-	-	-	-	-	-
Internally generated funds	23,886	67,740		-	106	6,330	22,580	(16,250)	(0)
Total sources of capital funds	56,530	101,299		-	593	18,030	33,766	(15,736)	-47%
Financial position									
Total current assets	175,611	207,238		-		186,857			207,238
Total non current assets	682,418	719,646		-		701,259			719,646
Total current liabilities	291,471	168,005		-		248,486			168,005
Total non current liabilities	40,625	41,920		-		40,625			41,920
Community wealth/Equity	555,247	716,960		-		599,005			716,959
Cash flows									
Net cash from (used) operating	51,142	141,815		-	34,256	34,256	11,818	(22,438)	-190%
Net cash from (used) investing	52,270	(100,929)		-	(4,127)	(4,127)	(8,411)	(4,284)	51%
Net cash from (used) financing	(362)	-		-	-	-	-	-	-
Cash/cash equivalents at the month/year end	94,815	51,296		33,488	19,396	(29,786)	66,600	99,386	145%
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Ds	151-180 Ds	181 Ds-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	17,984	6,239	5,264	5,705	4,532	3,908	3,294	103,578	150,504
Creditors Age Analysis									
Total Creditors	17,597	17,132	854	508	19,649	-	-	-	55,741

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as at 31 October 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October										
Description	Ref	2023/24	Budget Year 2024/25		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands									%	
Revenue By Source										
Property rates		28,764	39,050	-	2,138	14,207	13,017	1,190	9%	39,050
Service charges - electricity revenue		193,208	180,843	-	16,584	62,163	60,281	1,882	3%	180,843
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		21,279	23,429	-	1,452	5,817	7,810	(1,993)	-26%	23,429
Rental of facilities and equipment		21	616	-	1	6	205	(199)	-97%	616
Interest earned - external investments		1,600	897	-	68	593	299	294	98%	897
Interest earned - outstanding debtors		7,879	6,049	-	2,264	7,986	2,016	5,970	296%	6,049
Dividends received		378	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		6,218	4,275	-	286	1,163	1,425	(262)	-18%	4,275
Licences and permits		160	2,691	-	27	87	897	(810)	-90%	2,691
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		225,307	235,098	-	392	95,737	78,366	17,371	22%	235,098
Other revenue		11,175	92,662	-	4,066	16,588	30,887	(14,299)	-46%	92,662
Gains		6,378	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		502,367	585,610	-	27,278	204,347	195,203	9,144	0	585,610

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 - M04 October														2024/25 Medium Term				
Description	Ref	Budget Year 2024/25														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	Outcome	Outcome	Outcome	Budget												
Cash Receipts By Source																		
Property rates		7,802	2,064	2,203	2,512	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	16,088	16,584	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	1,452	1,622	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	1	1	173	173	173	173	173	173	173	173		660	690	721	
Interest earned - external investments		828	352	148	68	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	53	2,264	-	-	-	-	-	-	-	-		-	-	-	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	
Fines, penalties and forfeits		243	323	311	286	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	37	27	708	708	708	708	708	708	708	708		2,708	2,833	2,960	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	
Transfers and Subsidies - Operational		90,957	3,601	787	(300)	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	17,880	4,066	20,880	20,880	20,880	20,880	20,880	20,880	20,880	20,880		107,800	67,607	75,150	
Cash Receipts by Source		117,567	35,620	38,960	27,130	140,984		576,434	548,850	566,521								

