

Monthly Budget Statement

MFMA Section 52 Report for Second Quarter from 1st October to 31st December 2022

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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 from 1st October to 31st December 2022

The total budget approved for the 2022-2023 financial year amounts to R451 042 million.

The total expenditure for operating activities for the Quarter amounts to R145 021 million.

Total revenue for the Quarter amounts to R146 131 million.

The expenditure on Capital activities for the Quarter amounts to R10 812 million.

The following table provides a summary of the municipality's performance from 1st October to 31st December 2022

LIM341 Musina - Table C1 Monthly Budget Statement Summary - Q02 Second Quarter

Description	2021/22	Budget Year 2022/23							
	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	25 684	25 814	–	1 799	13 799	12 907	892	7%	22 698
Service charges	167 349	177 572	–	12 097	75 638	88 786	(13 148)	-15%	189 022
Investment revenue	469	–	–	–	–	–	–		1 244
Transfers and subsidies	174 429	199 191	–	67 856	147 083	99 596	47 488	48%	174 720
Other own revenue	26 633	48 465	–	1 070	40 933	24 233	16 701	69%	45 296
Total Revenue (excluding capital transfers and contributions)	**394 564**	**451 042**	**–**	**82 822**	**277 453**	**225 521**	**51 932**	**23%**	**432 980**
Employee costs	151 683	162 265	–	13 610	74 916	81 133	(6 217)	-8%	158 403
Remuneration of Councillors	10 097	12 823	–	870	5 147	6 412	(1 265)	-20%	11 339
Depreciation & asset impairment	31 885	27 942	–	–	–	13 971	(13 971)	-100%	34 265
Finance charges	122	–	–	–	–	–	–		1 777
Materials and bulk purchases	142 119	124 511	–	52 856	123 952	62 256	61 696	99%	138 162
Transfers and subsidies	4 565	–	–	378	2 250	–	2 250	#DIV/0!	6 073
Other expenditure	110 812	118 500	–	21 246	98 932	59 250	39 682	67%	78 626
Total Expenditure	**451 283**	**446 041**	**–**	**88 960**	**305 197**	**223 021**	**82 176**	**37%**	**428 645**
Surplus/(Deficit)	**(56 719)**	**5 001**	**–**	**(6 138)**	**(27 744)**	**2 501**	**(30 244)**	**-1210%**	**4 335**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	31 409	32 713	–	7 500	28 486	16 357	12 130	74%	36 988
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	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(25 310)**	**37 714**	**–**	**1 362**	**742**	**18 857**	**(18 115)**	**-96%**	**41 323**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(25 310)**	**37 714**	**–**	**1 362**	**742**	**18 857**	**(18 115)**	**-96%**	**41 323**
Capital expenditure & funds sources									
Capital expenditure	**37 793**	**44 955**	**–**	**196**	**17 335**	**30 035**	**(12 699)**	**-42%**	**–**
Capital transfers recognised	28 853	32 713	–	200	10 812	16 357	(5 544)	-34%	–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	5 000	–	117	4 016	2 500	1 516	61%	–
Total sources of capital funds	**28 853**	**37 713**	**–**	**317**	**14 828**	**18 857**	**(4 028)**	**-21%**	**–**
Financial position									
Total current assets	211 176	118 075	–		239 376				118 075
Total non current assets	604 177	515 437	–		615 412				515 437
Total current liabilities	643 089	519 527	–		602 240				519 527
Total non current liabilities	43 472	19 595	–		43 472				19 595
Community wealth/Equity	**297 570**	**94 390**	**–**		**209 076**				**94 390**
Cash flows									
Net cash from (used) operating	263 124	38 488	–	48 851	12 169	19 244	7 075	37%	–
Net cash from (used) investing	(20 534)	(37 713)	–	(200)	(10 808)	(18 857)	(8 048)	43%	–
Net cash from (used) financing	(80)	–	–	–	–	–	–		–
Cash/cash equivalents at the month/yea	**265 377**	**13 248**	**–**	**–**	**4 024**	**12 861**	**8 836**	**69%**	**2 663**
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	6	9 910	3 845	2 544	2 920	2 849	13 518	34 920	70 511
Creditors Age Analysis									
Total Creditors	4 156	205	3 131	2 877	52 171	–	–	–	62 541

