

Quarterly Budget Statement

MFMA Section 52 Report for July to July to September 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 July to September 2026

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

The total expenditure for operating activities for the quarter amounts to R160 798 million.

Total revenue for the quarter amounts to R192 901 million.

The expenditure on Capital activities for the quarter amounts to R 7 958 million.

The following table provides a summary of the municipality's performance as of July to September 2026

LIM341 Musina - Table C1 Monthly Budget Statement Summary - Q1 July- September									
Description	2025/26	Budget Year 2026/27							
	Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	31,511	53,253	–	13,694	13,694	13,313	381	3%	22,698
Service charges	246,795	435,646	–	49,153	49,153	108,912	(59,759)	-55%	189,022
Investment revenue	912	2,600	–	138	138	650	(512)	-79%	1,244
Transfers and subsidies	242,118	237,236	–	108,545	108,545	59,309	49,236	83%	174,720
Other own revenue	54,012	222,720	–	21,371	21,371	16,388	4,983	30%	45,296
Total Revenue (excluding capital transfers and contributions)	**575,348**	**951,455**	**–**	**192,901**	**192,901**	**198,572**	**(5,671)**	**-3%**	**432,980**
Employee costs	190,996	192,803	–	48,636	48,636	48,201	435	1%	158,403
Remuneration of Councillors	12,235	13,649	–	4,529	4,529	3,412	1,117	33%	11,339
Depreciation & asset impairment	60,843	54,204	–	10,264	10,264	13,551	(3,287)	-24%	34,265
Finance charges	8,487	5,253	–	1,025	1,025	1,313	(288)	-22%	1,777
Materials and bulk purchases	220,455	260,036	–	65,560	65,560	65,009	551	1%	138,162
Transfers and subsidies	6,253	6,710	–	7,481	7,481	1,678	5,804	346%	6,073
Other expenditure	139,771	217,325	–	23,303	23,303	54,331	(31,028)	-57%	78,626
Total Expenditure	**639,040**	**749,980**	**–**	**160,798**	**160,798**	**187,495**	**(26,697)**	**-14%**	**428,645**
Surplus/(Deficit)	**(63,692)**	**201,475**	**–**	**32,103**	**32,103**	**11,077**	**21,027**	**190%**	**4,335**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	36,330	44,649	–	8,909	8,909	11,162	–		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**	**–**	**41,012**	**41,012**	**22,239**	**18,773**	**84%**	**48,984**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	**(27,362)**	**246,124**	**–**	**41,012**	**41,012**	**22,239**	**18,773**	**84%**	**48,984**
Capital expenditure & funds sources									
Capital expenditure	**37,793**	**44,955**		**7,958**	**7,958**	**54,495**	**(46,537)**	**-85%**	**–**
Capital transfers recognised	30,768	62,867	–	2,923	2,923	15,717	(12,794)	-81%	–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**46,174**	**163,793**	**–**	**5,035**	**5,035**	**40,948**	**(35,913)**	**(0)**	**163,793**
Total sources of capital funds	**76,942**	**226,660**	**–**	**7,958**	**7,958**	**56,665**	**(48,707)**	**-86%**	**163,793**
Financial position									
Total current assets	258,357	254,657	–		287,782				254,657
Total non current assets	854,953	955,557	–		853,536				955,557
Total current liabilities	508,228	361,515	–		528,378				361,515
Total non current liabilities	56,284	17,858	–		23,131				17,858
Community wealth/Equity	**548,798**	**830,841**	**–**		**589,809**				**830,841**
Cash flows									
Net cash from (used) operating	291,765	78,249	–	(1,025)	(1,025)	19,562	(19,241)	-98%	78,249
Net cash from (used) investing	(77,361)	(66,890)	92,879	(7,070)	(7,070)	(16,723)	9,653	-58%	–
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**218,297**	**15,252**	**96,772**	**(8,095)**	**5,952**	**13,167**	**–**		**–**
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	20,234	6,643	7,299	4,780	4,382	3,928	4,068	134,391	185,725
Creditors Age Analysis									
Total Creditors	28,669	28,158	24,726	26,604	14,954	1,150	–	18,608	142,869

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as of July to September 2026