3.3 Cash flow Statement

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M04 October										
	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								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		22,663	35,145	–	2,512	10,861	11,715	(854)	-7%	35,145
Service charges		102,636	183,845	–	11,658	50,074	61,282	(11,208)	-18%	183,845
Other revenue		122,031	115,444	–	11,150	42,797	38,481	4,316	11%	115,444
Transfers and Subsidies - Operational		55,632	235,098	–	(300)	96,341	78,366	17,975	23%	235,098
Transfers and Subsidies - Capital		12,024	33,559	–	12,941	23,500	11,186	12,314	110%	33,559
Interest		–	6,903	–	–	–	2,301	(2,301)	-100%	6,903
Dividends		–	–	–	–	–	–	–	–	–
Payments										
Suppliers and employees		(263,844)	(461,404)	–	(24,876)	(211,365)	(153,801)	57,563	-37%	(461,404)
Finance charges		–	(1,800)	–	(58)	(191)	(600)	(409)	68%	(1,800)
Transfers and Grants		–	(4,975)	–	(701)	(2,924)	(1,658)	1,266	-76%	(4,975)
NET CASH FROM/(USED) OPERATING ACTIVITIES		51,142	141,815	–	12,326	9,094	47,272	38,178	81%	141,815
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,414	–	–	–	5	–	5	#DIV/0!	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		2,438	–	–	–	1,500	–	1,500	#DIV/0!	–
Payments										
Capital assets		48,418	(100,929)	–	(594)	(18,030)	(33,643)	(15,613)	46%	(100,929)
NET CASH FROM/(USED) INVESTING ACTIVITIES		52,270	(100,929)	–	(594)	(16,525)	(33,643)	(17,118)	51%	(100,929)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	–	–
Payments										
Repayment of borrowing		(362)	–	–	–	–	–	–	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(362)	–	–	–	–	–	–	–	–
NET INCREASE/ (DECREASE) IN CASH HELD		103,050	40,886	–	11,732	(7,431)	13,629			40,886
Cash/cash equivalents at beginning:		12,819	12,819	–		17,391		12,819		12,819
Cash/cash equivalents at month/year end:		115,869	53,705	–		9,960	26,448			53,705

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as at 31 October 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October											
Description	Ref	2023/24	Budget Year 2024/25	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
		Audited Outcome	%								
R thousands											
<u>Expenditure By Type</u>											
Employee related costs		156,285	174,124			14,818	57,153	58,041	(888)	-2%	174,124
Remuneration of councillors		11,367	10,963			1,278	5,057	3,654	1,403	38%	10,963
Debt impairment		7,397	12,225			–	–	4,075	(4,075)	-100%	12,225
Depreciation & asset impairment		32,459	35,316			–	–	11,772	(11,772)	-100%	35,316
Finance charges		2,110	1,800			–	125	600	(475)	-79%	1,800
Bulk purchases		173,878	142,145			138	60,856	47,382	13,474	28%	142,145
Other materials		3,183	5,791			205	485	1,930	(1,445)	-75%	5,791
Contracted services		40,819	51,187			3,560	13,810	17,062	(3,252)	-19%	51,187
Transfers and subsidies		12,849	5,975			701	2,924	1,992	932	47%	5,975
Other expenditure		44,673	76,544			5,529	13,198	25,515	(12,317)	-48%	76,544
Losses		–	–					–	–		–
Total Expenditure		485,020	516,070		–	26,229	153,608	172,023	(18,415)	-11%	516,070