3. Operational Revenue

3.1 Revenue Performance by Source/Classification From 1st October to 31st December 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q02 Second Quarter										
Description	Ref	2021/22	Budget Year 2022/23							
		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		25 684	25 814	–	1 799	13 799	12 907	892	7%	22 698
Service charges - electricity revenue		152 981	162 728	–	10 554	66 497	81 364	(14 867)	-18%	174 390
Service charges - water revenue		–						–		–
Service charges - sanitation revenue		–						–		–
Service charges - refuse revenue		14 368	14 844	–	1 543	9 141	7 422	1 719	23%	14 632
Rental of facilities and equipment		693	558	–	1	6	279	(273)	-98%	691
Interest earned - external investments		469	–	–	–	–	–	–		1 244
Interest earned - outstanding debtors		4 964	2 966	–	677	11 722	1 483	10 239	690%	3 180
Dividends received		–	527	–	–	130	264	(134)	-51%	–
Fines, penalties and forfeits		3 123	3 870	–	281	1 494	1 935	(441)	-23%	3 380
Licences and permits		2 099	2 436	–	16	51	1 218	(1 167)	-96%	5 509
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		174 429	199 191	–	67 856	147 083	99 596	47 488	48%	174 720
Other revenue		18 064	38 108	–	95	27 530	19 054	8 476	44%	8 843
Gains		(2 310)	–	–	–	–	–	–		23 693
Total Revenue (excluding capital transfers and contributions)		**394 564**	**451 042**	**–**	**82 822**	**277 453**	**225 521**	**51 932**	**23%**	**432 980**

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 - Q02 Second Quarter

Description	Ref	Budget Year 2022/23												2020/21 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2020/21	+1 2021/22	+2 2022/23
Cash Receipts By Source																
Property rates		4 510	1 953	1 862	1 891	1 784	1 799	1 957	1 957	1 957	1 957	1 957	(98)	23 486	24 250	23
Service charges - electricity revenue		9 351	11 538	12 497	10 983	11 574	10 554	12 205	12 205	12 205	12 205	12 205	18 934	146 456	152 691	144 608
Service charges - water revenue		–	–	–	–	–		–	–	–			–			–
Service charges - sanitation revenue		–	–			–							–			–
Service charges - refuse		1 511	1 485	1 573	1 514	1 515	1 543	1 113	1 113	1 113	1 113	1 113	(14 693)	13	13 948	13 226
Rental of facilities and equipment		–	–	1	2	2	1	38	38	38	38	38	258	454	474	454
Interest earned - external investments		–			–	–		–	–	–	–	–	–	–	–	–
Interest earned - outstanding debtors		637	763	7 999	663	983	677	5 991	380	633	4 624	759	(24 109)	–	–	–
Dividends received		–	129	1	–	–	–	1		–	–	–	(131)	–	–	–
Fines, penalties and forfeits		217	226	236	246	288	281	430	430	430	430	430	1 512	5 156	5 383	5 156
Licences and permits		9	(53)	19	23	37	16	203	203	203	203	203	1 372	2 438	2 548	2 548
Agency services		–	–		–	–							–	–		–
Transfers and Subsidies - Operational		75 683	3 288	297	(118)	77	67 856	16 349	16 349	16 349	16 349	16 349	(32 637)	196 191	215 979	238 145
Other revenue		5 350	4 302	3 790	9 273	4 720	95	144	144	144	144	144	(26 527)	1 723	1 799	1 723
Cash Receipts by Source		**97 268**	**23 631**	**28 275**	**24 477**	**20 980**	**82 822**	**38 431**	**32 819**	**33 072**	**37 063**	**33 198**	**(76 119)**	**375 917**	**417 072**	**405 883**
													–			
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations)		10 616	–	–	10 370	–	7 500	2 726	2 726	2 726	2 726	2 726	(9 403)	32 713	34 040	32 499
Proceeds on Disposal of Fixed and Intangible Assets		–				–			–	–	–	–	–	–	–	–
Short term loans													–			
Borrowing long term/refinancing													–	–	–	–
Increase (decrease) in consumer deposits													–			
Decrease (increase) in non-current receivables													–			
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source		**107 884**	**23 631**	**28 275**	**34 847**	**20 980**	**90 322**	**41 157**	**35 545**	**35 798**	**39 789**	**35 924**	**(85 522)**	**408 630**	**451 112**	**438 382**

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - Q02 Second Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		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		–	23 486	–	1 799	11 923	11 743	180	2%	
Service charges		72 168	159 815	–	10 554	61 439	79 908	(18 469)	-23%	
Other revenue		95 500	9 771	–	6 590	14 494	4 886	9 609	197%	
Transfers and Subsidies - Operational		129 975	196 191	–	63 779	143 047	98 096	44 952	46%	
Transfers and Subsidies - Capital		–	32 713	–	7 500	28 563	16 357	12 207	75%	
Interest		–	–	–	677	11 059	–	11 059	#DIV/0!	
Dividends								–		
Payments										
Suppliers and employees		(34 519)	(379 098)	–	(35 709)	(257 771)	(189 549)	68 222	-36%	
Finance charges		–	–	–			–	–		
Transfers and Grants		–	(4 390)		(78)	(585)	(2 195)	(1 610)	73%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		**263 124**	**38 488**	**–**	**55 112**	**12 169**	**19 244**	**7 075**	**37%**	**–**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		1 991	–	–			–	–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(22 525)	(37 713)	–	(200)	(10 808)	(18 857)	(8 048)	43%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(20 534)**	**(37 713)**	**–**	**(200)**	**(10 808)**	**(18 857)**	**(8 048)**	**43%**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			–				–	–		
Borrowing long term/refinancing		–	–				–	–		
Increase (decrease) in consumer deposits		304	–				–	–		
Payments										
Repayment of borrowing		(384)	–		–	–	–	–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(80)**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**242 510**	**775**	**–**	**54 912**	**1 361**	**388**			**–**
Cash/cash equivalents at beginning:		22 867	12 473	–		2 663	12 473			2 663
Cash/cash equivalents at month/year end:		265 377	13 248	–		4 024	12 861			2 663

