



Quarterly Budget Statement

MFMA Section 52 Report for July - September

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 to September 2024

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

The total expenditure for operating activities for the quarter amounts to R191 344 million.

Total revenue for the quarter amounts to R198 945 million.

The expenditure on Capital activities for the quarter amounts to R17 436 million.

The following table provides a summary of the municipality's performance as at 30 September 2024

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M03 September 2024									
Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	28,764	39,050		2,203	12,069	9,763	2,307	24%	22,698
Service charges	214,487	204,272		17,540	49,944	51,068	(1,124)	-2%	189,022
Investment revenue	1,600	897		148	525	224	301	134%	1,244
Transfers and subsidies	225,307	235,098		787	95,345	58,775	36,571	62%	174,720
Other own revenue	27,053	106,293		18,430	31,028	26,798	4,231	16%	45,296
Total Revenue (excluding capital transfers and contributions)	497,211	585,610	-	39,108	188,911	146,627	42,284	29%	432,980
Employee costs	156,285	174,124		14,993	42,335	43,531	(1,196)	-3%	158,403
Remuneration of Councillors	11,367	10,963		1,267	3,779	2,741	1,038	38%	11,339
Depreciation & asset impairment	39,856	47,541		-	-	11,885	(11,885)	-100%	34,265
Finance charges	2,110	1,800		-	125	450	(325)	-72%	1,777
Materials and bulk purchases	177,061	147,936		18,705	83,122	36,984	46,138	125%	138,162
Transfers and subsidies	12,849	5,975		1,289	2,223	1,494	730	49%	6,073
Other expenditure	85,492	127,731		7,270	59,762	31,933	27,829	87%	78,626
Total Expenditure	485,020	516,070	-	43,524	191,346	129,018	62,329	48%	428,645
Surplus/(Deficit)	12,191	69,540	-	(4,416)	(2,435)	17,609	(20,045)	-114%	4,335
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,354	33,559	-	2,559	10,559	8,390	2,169	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)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	48,545	103,099	-	(1,857)	8,124	25,999	(17,875)	-69%	37,894
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	48,545	103,099	-	(1,857)	8,124	25,999	(17,875)	-69%	37,894
Capital expenditure & funds sources									
Capital expenditure	37,793	44,955	94,762	1,394	17,436	25,325	(7,889)	-31%	-
Capital transfers recognised	32,644	33,559		1,109	11,213	8,390	2,823	34%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	23,886	67,740	-	286	6,224	16,935	(10,711)	(0)	67,740
Total sources of capital funds	56,530	101,299	-	1,395	17,437	25,325	(7,888)	-31%	67,740
Financial position									
Total current assets	175,611	207,238	-		194,040				207,238
Total non current assets	682,418	719,646	-		700,666				719,646
Total current liabilities	291,471	168,005	-		269,283				168,005
Total non current liabilities	40,625	41,920	-		40,625				41,920
Community wealth/Equity	555,247	716,960	-		584,799				716,959
Cash flows									
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)	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	94,815	51,296	33,488	19,396	(29,786)	66,600	99,386	145%	44,219
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	18,503	8,643	6,648	4,854	4,212	3,461	3,242	102,036	151,599
Creditors Age Analysis									
Total Creditors	29,860	11,641	2,146	-	18,012	-	-	-	61,659