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 - M04 October														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	Outcome	Outcome	Budget												
Cash Payments by Type																		
Employee related costs		13,483	13,859	14,993	14,818	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	1,267	1,278	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	10,963	11,467	11,983		
Interest paid		125	–		450	450	450	450	450	450	450	450	450	1,800	1,800	1,800		
Bulk purchases - Electricity		41,906	22,363	18,573	138	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		51	97	132	205	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	3,987	4,849	3,560	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	1,289	701	915	915	915	915	915	915	915	915	4,975	3,000	3,000		
Other expenditure		13,002	1,442	2,530	24,712	19,432	19,432	19,432	19,432	19,432	19,432	19,432	19,432	76,194	76,250	80,752		
Cash Payments by Type		88,664	43,468	43,633	45,412	122,912	467,179	494,653	513,109									
Other Cash Flows/Payments by Type																		
Capital assets		4,127	11,915	1,394	593	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	761	1	1,497	275	275	275	275	275	275	275	275	1,000	1,100	1,199		
Total Cash Payments by Type		95,438	56,144	45,028	47,502	146,578	569,108	575,917	613,459									
NET INCREASE/(DECREASE) IN CASH HELD																		
Cash/cash equivalents at the month/year beginning:		30,129	(20,524)	(2,004)	(7,431)	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 end:		9,791	39,920	19,396	17,391	9,960	14,565	19,170	9,781	14,386	18,991	23,596	28,201	9,791	50,676	65,262		
		39,920	19,396	17,391	9,960	14,565	19,170	23,775	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 - M04 October				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue By Source			
	Service Charges-Electricity revenue	1,882	New tariffs hikes	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(200)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(263)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licences and permits	(812)	This is due to lower registration of vehicles	Monitor this line item and ensure that the income is allocated correctly
2	Expenditure By Type			
	Employee related cost	(888)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	(4,075)	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	13,475	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	(3,252)	Appointment of new contractors	Work in progress
3	Capital Expenditure			
	Mig Projects	11,700	SCM process underway	Work in progress
	Own Funded projects	6,330	SCM process underway	Work in progress
4	Financial Position			
	Total assets	888,115	The municipality is still working on its improving financial status	Implementation of funding Plan
	Total liabilities	248,486	The municipality is still working on its improving financial status	Implementation of funding Plan
	Net assets	599,005	The municipality is still working on its improving financial status	Implementation of funding Plan
5	Cash Flow			
	Cash/cash equivalents at month end	9,960	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	Measureable performance			
7	Municipal Entities	,	N/A	N/A
	N/A			

5. Financial Position

LIM341 Musina - Table C6 Monthly Budget Statement -Financial Position M04 October						
Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		10,225	53,705	—	11,034	53,705
Trade and other receivables from exchange transactions		109,234	71,982	—	100,288	71,982
Receivables from non-exchange transactions		18,355	21,200	—	22,971	21,200
Current portion of non-current receivables		—	—	—	—	—
Inventory		24,528	25,852	—	24,796	25,852
VAT		13,219	34,499	—	27,711	34,499
Other current assets		50	—	—	57	—
Total current assets		175,611	207,238	—	186,857	207,238
Non current assets						
Investments		13,169	10,731	—	14,669	10,731
Investment property		205,010	203,449	—	205,010	203,449
Property, plant and equipment		463,770	502,015	—	481,111	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		—	—	—	—	—
Total non current assets		682,418	719,646	—	701,259	719,646
TOTAL ASSETS		858,029	926,884	—	888,116	926,884
LIABILITIES						
Current liabilities						
Bank overdraft		504	—	—	—	—
Financial liabilities		—	362	—	—	362
Consumer deposits		6,188	5,232	—	5,993	5,232
Trade and other payables from exchange transactions		238,725	76,933	—	188,584	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	—	12,791	30,641
Other current liabilities		497	—	—	—	—
Total current liabilities		291,471	168,005	—	248,486	168,005
Non current liabilities						
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	—
Total non current liabilities		40,625	41,920	—	40,625	41,920
TOTAL LIABILITIES		332,096	209,925	—	289,111	209,925
NET ASSETS	2	525,933	716,959	—	599,005	716,959
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		555,247	716,960	—	599,005	716,960
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	555,247	716,960	—	599,005	716,960

