MUSINA
LOCAL MUNICIPALITY

Monthly Budget Statement

MFMA Section 71 Report for October 2026

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 Statements
4. Operational Expenditure
    4.1 Operational Expenditure by type
    4.2 Summary of Operational Expenditure Trends
    4.3 Material Variances
5. Capital Expenditure
    5.1 Capital Expenditure by Function/Department
    5.2 Summary of Capital Expenditure Trends
6. Grants Management
    6.1 Grants Expenditure per Category
    6.2 Capital Projects Trends
7. Debtors Management
    7.1 Disconnection List
8. Creditors Management
    8.1 Expenditure Analysis
    8.2 Outstanding Creditors
9. Cash Management
10. 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 2026

The total budget approved for the 2026-27 financial year was R 951 455 million.

The total expenditure for operating activities for the month amounts to R 53 934 million.

Total revenue for the month amounts to R53 019 million.

The expenditure on Capital activities for the month amounts to R5 805 million.

The following table provides a summary of the municipality's performance as of 31 October 2026

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M4 October									
Description	2025/26	Budget Year 2026/27							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	31,511	53,253	–	2,117	15,811	17,751	(1,940)	-11%	22,698
Service charges	246,795	435,646	–	19,321	68,474	145,215	(76,741)	-53%	189,022
Investment revenue	912	2,600	–	48	186	867	(681)	-79%	1,244
Transfers and subsidies	242,118	237,236	–	1,076	109,621	79,079	30,542	39%	174,720
Other own revenue	54,012	222,720	–	30,457	26,060	21,850	4,209	19%	45,296
Total Revenue (excluding capital transfers and contributions)	**575,348**	**951,455**	**–**	**53,019**	**220,152**	**264,762**	**(44,610)**	**-17%**	**432,980**
Employee costs	190,996	192,803	–	15,702	64,338	64,268	70	0%	158,403
Remuneration of Councillors	12,235	13,649	–	1,029	5,558	4,550	1,008	22%	11,339
Depreciation & asset impairment	60,843	54,204	–	3,453	13,717	18,068	(4,351)	-24%	34,265
Finance charges	8,487	5,253	–	1,716	2,741	1,751	990	57%	1,777
Materials and bulk purchases	220,455	260,036	–	18,210	83,770	86,679	(2,909)	-3%	138,162
Transfers and subsidies	6,253	6,710	–	357	7,838	2,237	5,601	250%	6,073
Other expenditure	139,771	217,325	–	13,467	36,770	72,442	(35,672)	-49%	78,626
Total Expenditure	**639,040**	**749,980**	**–**	**53,934**	**214,732**	**249,993**	**(35,261)**	**-14%**	**428,645**
Surplus/(Deficit)	**(63,692)**	**201,475**	**–**	**(915)**	**5,420**	**14,769**	**(9,349)**	**-63%**	**4,335**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,330	44,649	–	6,772	15,681	14,883	–		44,649
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(27,362)**	**246,124**	**–**	**5,857**	**21,101**	**29,652**	**(8,551)**	**-29%**	**48,984**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**(27,362)**	**246,124**	**–**	**5,857**	**21,101**	**29,652**	**(8,551)**	**-29%**	**48,984**
Capital expenditure & funds sources									
Capital expenditure	**37,793**	**44,955**		**5,805**	**13,764**	**75,553**	**(61,789)**	**-82%**	**–**
Capital transfers recognised	30,768	62,867	–	3,302	6,225	20,956	(14,731)	-70%	–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**46,174**	**163,793**	**–**	**2,503**	**7,538**	**54,598**	**(47,060)**	**(0)**	**163,793**
Total sources of capital funds	**76,942**	**226,660**	**–**	**5,805**	**13,763**	**75,553**	**(61,790)**	**-82%**	**163,793**
Financial position									
Total current assets	258,357	254,657	–		291,585				254,657
Total non current assets	854,953	955,557	–		855,936				955,557
Total current liabilities	508,228	361,515	–		528,725				361,515
Total non current liabilities	56,284	17,858	–		23,131				17,858
Community wealth/Equity	**548,798**	**830,841**	**–**		**595,665**				**830,841**
Cash flows									
Net cash from (used) operating	291,765	78,249	–	(30,937)	10,835	82,686	(68,610)	-83%	78,249
Net cash from (used) investing	(77,361)	(66,890)	–	(5,757)	(12,827)	(22,297)	9,470	-42%	–
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**218,297**	**15,252**	**–**	**(36,694)**	**3,960**	**70,716**	**–**		**–**
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	20,244	7,746	5,808	6,899	4,460	4,067	3,800	136,587	189,611
Creditors Age Analysis									
Total Creditors	30,093	755	27,900	24,726	25,775	14,954	–	18,608	142,811