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as at 30 September 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		28,764	39,050	–	2,203	12,069	9,763	2,307	24%	39,050
Service charges - electricity revenue		193,208	180,843	–	16,088	45,579	45,211	368	1%	180,843
Service charges - water revenue		–	–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–	–		–
Service charges - refuse revenue		21,279	23,429	–	1,452	4,365	5,857	(1,492)	-25%	23,429
Rental of facilities and equipment		21	616	–	1	5	154	(149)	-97%	616
Interest earned - external investments		1,600	897	–	148	525	224	301	134%	897
Interest earned - outstanding debtors		7,879	6,049	–	53	5,722	1,512	4,210	278%	6,049
Dividends received		378	–	–	–	–	–	–		–
Fines, penalties and forfeits		6,218	4,275	–	311	877	1,069	(192)	-18%	4,275
Licences and permits		160	2,691	–	37	60	673	(613)	-91%	2,691
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		225,307	235,098	–	787	95,345	58,775	36,571	62%	235,098
Other revenue		11,175	92,662	–	17,880	23,839	23,166	674	3%	92,662
Gains		6,378	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		502,367	585,610	–	38,960	188,386	146,403	41,984	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 - M03 Quarter 1																
Description	Ref	Budget Year 2024/25												2024/25 Medium Term		
		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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		7,802	2,064	2,203	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	16,088	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	1,452	5,514	5,514	5,514	5,514	5,514	5,514	5,514	5,514	5,514	21,086	21,993	23,093
Cash Receipts by Source																
Rental of facilities and equipment		2	2	1	173	173	173	173	173	173	173	173	173	660	690	721
Interest earned - external investments		828	352	148	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	53	–	–	–	–	–	–	–	–	–	–	–	–
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		243	323	311	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	37	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	787	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	17,880	20,880	20,880	20,880	20,880	20,880	20,880	20,880	20,880	20,880	107,800	67,607	75,150
Cash Receipts by Source		117,567	35,620	38,960	140,984	140,984	140,984	140,984	140,984	140,984	140,984	140,984	140,984	576,434	548,850	566,521
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8,000	–	2,559	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	10,199	33,559	41,653	47,177

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M03 September										
	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	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	–	1,501	8,349	8,786	(437)	-5%	35,145
Service charges		102,636	183,845	–	19,552	38,416	45,961	(7,545)	-16%	183,845
Other revenue		122,031	115,444	–	8,719	31,647	28,861	2,786	10%	115,444
Transfers and Subsidies - Operational		55,632	235,098	–	1,149	96,641	58,775	37,867	64%	235,098
Transfers and Subsidies - Capital		12,024	33,559	–	2,559	10,559	8,390	2,169	26%	33,559
Interest		–	6,903	–	–	–	1,726	(1,726)	-100%	6,903
Dividends		–	–	–	–	–	–	–		–
Payments										
Suppliers and employees		(263,844)	(461,404)	–	(19,966)	(169,331)	(115,351)	53,980	-47%	(461,404)
Finance charges		–	(1,800)	–	(63)	(133)	(450)	(317)	71%	(1,800)
Transfers and Grants		–	(4,975)	–	(1,289)	(2,223)	(1,244)	979	-79%	(4,975)
NET CASH FROM/(USED) OPERATING ACTIVITIES		51,142	141,815	–	12,162	13,926	35,454	21,528	61%	141,815
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1,414	–	–	5	5	–	5	#DIV/0!	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		2,438	–	–	1,500	1,500	–	1,500	#DIV/0!	–
Payments										
Capital assets		48,418	(100,929)	–	(1,394)	(17,436)	(25,232)	(7,796)	31%	(100,929)
NET CASH FROM/(USED) INVESTING ACTIVITIES		52,270	(100,929)	–	111	(15,931)	(25,232)	(9,301)	37%	(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	–	12,273	(2,005)	10,222			40,886
Cash/cash equivalents at beginning:		12,819	12,819	–		19,396	12,819			12,819
Cash/cash equivalents at month/year end:		115,869	53,705	–		17,391	23,041			53,705