6. Capital Expenditure

6.1 Capital Expenditure by Function/Department

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification a)										
Vote Description	Ref	2023/24	Budget Year	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
			2024/25							
R thousands	1									%
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		4,111	27,049	—	—	—	441	9,016	(8,575)	-95%
Executive and council		—	—	—	—	—	—	—	—	—
Finance and administration		4,111	27,049	—	—	—	441	9,016	(8,575)	-95%
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	—	487	9,204	15,133	(5,929)	-39%	45,400
Planning and development		11,790	32,140	—	487	7,715	10,713	(2,998)	-28%	32,140
Road transport		19,126	13,260	—	—	1,489	4,420	(2,931)	-66%	13,260
Environmental protection					—	—	—	—	—	—
<i>Trading services</i>		21,199	28,850	—	106	8,384	9,617	(1,233)	-13%	28,850
Energy sources		9,873	26,200	—	106	5,889	8,733	(2,844)	-33%	26,200
Water management		—	—	—	—	—	—	—	—	—
Waste water management		3,995	—	—	—	—	—	—	—	—
Waste management		7,331	2,650	—	—	2,495	883	1,612	182%	2,650
<i>Other</i>					—	—	—	—	—	—
Total Capital Expenditure - Functional Classification	3	57,215	101,299	—	593	18,029	33,766	(15,737)	-47%	101,299
Funded by:										
National Government		32,644	33,559	—	487	11,700	11,186	514	5%	33,559
Provincial Government		—	—	—	—	—	—	—	—	—
District Municipality		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		33,074	33,559	—	487	11,700	11,186	514	5%	33,559
Borrowing	6							—	—	—
Internally generated funds		23,886	67,740	—	106	6,330	22,580	(16,250)	-72%	67,740
Total Capital Funding		56,960	101,299	—	593	18,030	33,766	(15,736)	-47%	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 - M04 October									
Description	Ref	2023/24	Budget Year	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
			2024/25						%
R thousands			Audited Outcome	Original Budget					Full Year Forecast
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:		-	235,098	-	758	94,065	78,366	15,699	20.0%
Local Government Equitable Share		-	229,123	-	-	90,915	76,374	14,541	19.0%
Expanded Public Works Programme Intergrated Grant		-	1,975	-	433	1,774	658	1,116	169.5%
Infrastructure Skills Development Grant		-	1,000	-	56	226	333	(108)	-32.3%
Local Government Financial Management Grant		-	3,000	-	268	1,150	1,000	150	15.0%
Other transfers and grants [insert description]					-			-	3,000
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	-	758	94,065	78,366	15,699	20.0%
Capital expenditure of Transfers and Grants									
National Government:		(399)	33,559	-	487	11,700	11,186	5,593	50.0%
MDRG		(2,399)		-	-	-	-	-	33,559
MIG		2,000	33,559	-	487	11,700	11,186	5,593	50.0%
Total capital expenditure of Transfers and Grants		(399)	33,559	-	487	11,700	11,186	5,593	-100.0%
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		(399)	268,657	-	1,245	105,765	89,552	21,292	(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										
Tshikotonzi Bridge	6,000,000.00		2,326,632.19										
PMU Management fees	1,677,950.00	-	411,443.52	202,803.40	177,157.66	-	-	-	-	-	-	-	-
	33,559,000.00	-	8,418,352.81	202,803.40	177,157.66	-	-	-	-	-	-	-	-

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 - M04 October									
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	–	11,915	16,042	16,883	841	5.0%	16%
September	3,784	8,442	–	1,394	17,436	25,325	7,889	31.2%	17%
October	4,882	8,441	–	594	18,030	33,766	15,736	46.6%	18%
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	–	–	–	–
Total Capital ex	57,209	101,299	–	18,030					

8. Debtors Management

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

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October															
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	2,561	1,198	1,030	872	943	1,069	704	14,222	22,599	17,810	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	10,359	2,043	1,425	671	1,083	765	590	13,370	30,306	16,479	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2,061	1,093	963	2,581	941	723	704	37,601	46,667	42,550	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	549	286	278	228	225	175	166	5,050	6,957	5,844	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1,589	780	710	551	492	426	396	13,400	18,344	15,265	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	136	136	136	-	-	-	-
Interest on Arrear Debtor Accounts	1810	865	839	858	803	849	749	733	19,493	25,189	22,627	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	306	306	306	-	-	-	-
Total By Income Source	2000	17,984	6,239	5,264	5,706	4,533	3,907	3,293	103,578	150,504	121,017	-	-	-	-
2022/23 - totals only		16464000	8065000	6020000	6063000	3575000	3386000	3168000	97531000	144,272	113,723				
Debtors Age Analysis By Customer Group															
Organs of State	2200	1,594	740	875	1,540	505	608	448	21,952	28,262	25,053	-	-	-	-
Commercial	2300	8,463	1,953	1,146	1,176	832	1,181	613	21,048	36,412	24,850	-	-	-	-
Households	2400	7,927	3,546	3,243	2,989	3,195	2,119	2,233	60,578	85,830	71,114	-	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	17,984	6,239	5,264	5,705	4,532	3,908	3,294	103,578	150,504	121,017	-	-	-	-