4. Operational Expenditure

4.1 Operational Expenditure Performance by type from 1st October to 31st December 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q02 Second Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		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		151 683	162 265	–	13 610	74 916	81 133	(6 217)	-8%	158 403
Remuneration of councillors		10 097	12 823	–	870	5 147	6 412	(1 265)	-20%	11 339
Debt impairment		41 885	38 307	–	–	–	19 154	(19 154)	-100%	8 325
Depreciation & asset impairment		31 885	27 942	–	–	–	13 971	(13 971)	-100%	34 265
Finance charges		122	–	–	–	–	–	–		1 777
Bulk purchases		137 919	121 518	–	52 684	122 696	60 759	61 937	102%	129 748
Other materials		4 200	2 993	–	172	1 256	1 497	(241)	-16%	8 414
Contracted services		37 408	38 078	–	8 393	14 214	19 039	(4 825)	-25%	37 767
Transfers and subsidies		4 565	–	–	378	2 250	–	2 250	#DIV/0!	6 073
Other expenditure		31 519	42 115	–	12 853	84 718	21 058	63 661	302%	32 534
Losses			–	–	–	–	–	–		
Total Expenditure		**451 283**	**446 041**	**–**	**88 960**	**305 197**	**223 021**	**82 176**	**37%**	**428 645**

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 - Q02 Second Quarter

Description	Ref	Budget Year 2022/23												2020/21 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2020/21	+1 2021/22	+2 2022/23
Cash Payments by Type													–			
Employee related costs		12 608	11 969	11 834	12 332	12 563	13 610	14 536	14 536	14 536	14 536	14 536	26 842	174 438	182 113	207 720
Remuneration of councillors		889	847	847	847	847	870	–	–	–	–	–	(5 147)	–	–	–
Interest paid		–			–	–		–	–	–	–	–	–	–	–	–
Bulk purchases - Electricity		54 000	2 048	6 799	47	7 118	52 684	10 126	10 126	10 126	10 126	10 126	(51 808)	121 518	126 227	127 199
Bulk purchases - Water & Sewer		–	–	–	–	–	–	249	249	249	249	249	1 748	2 993	3 125	3 910
Other materials		90	112	264	343	275	172	–	–	–	–	–	(1 256)	–	–	–
Contracted services		8 199	934	2 898	685	545	8 393	–	–	–	–	–	(21 654)	–	–	–
Grants and subsidies paid - other municipalities		–	–	–	-		–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		373	369	377	374	379	378	–	–	–	–	–	(2 250)	–	–	–
General expenses		27 534	4 833	3 907	17 506	38	12 653	6 679	6 679	6 679	6 679	6 679	(19 717)	80 149	89 676	87 733
Cash Payments by Type		**103 693**	**21 112**	**26 926**	**32 134**	**21 765**	**88 760**	**31 590**	**31 590**	**31 590**	**31 590**	**31 590**	**(73 242)**	**379 098**	**401 141**	**426 562**
													–			
Other Cash Flows/Payments by Type																
Capital assets		4 649	1 092	2 704	1 404	759	200	1 439	2 383	1 971	1 290	2 879	(20 770)	–	–	–
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments			–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type		**108 342**	**22 204**	**29 631**	**33 538**	**22 524**	**88 960**	**33 029**	**33 973**	**33 561**	**32 880**	**34 469**	**(94 012)**	**379 098**	**401 141**	**426 562**
													–			
NET INCREASE/(DECREASE) IN CASH HELD		**(458)**	**1 427**	**(1 356)**	**1 309**	**(1 544)**	**1 344**	**8 128**	**1 572**	**2 237**	**6 909**	**1 455**	**8 508**	**29 532**	**49 971**	**11 820**
Cash/cash equivalents at the month/year beginning:		3 284	2 826	4 253	2 898	4 207	2 663	4 007	12 135	13 707	15 945	22 854	24 309	3 284	32 816	82 787
Cash/cash equivalents at the month/year end:		2 826	4 253	2 898	4 207	2 663	4 007	12 135	13 707	15 945	22 854	24 309	32 816	32 816	82 787	94 607