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as of 31 October 2026

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -M4 October

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		31,511	53,253	–	2,117	15,811	17,751	(1,940)	-11%	53,253
Service charges - electricity revenue		229,223	402,332	–	17,737	61,974	134,111	(72,137)	-54%	402,332
Service charges - water revenue		–	–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–	–		–
Service charges - refuse revenue		17,572	33,314	–	1,584	6,500	11,105	(4,605)	-41%	33,314
								–		
Rental of facilities and equipment		967	451	–	–	5	150	(145)	-97%	451
Interest earned - external investments		912	2,600	–	48	186	867	(681)	-79%	2,600
Interest earned - outstanding debtors		29	8,141	–	96	338	2,714	(2,376)	-88%	8,141
Dividends received		986	–	–	–	–	–	–		–
Fines, penalties and forfeits		4,894	4,327	–	146	464	1,442	(978)	-68%	4,327
Licences and permits		1,681	2,838	–	115	580	946	(366)	-39%	–
Agency services		–	–		–	–	–	–		–
Transfers and subsidies		242,118	237,236	–	1,076	109,621	79,079	30,542	39%	237,236
Other revenue		45,455	47,194		30,100	50,442	15,731	34,711	221%	50,032
Gains		–	159,769	–	–	–	53,256	(53,256)	-100%	159,769
Total Revenue (excluding capital transfers and contributions)		**575,348**	**951,455**	–	**53,019**	**245,921**	**317,152**	**(71,231)**	**(0)**	**951,455**

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 - M4 October

Description	Ref	Budget Year 2026/27												2026/27Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands	1	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		1,970	6,488	2,145	2,090	13,007	13,007	13,007	13,007	5,059	13,007	13,007	13,007	47,799	49,376	50,956
Service charges - electricity revenue		15,738	14,445	15,628	17,406	94,109	94,109	94,109	94,109	34,931	94,109	94,109	94,109	348,921	356,150	365,054
Service charges - water revenue		–	–	–	–	–	–	–	–	–	–	–		–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–	–	–		–	–	–
Service charges - refuse		1,889	2,080	1,638	1,700	8,197	8,197	8,197	8,197	3,225	8,197	8,197	8,197	30,148	31,131	32,116
Rental of facilities and equipment		23	56	36	42	106	106	106	106	39	106	106	106	388	401	414
Interest earned - external investments		–	–	49	–	671	671	671	671	671	671	671	671	2,600	2,686	2,771
Interest earned - outstanding debtors			–	73	–	1,965	1,965	1,965	1,965	1,097	1,965	1,965	1,965	7,327	7,569	7,811
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		111	128	79	146	1,042	1,042	1,042	1,042	582	1,042	1,042	1,042	3,895	4,103	4,141
Licences and permits		66	207	212	121	738	738	738	738	738	738	738	738	2,858	2,952	3,046
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies-Operational		98,745	14,166	3,179	2,383	894	217,292	1,033	81,105	120,146	1,033	–	61,735	237,236	237,115	250,038
Other revenue		5,776	5,768	3,184	6,209	11,306	11,306	11,306	11,306	5,784	11,306	11,518	11,306	41,995	43,384	44,769
Cash Receipts by Source		**124,318**	**43,338**	**26,223**	**30,097**	**132,035**	**348,433**	**132,174**	**212,246**	**172,272**	**132,174**	**131,353**	**192,876**	**723,167**	**734,867**	**761,116**
													–			
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	8,909	–	6,772		5,440	–	–	29,661			–	44,649	49,045	50,640
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	25,769	39,749	39,749	39,749	39,749	39,749	39,749	39,749	39,749	159,769	162,827	154,389
Decrease (increase) in non-current investments		44	796	49	48	–	750	–	–	750	322	85	1	–	–	–
Total Cash Receipts by Source		**124,362**	**53,043**	**26,272**	**62,686**	**171,784**	**394,372**	**171,923**	**251,995**	**242,432**	**172,245**	**171,187**	**232,626**	**927,585**	**946,739**	**966,145**