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -Q1 July- September										
Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		31,511	53,253	–	13,694	13,694	13,313	381	3%	53,253
Service charges - electricity revenue		229,223	402,332	–	44,237	44,237	100,583	(56,346)	-56%	402,332
Service charges - water revenue		–	–	–	–	–	–	–		–
Service charges - sanitation revenue		–	–	–	–	–	–	–		–
Service charges - refuse revenue		17,572	33,314	–	4,916	4,916	8,329	(3,413)	-41%	33,314
								–		
Rental of facilities and equipment		967	451	–	4	4	113	(109)	-96%	451
Interest earned - external investments		912	2,600	–	138	138	650	(512)	-79%	2,600
Interest earned - outstanding debtors		29	8,141	–	242	242	2,035	(1,793)	-88%	8,141
Dividends received			–	–			–	–		–
Fines, penalties and forfeits		4,894	4,327	–	318	318	1,082	(764)	-71%	4,327
Licences and permits		1,681	2,838	–	465	465	710	(245)	-34%	–
Agency services		–	–		–	–	–	–		–
Transfers and subsidies		242,118	237,236	–	108,545	108,545	59,309	49,236	83%	237,236
Other revenue		46,441	47,194		20,342	20,342	11,799	8,544	72%	50,032
Gains		–	159,769	–	–	–	39,942	(39,942)	-100%	159,769
Total Revenue (excluding capital transfers and contributions)		**575,348**	**951,455**	**–**	**192,901**	**192,901**	**237,864**	**(44,963)**	**(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 - Q1 July -September

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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		1,970	6,488	2,145	13,007	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	94,109	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	8,197	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	106	106	106	106	106	39	106	106	106	388	401	414
Interest earned - external investments		–	–	49	671	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	1,965	1,097	1,965	1,965	1,965	7,327	7,569	7,811
Dividends received		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		111	128	79	1,042	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	738	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	–	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	11,306	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**	**131,141**	**132,035**	**348,433**	**132,174**	**212,246**	**172,272**	**132,174**	**131,353**	**192,876**	**723,167**	**734,867**	**761,116**

3.3 Cash Flow Statement

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - Q1 July - September

	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 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	–	10,603	10,603	11,950	(1,347)		47,799
Service charges		276,091	379,070	–	57,337	57,337	94,768	(37,431)	-39%	379,070
Other revenue		33,823	49,134	–	15,474	15,474	12,284	3,191	26%	49,134
Transfers and Subsidies - Operational		253,656	237,236	–	116,090	116,090	59,309	56,781	96%	237,236
Transfers and Subsidies - Capital		59,242	44,649	–	8,909	8,909	11,162	(2,253)	-20%	44,649
Interest		–	9,927	–	–	–	2,482	(2,482)	-100%	9,927
Dividends		–	–	–	–	–	–	–		–
Payments				–				–		
Suppliers and employees		(359,061)	(679,231)	–	(205,659)	(205,659)	(169,808)	(35,851)	21%	(679,231)
Finance charges		–	(3,625)	–	(172)	(172)	(906)	734	-81%	(3,625)
Transfers and Grants		–	(6,710)	–	(3,608)	(3,608)	(1,678)	(1,930)	115%	(6,710)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**291,765**	**78,249**	**–**	**(1,025)**	**(1,025)**	**19,562**	**(19,241)**	**-98%**	**78,249**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	159,769	159,769	–	–	39,942	(39,942)	-100%	159,769
Decrease (increase) in non-current receivables		–		159,769	–	–	–	–		–
Decrease (increase) in non-current investments		2,701	–	–	888	888	–	888		–
Payments										
Capital assets		(80,062)	(226,659)	(226,659)	(7,958)	(7,958)	(56,665)	48,707	-86%	(226,659)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(77,361)**	**(66,890)**	**92,879**	**(7,070)**	**(7,070)**	**(16,723)**	**9,653**	**-58%**	**(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**	**92,879**	**(8,095)**	**(8,095)**	**2,840**			**170,567**
Cash/cash equivalents at beginning:		3,893	3,893	3,893		14,047	10,327			–
Cash/cash equivalents at month/year end:		218,297	15,252	96,772	(8,095)	5,952	13,167			170,567

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as of July to September 2026

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -Q1 July- September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Expenditure By Type										
Employee related costs		190,996	192,803	–	48,636	48,636	48,201	435	1%	192,803
Remuneration of councillors		12,235	13,649	–	4,529	4,529	3,412	1,117	33%	13,649
Debt impairment		15,812	15,787	–	–	–	3,947	(3,947)	-100%	15,787
Depreciation & asset impairment		45,031	38,417	–	10,264	10,264	9,604	660	7%	38,417
Finance charges		8,487	5,253	–	1,025	1,025	1,313	(288)	-22%	–
Bulk purchases		216,389	246,000	–	65,085	65,085	61,500	3,585	6%	246,000
Other materials		4,066	14,036	–	475	475	3,509	(3,034)	-86%	14,036
Contracted services		60,946	109,420	–	13,042	13,042	27,355	(14,313)	-52%	109,420
Transfers and subsidies		6,253	6,710	–	7,481	7,481	1,678	5,804	346%	6,710
Operational Costs		72,106	107,905	–	10,261	10,261	26,976	(16,715)	-62%	107,905
Losses		6,719	–	–	–	–	–	–		–