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as at 30 September 2024

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type										
Employee related costs		156,285	174,124		14,993	42,335	43,531	(1,196)	-3%	174,124
Remuneration of councillors		11,367	10,963		1,267	3,779	2,741	1,038	38%	10,963
Debt impairment		7,397	12,225		–	–	3,056	(3,056)	-100%	12,225
Depreciation & asset impairment		32,459	35,316		–	–	8,829	(8,829)	-100%	35,316
Finance charges		2,110	1,800		–	125	450	(325)	-72%	1,800
Bulk purchases		173,878	142,145		18,573	82,842	35,536	47,306	133%	142,145
Other materials		3,183	5,791		132	280	1,448	(1,168)	-81%	5,791
Contracted services		40,819	51,187		4,849	27,207	12,797	14,410	113%	51,187
Transfers and subsidies		12,849	5,975		1,289	2,223	1,494	730	49%	5,975
Other expenditure		44,673	76,544		2,421	32,555	19,136	13,419	70%	76,544
Losses		–	–				–	–		–
Total Expenditure		485,020	516,070	–	43,524	191,346	129,018	62,329	48%	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 - M03 Quarter 1																
Description	Ref	Budget Year 2024/25												2024/25 Medium Term		
		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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
													-			
Cash Payments by Type													-			
Employee related costs		13,483	13,859	14,993	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	1,267	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		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	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		51	97	132	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	3,987	4,849	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	1,289	915	915	915	915	915	915	915	915	915	4,975	3,000	3,000
Other expenditure		13,002	1,442	2,530	19,432	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	122,912	122,912	122,912	122,912	122,912	122,912	122,912	122,912	122,912	467,179	494,653	513,109
													-			
Other Cash Flows/Payments by Type																
Capital assets		4,127	11,915	1,394	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	275	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	146,578	146,578	146,578	146,578	146,578	146,578	146,578	146,578	146,578	569,108	575,917	613,459
													-			
NET INCREASE/(DECREASE) IN CASH HELD		30,129	(20,524)	(2,004)	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	17,391	21,996	26,601	31,206	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	17,391	21,996	26,601	31,206	35,811	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 - M03 Quarter 1				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service Charges-Electricity revenue	1,103	New tariffs hikes	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(150)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines, penalties and forfeits	(192)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licences and permits	(614)	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	(1,195)	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depreciation	(3,056)	Asset model not migrated with Financial system	Actioned at year end
	Bulk Electricity	6,522	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	(7,395)	Appointment of new contractors	Work in progress
3	Capital Expenditure			
	Mig Projects	10,104	SCM process underway	Work in progress
	Own Funded projects	5,938	SCM process underway	Work in progress
4	Financial Position			
	Total assets	934,644	The municipality is still working on its improving financial status	Implementation of fundind Plan
	Total liabilities	321,233	The municipality is still working on its improving financial status	Implementation of fundind Plan
	Net assets	613,412	The municipality is still working on its improving financial status	Implementation of fundind Plan
5	Cash Flow			
	Cash/cash equivalents at month end	17,391	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 M03 September						
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	–	17,987	53,705
Trade and other receivables from exchange transactions		109,234	71,982	–	101,620	71,982
Receivables from non-exchange transactions		18,355	21,200	–	22,991	21,200
Current portion of non-current receivables		–	–	–	–	–
Inventory		24,528	25,852	–	24,727	25,852
VAT		13,219	34,499	–	26,658	34,499
Other current assets		50	–	–	57	–
Total current assets		175,611	207,238	–	194,040	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	–	480,518	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	–	700,666	719,646
TOTAL ASSETS		858,029	926,884	–	894,706	926,884
LIABILITIES						
Current liabilities						
Bank overdraft		504	–	–	–	–
Financial liabilities		–	362	–	–	362
Consumer deposits		6,188	5,232	–	5,992	5,232
Trade and other payables from exchange transactions		238,725	76,933	–	211,016	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	–	11,157	30,641
Other current liabilities		497	–	–	–	–
Total current liabilities		291,471	168,005	–	269,283	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	–	309,908	209,925
NET ASSETS	2	525,933	716,959	–	584,798	716,959
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		555,247	716,960	–	584,799	716,960
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	555,247	716,960	–	584,799	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)										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		4,111	27,049	–	15	441	6,762	(6,321)	-93%	27,049
Executive and council		–	–	–	–	–	–	–		
Finance and administration		4,111	27,049		15	441	6,762	(6,321)	-93%	27,049
Internal audit								–		
Community and public safety		989	–	–	–	–	–	–		–
Community and social services		–	–					–		
Sport and recreation								–		
Public safety		989	–					–		
Housing								–		
Health								–		
Economic and environmental services		30,916	45,400	–	834	8,717	11,350	(2,633)	-23%	45,400
Planning and development		11,790	32,140		834	7,228	8,035	(807)	-10%	32,140
Road transport		19,126	13,260		–	1,489	3,315	(1,826)	-55%	13,260
Environmental protection					–	–	–	–		
Trading services		21,199	28,850	–	545	8,278	7,213	1,066	15%	28,850
Energy sources		9,873	26,200		271	5,783	6,550	(767)	-12%	26,200
Water management		–			–		–	–		
Waste water management		3,995						–		
Waste management		7,331	2,650		274	2,495	663	1,833	277%	2,650
Other					–	–		–		
Total Capital Expenditure - Functional Classification	3	57,215	101,299	–	1,394	17,436	25,325	(7,889)	-31%	101,299
Funded by:										
National Government		32,644	33,559	–	1,109	11,213	8,390	2,823	34%	33,559
Provincial Government		–						–		
District Municipality		–						–		
Transfers recognised - capital		33,074	33,559	–	1,109	11,213	8,390	2,823	34%	33,559
Borrowing	6							–		
Internally generated funds		23,886	67,740	–	286	6,224	16,935	(10,711)	-63%	67,740
Total Capital Funding		56,960	101,299	–	1,395	17,437	25,325	(7,888)	-31%	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 - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	235,098	-	1,289	93,138	58,775	34,364	58.5%	8,975
Local Government Equitable Share		-	229,123	-	-	90,915	57,281	33,634	58.7%	3,000
Expanded Public Works Programme Intergrated Grant		-	1,975	-	445	1,341	494	847	171.6%	1,975
Infrastructure Skills Development Grant		-	1,000	-	-	-	250	(250)	-100.0%	1,000
Local Government Financial Management Grant		-	3,000	-	844	882	750	132	17.7%	3,000
Other transfers and grants [insert description]					-			-		
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total operating expenditure of Transfers and Grants:		-	235,098	-	1,289	93,138	58,775	34,364	58.5%	8,975
Capital expenditure of Transfers and Grants										
National Government:		(399)	33,559	-	1,109	11,213	8,390	5,593	66.7%	33,559
MDRG		(2,399)		-	-	-	-	-		33,559
MIG		2,000	33,559	-	1,109	11,213	8,390	5,593	66.7%	
Total capital expenditure of Transfers and Grants		(399)	33,559	-	1,109	11,213	8,390	5,593	-100.0%	33,559
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		(399)	268,657	-	2,398	104,351	67,164	39,957	(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										
Tshikotoni Bridge	6,000,000.00		2,326,632.19										-
PMU Management fees	1,677,950.00	-	411,443.52	202,803.40	-	-	-	-	-	-			
	33,559,000.00	-	8,418,352.81	202,803.40	-	-	-	-	-	-	-	-	-