8.1 Disconnection List

DISCONNECTION LIST OCTOBER 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	9	0	46	
TOTAL DISCONNECTED	26	0	3456	
PAID/RESPONDED	23	0	2865	
TOTAL NOT DISCONNECTED	55	0	446	
AMOUNT COLLECTED-TOWN	R 236,548.33		R 1,258,265.26	
CREDIT CONTROL COLLECTION		R1,494,813.59		

9. Creditors Management

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

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October											
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											
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	17,597	17,132	854	508	19,649	-	-	-	55,741	
Auditor General	0800	-	-	-	-	-	-	-	-	-	
Other	0900	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	17,597	17,132	854	508	19,649	-	-	-	55,741	-

9.1 EXPENDITURE ANALYSIS

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

<u>EXPENDITURE ANALYSIS</u>	
<u>MONTH-END OCTOBER 2024</u>	
	<u>DESCRIPTION</u>
	<u>AMOUNT</u>
ESKOM	16,054,548.60
TELKOM	32,337.50
SALARIES	13,874,195.68
SUNDRY CREDITORS	3,251,085.02
TRADE CREDITORS	485,832.00
SARS (PAYE VAT)	2,982,637.06
UKUKHOMBA	706,035.60
MAHOSI SECURITY	3,124,058.86
PK FINANCIAL	303,864.52
AUDITOR GENERAL	1,570,568.13
BANK CHARGES	58,219.25
DEBIT ORDERS	4,003,973.81
PORVERTY ALLIATION WORKERS	443,301.90
LEARNERS LGSETA	56,430.00
WARD COMMITTEE MEMBERS -STIPENS	180,000.00
SUB-TOTAL	47,127,087.93
INSTALLATION OF ELECTRICAL INFRASTRUCTURE - RHINO RIDGE	3,090,250.85
CONSTRUCTION OF SHAKADZA MULTI PURPOSE CENTRE	560,530.13
SUB-TOTAL	3,650,780.98
TOTAL EXPENDITURE	50,777,868.91
VDM	
TELKOM	1,146.50
ESKOM RIOOLDAMMIE	36,556.29
	37,702.79
	50,815,571.70

9.2 OUTSTANDING CREDITORS

OUTSTANDING CREDITORS	Oct-24
SUPPLIERS	3,817,176.67
MIG PEOJECTS	-
CONTRACTED SERVICES	15,402,626.13
ESKOM	32,376,709.78
OTHER CREDITORS	256,970.62
DEPARTMENT OF TRANSPORT	3,887,048.00
TOTAL	55,740,531.20

10. Cash Management

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

MUSINA LOCAL MUNICIPALITY		
<u>MONTHLY REPORT</u>		
<u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u>		
<u>BANK RECONCILIATION AS 31 OCTOBER 2024</u>		
	BALANCE AS ON 30 SEPTEMBER 2024	17,391,013.53
<u>LESS:</u>	EXPENDITURE SHORTAGE ON DEPOSIT DAY CALL	50,777,868.92 - -
	TOTAL EXPENDITURE	<u>50,777,868.92</u>
<u>PLUS:</u>	INCOME INCOME NOT RECEIPTED CANCELLED STALE CHEQUES DAY CALL	43,347,162.93 - -
	TOTAL REVENUE	<u>43,347,162.93</u>
	BALANCE AS ON 31 OCTOBER 2024	9,960,307.54
	BALANCE AS PER BANK STATEMENT	9,960,307.54
<u>LESS:</u>	OUTSTANDING CHEQUE	-
		9,960,307.54
	TRAFFIC	-
	BALANCE AS ON 31 OCTOBER 2024	457,241.04

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

11. Recommendations

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