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 - Q1 July -September

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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Payments by Type													–			
Employee related costs		15,857	15,931	16,848	16,067	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	1,137	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	302	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	20,500	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	–	700	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	9,118	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	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	8,857	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**	**57,608**	**57,608**	**59,028**	**57,608**	**163,916**	**59,028**	**161,041**	**663,361**	**632,604**	**689,566**	**688,209**	**708,281**

4.3 Material Variances

LIM341 Musina - Supporting Table SC1 Material variance explanations - Q1 July- September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	**Revenue By Source**			
	Service Charges-Electricity revenue	(55,801)	New tarrifs hikes	Monitor this line Item and ensure that the income is allocated correctly
	Rental of facilities	(109)	Low bookings of municipal facilities	Monitor this line Item and ensure that the income is allocated correctly
	Fines,penalties and forfeits	(764)	Low collection and non- payment	Apply credit control measures and follow-up on issued fines
	Licencs and permits	455	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	32,434	Appointment of Vacant posts	Work in progress
	Dept Impairment and Depriciation	(3,947)	Asset model not migrated with Finacial system	Actioned at year end
	Bulk Electricity	(16,799)	Payment made after receipt of Equitable Share	Work in progress
	Contracted Services	(19,849)	Appointment of new contractors	Work in progress
3	**Capital Expenditure**			
	Mig Projects	(13,337)	SCM process underway	Work in progress
	Own Funded projects	(39,170)	SCM process underway	Work in progress
4	**Financial Position**			
	Total assets	1,170,285	The municipality is still working on improving its financial status	Implementation of funding Plan
	Total liabilities	581,827	The municipality is still working on improving its financial status	Implementation of funding Plan
	Net assets	588,458	The municipality is still working on improving its financial status	Implementation of funding Plan
5	**Cash Flow**			
	Cash/cash equivalents at month end	5,952	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 July to September 2026

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 July - September

Vote Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 Actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Governance and administration		**8,761**	**26,950**	**–**	**532**	**532**	**6,738**	**(6,143)**	-91%	**26,950**
Executive and council		–	250	–	–	–	63	–		250
Finance and administration		8,761	26,700	–	532	532	6,675	(6,143)	-92%	26,700
Internal audit		–		–	–	–	–	–		–
Community and public safety		**–**	**1,300**	**–**	**–**	**–**	**325**	**–**		**1,300**
Community and social services		–	800	–	–	–	200	–		800
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	500	–	–	–	125	–		500
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**47,251**	**150,229**	**–**	**6,296**	**6,296**	**37,557**	**(31,261)**	-83%	**150,229**
Planning and development		38,752	66,164	–	3,598	3,598	16,541	(12,943)	-78%	66,164
Road transport		8,499	84,065	–	2,698	2,698	21,016	(18,318)	-87%	84,065
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**20,930**	**48,180**	**–**	**1,130**	**1,130**	**9,875**	**–**		**48,180**
Energy sources		17,056	39,500	–	1,130	1,130	9,875	–		39,500
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		3,380	8,680	–	–	–	–	–		8,680
Other		494	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classifica	3	**76,942**	**226,659**	**–**	**7,958**	**7,958**	**54,495**	**(37,404)**	**-69%**	**226,659**
Funded by:										
National Government		30,768	62,867	–	2,923	2,923	15,717	(12,794)	-81%	25,771
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Transfers recognised - capital		**30,768**	**62,867**	**–**	**2,923**	**2,923**	**15,717**	**(12,794)**	**-81%**	**25,771**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		46,174	163,793	–	5,035	5,035	40,948	(35,913)	-88%	163,793
Total Capital Funding		**76,942**	**226,660**	**–**	**7,958**	**7,958**	**56,665**	**(48,707)**	**-86%**	**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 - Q1 July- September