3.3 Cash Flow Statement

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M4 October

	Ref	2025/26	Budget Year 2026/27							
		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		28,014	47,799	–	2,090	12,692	15,933	(3,241)		47,799
Service charges		276,091	379,070	–	19,321	82,164	126,357	(44,193)	-35%	379,070
Other revenue		33,823	49,134	–	3,175	18,854	16,378	2,476	15%	49,134
Transfers and Subsidies - Operational		253,656	237,236	–	2,383	118,473	79,079	39,394	50%	237,236
Transfers and Subsidies - Capital		59,242	44,649	–	6,772	15,681	14,883	798	5%	44,649
Interest		–	9,927	–	–	–	3,309	(3,309)	-100%	9,927
Dividends		–	–	–	–	–	–	–		–
Payments				–				–		
Suppliers and employees		(359,061)	(679,231)	–	(64,088)	(232,659)	(169,808)	(62,851)	37%	(679,231)
Finance charges		–	(3,625)	–	(62)	(234)	(1,208)	975	-81%	(3,625)
Transfers and Grants		–	(6,710)	–	(529)	(4,136)	(2,237)	(1,900)	85%	(6,710)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**291,765**	**78,249**	–	**(30,937)**	**10,835**	**82,686**	**(68,610)**	**-83%**	**78,249**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	159,769	–	–	–	53,256	(53,256)	-100%	159,769
					–					
Decrease (increase) in non-current receivables		–		–	–	–	–	–		–
Decrease (increase) in non-current investments		2,701	–	–	48	936	–	936		–
Payments										
Capital assets		(80,062)	(226,659)	–	(5,805)	(13,763)	(75,553)	61,790	-82%	(226,659)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(77,361)**	**(66,890)**	–	**(5,757)**	**(12,827)**	**(22,297)**	**9,470**	**-42%**	**(66,890)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing			–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		**214,404**	**11,359**	–	**(36,694)**	**(1,992)**	**60,389**			**170,567**
Cash/cash equivalents at beginning:		3,893	3,893	–		5,952	10,327			–
Cash/cash equivalents at month/year end:		218,297	15,252	–	(36,694)	3,960	70,716			170,567

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as of 31 October 2026

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -M4 October

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type										
Employee related costs		190,996	192,803	–	15,702	64,338	64,268	70	0%	192,803
Remuneration of councillors		12,235	13,649	–	1,029	5,558	4,550	1,008	22%	13,649
Debt impairment		15,812	15,787	–	–	–	5,262	(5,262)	-100%	15,787
Depreciation & asset impairment		45,031	38,417	–	3,453	13,717	12,806	911	7%	38,417
Finance charges		8,487	5,253	–	1,716	2,741	1,751	990	57%	–
Bulk purchases		216,389	246,000	–	17,805	82,890	82,000	890	1%	246,000
Other materials		4,066	14,036	–	405	880	4,679	(3,799)	-81%	14,036
Contracted services		60,946	109,420	–	5,806	18,848	36,473	(17,625)	-48%	109,420
Transfers and subsidies		6,253	6,710	–	357	7,838	2,237	5,601	250%	6,710
Operational Costs		72,106	107,905	–	7,661	17,922	35,968	(18,046)	-50%	107,905
Losses		6,719	–	–	–	–	–	–		–
Total Expenditure		**639,040**	**749,980**	**–**	**53,934**	**214,732**	**249,993**	**(35,261)**	**(0)**	**744,727**