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 - M03 September									
Month	2023/24	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1	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	–	–		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	–		
Total Capital ex	57,209	101,299	–	17,436					

8. Debtors Management

The age analysis of the outstanding trade debtors as at 30 September 2024 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 Quarter 1													
Description	NT Code	Budget Year 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													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	2,711	1,501	998	1,038	1,165	760	603	14,058	22,834	17,624	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	10,734	3,912	756	1,161	859	610	353	13,250	31,635	16,233	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2,069	1,089	3,223	1,000	778	749	709	37,370	46,987	40,606	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	552	323	255	250	194	180	211	5,010	6,975	5,845	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,589	884	607	548	460	423	646	13,122	18,279	15,199	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	136	136	136	–	–
Interest on Arrear Debtor Accounts	1810	854	939	812	860	760	742	723	19,011	24,701	22,096	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	308	308	308	–	–
Total By Income Source	2000	18,509	8,648	6,651	4,857	4,216	3,464	3,245	102,265	151,855	118,047	–	–
2022/23 - totals only		16226000	7717000	7579000	4034000	5064000	3386000	2858000	97554000	144,418	112,896		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,529	1,228	1,883	508	621	452	414	21,566	28,201	23,561	–	–
Commercial	2300	9,485	3,436	1,407	872	1,287	637	610	20,753	38,487	24,159	–	–
Households	2400	7,489	3,979	3,358	3,474	2,304	2,372	2,218	59,717	84,911	70,085	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	18,503	8,643	6,648	4,854	4,212	3,461	3,242	102,036	151,599	117,805	–	–