Description	Ref	2025/26	Budget Year 2026/27							
		Audited Outcome	Original Budget	Adjusted Budget	Quarter 1 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	–	100,371	100,371	59,309	41,062	69.2%	237,236
Local Government Equitable Share		232,657	232,308	–	96,765	96,765	58,077	38,688	66.6%	232,308
Expanded Public Works Programme Intergrated Grant		–	1,928	–	1,204	1,204	482	722	149.8%	1,928
Infrastructure Skills Development Grant			–	–	–	–	–	–		–
Local Government Financial Management Grant		(0)	3,000	–	2,402	2,402	750	1,652	220.3%	3,000
Other transfers and grants [insert description]		–	–		–	–	–	–		–
Total operating expenditure of Transfers and Grants:		232,657	237,236	–	100,371	100,371	59,309	41,062	69.2%	237,236
Capital expenditure of Transfers and Grants										
National Government:		–	64,649	–	9,923	9,923	16,162	(18,666)	-115.5%	9,299
MDRG		–	20,000	–	7,455	7,455	5,000	–		–
MIG		–	35,649	–	1,844	1,844	8,912	(14,616)	-164.0%	7,455
INEP		–	9,000	–	624	624	2,250	(4,050)	-180.0%	
Provincial Government:		–	–	–	–	–	–	–		624
						–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		–	64,649	–	9,923	9,923	16,162	(18,666)	-100.0%	9,923
				–	–					
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		232,657	301,885	–	110,294	110,294	75,471	22,396	(0)	247,159

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 - Q1 July - September

Month	2025/26	Budget Year 2026/27							
	Audited Outcome	0	Adjusted Budget	Quarter 1 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	–	–		3,983	–		
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 ex	76,280	226,656	–	7,958					

MIG Projects 2026/2027	Budget	July	August	September	October	November	December	January	February	March	April	May	June	Total
Nancefield Stormwater Channel and pe	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	-	-	-	-		-	-			685,947.30
Total	35,649,000.00	-	1,874,327.70	199,562.17	-	-	-	-	-	-	-	-		2,073,889.87

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	-		-		-	-			-				-
Tshenzhelani feeder liner	2,350,000.00	-		624,327.13	-	-	-			-				624,327.13
Nancefield Extension 8 mid block feede	4,300,000.00	-		-	-	-	-			-	-			-
Total	9,000,000.00	-	-	624,327.13	-	-	-	-	-	-	-	-		624,327.13

7. Debtors Management

The age analysis of the outstanding trade debtors as of July to September 2026 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 July- September														
Description		2025/26												
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	11,165	1,748	1,344	1,226	1,022	837	1,027	15,304	33,673	19,416	–	–	
Receivables from Non-exchange Transactions - Property Rates	1400	2,812	1,264	2,825	868	794	761	713	45,342	55,379	48,478	–	–	
Receivables from Exchange Transactions - Waste Water Management	1500	–	–	–	–	–	–	–	–	–	–	–	–	
Receivables from Exchange Transactions - Waste Management	1600	1,784	802	690	487	431	390	405	15,377	20,366	17,090	–	–	
Receivables from Exchange Transactions - Property Rental Debtors	1700	54	42	42	42	42	42	42	2,567	2,873	2,735	–	–	
Interest on Arrear Debtor Accounts	1810	1,187	1,138	1,118	1,148	1,072	1,038	1,046	32,677	40,424	36,981	–	–	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–	
Other	1900	3,232	1,649	1,280	1,009	1,021	860	835	23,124	33,010	26,849	–	–	
Total By Income Source	**2000**	**20,234**	**6,643**	**7,299**	**4,780**	**4,382**	**3,928**	**4,068**	**134,391**	**185,725**	**151,549**	**–**	**–**	
Debtors Age Analysis By Customer Group														
Organs of State	2200	1,970	699	2,184	493	419	346	336	11,766	18,213	13,360	–	–	
Commercial	2300	10,082	1,847	1,569	1,556	1,369	1,352	1,549	50,310	69,634	56,136	–	–	
Households	2400	8,182	4,097	3,546	2,731	2,594	2,230	2,183	72,315	97,878	82,053	–	–	
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–	
Total By Customer Group	**2600**	**20,234**	**6,643**	**7,299**	**4,780**	**4,382**	**3,928**	**4,068**	**134,391**	**185,725**	**151,549**	**–**	**–**	

7.1 Disconnection List

DISCONNECTION LIST SEPTEMBER 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	315
PAID/RESPONDED		0	158
TOTAL NOT DISCONNECTED	90	4	251
AMOUNT COLLECTED-TOWN	R 1,258,658.00		R 263,451.00
CREDIT CONTROL COLLECTION		R1,522,109.00	

8. Creditors Management

The age analysis of the outstanding creditors as of **July to September 2026** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 July - September											
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	23,236	26,540	24,555	20,452	14,954	–	–	–	109,737	–
Bulk Water	0200	–	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	5,433	1,618	171	6,152	–	1,150	–	18,607	33,131	–
Auditor General	0800	0	–	–	–	–	–	–	1	1	–
Other	0900	–	–	–	–	–	–	–	–	–	–
Total By Customer Type	1000	28,669	28,158	24,726	26,604	14,954	1,150	–	18,608	142,869	–

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on July to September 2026 expenses

MUSINA LOCAL MUNICIPALITY.