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 - M4 October

Description	Ref	Budget Year 2026/27												2026/27Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2026/27	Budget Year +1 2027/28	Budget Year +2 2028/29
R thousands	1	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Payments by Type													–			
Employee related costs		15,857	15,931	16,848	17,450	16,067	16,067	16,067	16,067	16,067	16,067	216,605	211,714	192,803	195,647	200,538
Remuneration of councillors		1,448	1,460	1,622	1,029	1,137	1,137	1,137	1,137	1,137	1,137	15,625	15,200	13,649	14,063	14,487
Interest paid		64	624	337	1,716	302	302	302	302	302	302	4,150	4,037	3,625	3,735	3,848
Bulk purchases - Electricity		61,186	5,924	2,650	23,451	20,500	20,500	20,500	20,500	20,500	20,500	282,750	274,618	246,000	254,118	262,250
Acquisitions-water & other inventory		1,291	6	–	126	700	700	700	700	700	700	16,024	700	8,401	7,542	7,783
Other materials		–	–	141	–	–	–	–	–	–	–	–	–	–	–	–
Contracted services		13,156	6,963	4,881	8,045	9,118	9,118	9,118	115,426	9,118	112,551	9,118	9,118	109,420	103,433	106,308
Transfers and subsidies- other municipalities		–	–	–	–	–		–	–	–		–	–	–	–	–
Transfers and subsidies- other		–	–	–	–	927	2,347	927	927	2,347	927	927	2,347	6,710	5,024	5,072
Other expenditure		27,333	11,380	4,088	7,056	8,857	8,857	8,857	8,857	8,857	8,857	118,162	114,870	108,958	104,647	107,995
Cash Payments by Type		**120,335**	**42,288**	**30,567**	**58,873**	**57,608**	**59,028**	**57,608**	**163,916**	**59,028**	**161,041**	**663,361**	**632,604**	**689,566**	**688,209**	**708,281**
													–			
Other Cash Flows/Payments by Type																
Capital assets		2,313	1,844	3,800	5,805	2,110	59,287	2,546	2,900	100,324	204,923	15,000	77,580	168,632	226,659	190,138
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments			–	–	–	–	–		–	–	–	–	–	1,049	–	–
Total Cash Payments by Type		**122,648**	**44,132**	**34,367**	**64,678**	**59,718**	**118,315**	**60,154**	**166,816**	**159,352**	**365,964**	**678,361**	**710,184**	**859,247**	**914,868**	**898,419**

4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - M4 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	**Revenue By Source**			
	Service Charges-Electricity revenue	(72,136)	New tarrifs hikes	Monitor this line item and ensure that the income is allocated correctly
	Rental of facilities	(146)	Low bookings of municipal facilities	Monitor this line item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(979)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licencs and permits	580	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	71	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depriciation	(432)	Asset model not migrated with Finacial system	Actioned at year end
	Bulk Electricity	(5,262)	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	(17,626)	Appointment of new contractors	Work in progress
3	**Capital Expenditure**			
	Mig Projects	(9,492)	SCM process underway	Work in progress
	Own Funded projects	(33,410)	SCM process underway	Work in progress
4	**Financial Position**			
	Total assets	1,147,521	The municipality is still working on improving its financial status	Implementation of funding Plan
	Total liabilities	551,857	The municipality is still working on improving its financial status	Implementation of funding Plan
	Net assets	595,665	The municipality is still working on improving its financial status	Implementation of funding Plan
5	**Cash Flow**			
	Cash/cash equivalents at month end	3,960	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. Capital Expenditure