8.1 Disconnection List

DISCONNECTION LIST SEPTEMBER 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	6	0	104
TOTAL DISCONNECTED	32	0	3156
PAID/RESPONDED	60	0	2254
TOTAL NOT DISCONNECTED	52	0	688
AMOUNT COLLECTED-TOWN	R 1,255,642.33		R 625,452.66
CREDIT CONTROL COLLECTION		R1,881,094.99	

9. Creditors Management

The age analysis of the outstanding creditors as at 30 September 2024 was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors -M03 Quarter 1											
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	29,860	11,641	2,146		18,012	-	-	-	61,659	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	29,860	11,641	2,146	-	18,012	-	-	-	61,659	-

9.1 EXPENDITURE ANALYSIS

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

<u>MUSINA LOCAL MUNICIPALITY.</u>	
<u>EXPENDITURE ANALYSIS</u>	
<u>MONTH-END SEPTEMBER 2024</u>	
<u>DESCRIPTION</u>	<u>AMOUNT</u>
ESKOM	15,056,113.57
TELKOM	32,299.10
SALARIES	12,166,848.43
SUNDRY CREDITORS	2,162,620.43
TRADE CREDITORS	4,110,272.46
SARS (PAYE VAT)	2,639,351.73
UKUKHOMBA	706,035.60
CATHU CONSULTING	1,078,700.00
KUNENE MAKOPO	128,833.73
DIDO	72,739.92
BANK CHARGES	63,278.25
DEBIT ORDERS	936,721.43
PORVERTY ALLIVATION WORKERS	445,182.83
LEARNERS LGSETA	56,430.00
WARD COMMITTEE MEMBERS -STIPENS	180,000.00
SUB-TOTAL	39,835,427.48
ELECTRIFICATION OF RHINO RIDGE DEVELOPMENT	2,085,988.69
CONSTRUCTION OF SHAKADZA MULTIPURPOSE CENTRE	959,445.53
RECONSTRUCTION OF DAMAGED STORM WATER NANCEFIELD EXT 8	157,226.50
RECONSTRUCTION OF DAMAGED ROAD SURFACE NANCEFIELD EXT 2	134,862.13
RETENTION CONSTRUCTION OF TSHIKHUDINI COMMUNITY HALL	350,885.17
SUB-TOTAL	3,688,408.02
TOTAL EXPENDITURE	43,523,835.50
VDM	
TELKOM	1,148.50
ESKOM RIOOLDAMME	42,392.71
	43,541.21
	43,567,376.71

9.2 OUTSTANDING CREDITORS

OUTSTANDING CREDITORS	Sep-24
SUPPLIERS	5,335,873.68
MIG PEOJECTS	2,968,120.85
CONTRACTED SERVICES	17,519,487.03
ESKOM	31,812,856.30
OTHER CREDITORS	135,124.00
DEPARTMENT OF TRANSPORT	3,887,048.00
TOTAL	61,658,509.86

10. Cash Management

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

MUSINA LOCAL MUNICIPALITY			
<u>MONTHLY REPORT</u>			
<u>DEPARTMENT OF THE CHIEF FINANCIAL OFFICER</u>			
<u>BANK RECONCILIATION JULY - SEPTEMBER 2024</u>			
	BALANCE AS ON 31 JULY 2024		9,790,536.05
<u>LESS:</u>	EXPENDITURE	189,844,367.69	
	SHORTAGE ON DEPOSIT	1,500,000.00	
	DAY CALL	-	
	TOTAL EXPENDITURE	191,344,367.69	
<u>PLUS:</u>	INCOME	198,944,845.17	
	INCOME NOT RECEIPTED	-	
	CANCELLED STALE CHEQUES	-	
	DAY CALL	-	
	TOTAL REVENUE	198,944,845.17	
	BALANCE AS ON 30 SEPTEMBER 2024		17,391,013.53
	BALANCE AS PER BANK STATEMENT		17,391,013.53
<u>LESS:</u>	OUTSTANDING CHEQUE	-	
			17,391,013.53
	TRAFFIC	-	
	BALANCE AS ON 30 SEPTEMBER 2024		455,050.59

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

11. Recommendations

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