EXPENDITURE ANALYSIS

QUARTER1 2026

DESCRIPTION	AMOUNT
ESKOM	72,616,594.57
TELKOM	92,978.04
SALARIES	39,316,751.12
SUNDRY CREDITORS	31,385,721.58
TRADE CREDITORS	8,590,821.44
SARS (PAYE VAT)	13,540,100.39
GUARD ALERT	5,045,442.93
UKUKHOMBA	1,412,071.20
PK FINANCIAL CONSULTANTS	1,302,886.27
CATHU CONSULTANTS	805,000.00
TSHINAVHELA TRADING	1,286,940.00
PK FINANCIAL CONSULTANTS	1,545,960.13
MUNSOFT (PTY)LTD	3,964,638.30
BANK CHARGES	171,819.05
DEBIT ORDERS	5,620,716.68
PORVERTY ALLIVIATION WORKERS	1,204,268.66
WARD COMMITTEE MEMBERS -STIPENS	544,500.00
SUB-TOTAL	**188,447,210.36**
ELECTRIFICATION OF RHINO RIDGE DEVELOPMENT	4,651,477.49
ENHANCING SECURITY FEATURES OF MAIN OFFICE	339,700.81
CONSTRUCTION OF MASISI PAVED STREETS	1,560,200.88
CONSTRUCTION OF TSHIPISE VILLAGE PAVED STREETS	1,387,942.57
EAGLES LANDING ACCESS STREET	1,825,959.40
ELECTRIFICATION TSHENZHELANI VILLAGE	624,327.13
CONSTRUCTION OF SHAKADZA MULTI PURPOSE	1,367,133.98
REFURBISHMENT NANCEFIELD MUNICIPAL BUILDING	1,309,676.68
CONSTRUCTION OF STORM WATER NANCEFIELD	545,575.83
CONSTRUCTION OF NANCEFIELD EXT 9 AND PHASE 3 PAVING STREETS	73,104.70
RECONSTRUCTION CULVERT BRIDGE	1,187,862.06
DOREEN HOPE PRIMARY SCHOOL ACCESS BRIDGE	396,481.83
SUB-TOTAL	**15,269,443.36**
TOTAL EXPENDITURE	**203,716,653.72**
VDM	
TELKOM	3,267.96
ESKOM RIOOLDAMME	106,682.88
	109,950.84
	203,826,604.56

8.2 Outstanding Creditors

	Sept-26
SUPPLIERS	4,313,027.36
MIG PROJECTS/TENDERS	5,869,046.89
ESKOM	114,866,951.25
OWN PROJECTS	4,132,987.11
DEPARTMENT OF LABOUR	16,661,020.06
CONTRACTS	220,150.00
PRODIBA	76,630.00
CATERING	27,500.00
MAYORAL BURSARY	44,914.72
TOTAL	**146,212,227.39**

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of July to September 2026

MUSINA LOCAL MUNICIPALITY

MONTHLY REPORT

DEPARTMENT OF THE CHIEF FINANCIAL OFFICER

BANK RECONCILIATION AS 30 SEPTEMBER 2026

	BALANCE AS ON 01 JULY 2026		3,422,229.33
LESS:	EXPENDITURE	204,198,341.92	
	JOUNAL DEBIT	750,000.00	
	SHORTAGE	-	
	TOTAL EXPENDITURE	204,948,341.92	
PLUS:	INCOME	207,478,195.28	
	INCOME NOT RECEIPTED	-	
	JOUNAL CREDITED	-	
	DAY CALL	-	
	TOTAL REVENUE	207,478,195.28	
	BALANCE AS ON 30 SEPTEMBER 2026		5,952,082.69

	BALANCE AS PER BANK STATEMENT	5,952,082.69
LESS:	OUTSTANDING CHEQUE	
		5,952,082.69

	TRAFFIC		
	BALANCE AS ON 01 JULY 2026		953,440.36
	JOURNAL DEBIT	(1,300,000.00)	-
	BANK CHARGES	(23,370.06)	
	TOTAL REVENUE	3,567,342.95	
	BALANCE AS ON 30 SEPTEMBER 2026		3,197,413.25

The municipality closed the financial month of July to September 2026 with a positive bank balance.

10. Recommendations

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