5.1 Capital Expenditure by Function/Department 31 October 2026

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M4 October

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Governance and administration		**8,761**	**26,950**	–	**265**	**797**	**8,983**	**(8,189)**	-91%	**26,950**
Executive and council		–	250	–	86	86	83	–		250
Finance and administration		8,761	26,700	–	179	711	8,900	(8,189)	-92%	26,700
Internal audit		–		–	–	–	–	–		–
Community and public safety		–	**1,300**	–	–	–	**433**	–		**1,300**
Community and social services		–	800	–	–	–	267	–		800
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	500	–	–	–	167	–		500
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**47,251**	**150,229**	–	**2,537**	**8,833**	**50,076**	**(41,243)**	-82%	**150,229**
Planning and development		38,752	66,164	–	2,459	6,057	22,055	(15,998)	-73%	66,164
Road transport		8,499	84,065	–	78	2,776	28,022	(25,246)	-90%	84,065
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**20,930**	**48,180**	–	**3,003**	**4,134**	**16,060**	–		**48,180**
Energy sources		17,056	39,500	–	381	1,511	13,167	–		39,500
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		3,380	8,680	–	2,622	2,623	2,893	–		8,680
Other		494	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classifi	3	**76,942**	**226,659**	–	**5,805**	**13,764**	**75,553**	**(49,432)**	**-65%**	**226,659**
Funded by:										
National Government		30,768	62,867	–	3,302	6,225	20,956	(14,731)	-70%	25,771
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers recognised - capital		**30,768**	**62,867**	–	**3,302**	**6,225**	**20,956**	**(14,731)**	**-70%**	**25,771**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		46,174	163,793	–	2,503	7,538	54,598	(47,060)	-86%	163,793
Total Capital Funding		**76,942**	**226,660**	–	**5,805**	**13,763**	**75,553**	**(61,790)**	**-82%**	**189,564**

6. Grants Management

6.1 Monthly grants cumulative expenditure performance trend

Expenditure per Category

LIM341 Musina - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M4 October

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		232,657	237,236	–	529	101,390	79,079	22,311	28.2%	237,236
Local Government Equitable Share		232,657	232,308	–	–	96,765	77,436	19,329	25.0%	232,308
Expanded Public Works Programme Intergrated Grant		–	1,928	–	392	1,596	643	953	148.3%	1,928
Infrastructure Skills Development Grant			–	–	–	–	–	–		–
Local Government Financial Management Grant		(0)	3,000	–	137	3,029	1,000	2,029	202.9%	3,000
Other transfers and grants [insert description]		–	–		–	–	–	–		–
Total operating expenditure of Transfers and Grants:		232,657	237,236	–	529	101,390	79,079	22,311	28.2%	237,236
Capital expenditure of Transfers and Grants										
National Government:		–	64,649	–	646	5,955	21,550	(18,666)	-86.6%	44,649
MDRG		–	20,000	–	–	2,849	6,667	–		–
MIG		–	35,649	–	208	2,044	11,883	(14,616)	-123.0%	35,649
INEP		–	9,000	–	438	1,062	3,000	(4,050)	-135.0%	9,000
Provincial Government:		–	–	–	–	–	–	–		–
						–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	64,649	–	646	5,955	21,550	(18,666)	-100.0%	44,649
				–	–					
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		232,657	301,885	–	1,174	107,344	100,628	3,645	(0)	281,885

6.2 Capital Expenditure Trends

The table below outlines the expenditure trend on Capital Projects:

LIM341 Musina - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M4 October

Month	2025/26	Budget Year 2026/27							
	Audited Outcome	0	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July	11,451	18,888	–	2,314	2,314	3,983	1,669	41.9%	1%
August	2,003	18,888	–	1,844	4,158	3,983	(175)	-4.4%	2%
September	5,869	18,888	–	3,800	7,958	3,983	(3,975)	-99.8%	4%
October	1,964	18,888	–	5,805	13,763	3,983	(9,780)	-245.5%	6%
November	5,416	18,888	–	–		3,983	–		
December	5,620	18,888	–	–		3,983	–		
January	2,146	18,888	–	–		3,983	–		
February	8,983	18,888	–	–		3,983	–		
March	6,067	18,888	–	–		3,983	–		
April	7,349	18,888	–	–		3,983	–		
May	5,441	18,888	–	–		3,983	–		
June	13,971	18,888	–	–		3,983	–		
Total Capital e	76,280	226,656	–	13,763					

MIG Projects 2026/2027	Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total
Nancefield Stormwater Channel and p	11,000,000.00	-		-		-	-			-				-
Tshipise paved street	19,366,550.00	-	1,387,942.57	-	-	-	-			-				1,387,942.57
Waste removal truck	3,500,000.00	-		-	-	-	-			-	-			-
PMU management fees	1,782,450.00	-	486,385.13	199,562.17	208,021.63	-	-	-		-	-			893,968.93
Total	35,649,000.00	-	1,874,327.70	199,562.17	208,021.63	-	-	-	-	-	-	-		2,281,911.50

MDRG Projects 2026/2027	Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total
Gondoza Bridge	7,000,000.00	1,270,000.00		-		-	-			-				1,270,000.00
Doreen Bridge	6,000,000.00	1,033,000.00		-	-	-	-			-				1,033,000.00
Freedom Park Culvert	7,000,000.00	-		545,575.83	-	-	-			-	-			545,575.83
Total	20,000,000.00	2,303,000.00	-	545,575.83	-	-	-	-	-	-	-	-		2,848,575.83

INEP Projects 2026/2027	Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total
Sigonde feederliner	2,350,000.00	-		-	437,669.47	-	-			-				437,669.47
Tshenzhelani feeder liner	2,350,000.00	-		624,327.13	-	-	-			-				624,327.13
Nancefield Extension 8 mid block feed	4,300,000.00	-		-	-	-	-			-	-			-
Total	9,000,000.00	-	-	624,327.13	437,669.47	-	-	-	-	-	-	-		1,061,996.60

7. Debtors Management

The age analysis of the outstanding trade debtors as of 31 October 2026 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M4 October

Description		Budget Year 2026/27											
R thousands	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
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	–		–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	11,481	2,779	1,431	1,250	1,185	939	830	16,078	35,973	20,282	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	2,553	1,331	1,099	2,744	816	749	729	45,460	55,481	50,498	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Waste Management	1600	1,766	844	683	601	442	396	365	15,503	20,600	17,307	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	55	42	42	42	42	42	42	2,607	2,914	2,775	–	–
Interest on Arrear Debtor Accounts	1810	1,208	1,171	1,130	1,108	1,138	1,062	1,029	33,444	41,290	37,781	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	3,181	1,579	1,423	1,154	837	879	805	23,495	33,353	27,170	–	–
Total By Income Source	**2000**	**20,244**	**7,746**	**5,808**	**6,899**	**4,460**	**4,067**	**3,800**	**136,587**	**189,611**	**155,813**	–	–
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,536	1,548	694	2,184	493	419	346	11,957	19,177	15,399	–	–
Commercial	2300	10,697	1,826	1,614	1,537	1,471	1,282	1,339	51,281	71,047	56,910	–	–
Households	2400	8,011	4,372	3,500	3,178	2,496	2,366	2,115	73,349	99,387	83,504	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	**2600**	**20,244**	**7,746**	**5,808**	**6,899**	**4,460**	**4,067**	**3,800**	**136,587**	**189,611**	**155,813**	–	–

7.1 Disconnection List

DISCONNECTION LIST OCTOBER 2026			
	ELECTRICITY MUSINA	MUSINA	ELECTRICITY NANCEFIELD
TOWN	32	4	101
EXTENTION 1	13		328
EXTENTION 2	11		241
EXTENSION 3	2		0
EXTENSION 4	9		313
EXTENTION 5	6		505
EXTENSION 6	3		185
EXTENTION 7	2		387
EXTENTION 8	0		356
EXTENTION 9	0		397
EXTENTION 10	0		527
EXTENTION 11	1		119
EXTENTION 12	0		0
EXTENTION 14	8		489
MUSINA 4 MT	0		0
MUSINA EXT 17	0		0
VOGELZANG 3 MT	0		0
BUITEGEBIED	3		0
DISCONNECTIONS	90	4	3948
ARRANGEMENTS	0	0	0
TOTAL DISCONNECTED	0	0	282
PAID/RESPONDED		0	114
TOTAL NOT DISCONNECTED	90	4	175
AMOUNT COLLECTED-TOWN	R 1,456,855.22		R 436,878.23
CREDIT CONTROL COLLECTION		R1,893,733.45	

8. Creditors Management

The age analysis of the outstanding creditors as of **31 October 2026** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M4 October

Description	NT Code	Budget Year 2026/27									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	20,261	–	26,540	24,555	20,452	14,954	–	–	**106,762**	91,029
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	9,832	755	1,360	171	5,323	–	–	18,607	**36,048**	26,610
Auditor General	0800	0	–	–	–	–	–	–	1	**1**	1
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	**1000**	**30,093**	**755**	**27,900**	**24,726**	**25,775**	**14,954**	–	**18,608**	**142,811**	117,640

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on current month of 31 October 2026

MUSINA LOCAL MUNICIPALITY.

EXPENDITURE ANALYSIS

MONTH-END OCTOBER 2026

DESCRIPTION	AMOUNT
ESKOM	23,623,690.19
SALARIES	13,349,056.59
SUNDRY CREDITORS	12,161,510.31
TRADE	403,576.47
SARS (PAYE VAT)	3,380,861.58
CATHU CONSULTING INC	402,500.00
GUARD ALERT	1,681,814.31
UKUKHOMBA	1,412,071.20
MUNSOFT	1,955,000.00
AUDITOR GENERAL	620,013.14
BANK CHARGES	61,729.57
DEBIT ORDERS	2,011,304.22
PORVERTY ALLIVIATION WORKERS	391,587.68
WARD COMMITTEE MEMBERS -STIPENS	181,500.00
SUB-TOTAL	**61,636,215.26**
CONSTRUCTION OF MASISI PAVED STREETS	253,715.76
CONSTRUCTION OF SHAKADZA MULTI PURPOSE	2,260,967.86
ELECTRIFICATION OF SIGONDE VILLAGE	437,669.47
CONSTRUCTION OF NANCEFIELD CHANNEL AND BRIDGE	89,516.34
SUB-TOTAL	**3,041,869.43**
TOTAL EXPENDITURE	**64,678,084.69**
VDM	
TELKOM	-
ESKOM RIOOLDAMME	87,622.80
	87,622.80
	64,765,707.49

8.2 Outstanding Creditors

OUTSTANDING CREDITORS	Oct-26
SUPPLIERS	5,568,144.80
MIG PROJECTS/TENDERS	5,995,242.42
ESKOM	113,271,272.78
OWN PROJECTS	1,205,987.11
CATERING	349,787.70
CONTRACTS	220,150.00
DEPARTMENT OF LABOUR	16,661,020.06
DEPARTMENT OF TRANSPORT	832,875.97
REFUNDS	20,549.99
TOTAL	**144,125,030.83**

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 31 October 2026

MUSINA LOCAL MUNICIPALITY

MONTHLY REPORT

DEPARTMENT OF THE CHIEF FINANCIAL OFFICER

BANK RECONCILIATION AS 31 OCTOBER 2026

	BALANCE AS ON 30 SEPTEMBER 2026		5,952,082.69
LESS:	EXPENDITURE	64,678,084.69	
	JOUNAL DEBIT	-	
	SHORTAGE	-	
	TOTAL EXPENDITURE	64,678,084.69	
PLUS:	INCOME	62,685,830.88	
	INCOME NOT RECEIPTED	-	
	JOUNAL CREDITED	-	
	DAY CALL	-	
	TOTAL REVENUE	62,685,830.88	
	BALANCE AS ON 31 OCTOBER 2026		3,959,828.88

Page 1

	BALANCE AS PER BANK STATEMENT	3,959,828.88
LESS:	OUTSTANDING CHEQUE	
		3,959,828.88

	TRAFFIC		
	BALANCE AS ON 30 SEPTEMBER 2026		3,197,413.25
	JOURNAL DEBIT	(3,000,000.00)	-
	BANK CHARGES	(7,656.84)	
	TOTAL REVENUE	809,616.28	
	BALANCE AS ON 31 OCTOBER 2026		999,372.69

The municipality closed the financial month of October 2026 with a positive bank balance.

10. Recommendations

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