5. Capital Expenditure

5.1 Capital Expenditure by Function/Department

LIM341 Musina - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q02 Second Quarter

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital Expenditure - Functional Classification										
Governance and administration		**18 586**	**3 000**	**–**	**–**	**3 899**	**750**	3 149	420%	**–**
Executive and council		(324)	1 500					–		
Finance and administration		18 910	1 500	–	–	3 899	750	3 149	420%	
Internal audit								–		
Community and public safety		**3 643**	**5 751**	**–**	**–**	**7 124**	**2 876**	4 249	148%	**–**
Community and social services		3 643	5 751	–	–	6 186	2 876	3 311	115%	
Sport and recreation					–	938	–	938	#DIV/0!	
Public safety								–		
Housing								–		
Health								–		
Economic and environmental services		**24 319**	**28 962**	**–**	**200**	**3 688**	**14 481**	(10 793)	-75%	**–**
Planning and development		25 210	27 962	–	200	3 688	13 981	(10 293)	-74%	
Road transport		(891)	1 000	–	–	–	500	(500)	-100%	
Environmental protection								–		
Trading services		**430**	**–**	**–**	**–**	**–**	**–**	–		**–**
Energy sources		430						–		
Water management								–		
Waste water management								–		
Waste management								–		
Other								–		
Total Capital Expenditure - Functional Classification	3	**46 978**	**37 713**	**–**	**200**	**14 711**	**18 107**	**(3 395)**	**-19%**	**–**
Funded by:										
National Government		28 853	32 713		200	10 812	16 357	(5 544)	-34%	
Provincial Government								–		
District Municipality								–		
Transfers recognised - capital		**28 853**	**32 713**	**–**	**200**	**10 812**	**16 357**	**(5 544)**	**-34%**	**–**
Borrowing	6							–		
Internally generated funds			5 000		117	4 016	2 500	1 516	61%	
Total Capital Funding		**28 853**	**37 713**	**–**	**317**	**14 828**	**18 857**	**(4 028)**	**-21%**	**–**

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 - Q02 Second Quarter

Description	Ref	2021/22	Budget Year 2022/23							
		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:		–	198 183	–	78	77 913	99 092	(21 179)	-21.4%	–
Local Government Equitable Share		–	193 793	–	–	75 589	96 897	(21 308)	-22.0%	
Finance Management		–	3 000	–	78	934	1 500	(566)	-37.7%	
EPWP Incentive		–	1 390	–	–	1 390	695	695	100.0%	
0								–		
0								–		
0								–		
Other transfers and grants [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–		–
0								–		
0								–		
0								–		
0								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		–	198 183	–	78	77 913	99 092	(21 179)	-21.4%	–
Capital expenditure of Transfers and Grants										
National Government:		–	32 713	–	200	10 812	16 357	(5 544)	-33.9%	–
0		–	32 713		200	10 812	16 357	(5 544)	-33.9%	
0								–		
0								–		
0								–		
0								–		
Other capital transfers [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–		–
								–		
0								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
0								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
0								–		
Total capital expenditure of Transfers and Grants		–	32 713	–	200	10 812	16 357	(5 544)	-33.9%	–
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	230 896	–	278	88 725	115 448	(26 723)	-23.1%	–

6.2 Grants Expenditure Trends

The table below outlines the expenditure trend on MIG Grant:

LIM341 Musina - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q02 Second Quarter

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July		2 726		(4 649)		2 726	–		
August		2 726		(1 092)		5 452	–		
September		2 726		(2 704)		8 178	–		
October		2 726		(1 404)		10 904	–		
November		2 726		(759)		13 630	–		
December		2 726		(200)		16 357	–		
January		2 726				19 083	–		
February		2 726				21 809	–		
March		2 726				24 535	–		
April		2 726				27 261	–		
May		2 726				29 987	–		
June		2 726				32 713	–		
Total Capital	–	32 713	–	(10 808)					

MIG Projects 2022/2023	Budget	July	August	September	October	November	December	January	February	March	April	May	June
Nancefield phase 6 to 12 paved roads	68 802.22												
Costruction of brigde & culvert from Tshivhongweni to Tshipale village on the road to tshokotshoko	504 300.25	-											
Development of Nancefield grave yard	4 750 877.36	-			443 395.91								
Construction of Tshikhudini community hall	3 350 685.65	1 801 724.04	932 948.61	1 235 251.91		227 408.82							
Rehabilitation of Manyathela Stadium	4 595 311.03	1 845 495.42		370 864.88		374 210.00							
Nancefield ext 9 & 10 paved roads and stormwater ph	7 513 613.69	777 963.43		938 121.45	799 197.04								
Shakadza Multi Purpose Centre	5 487 497.66												
Mabvete Community hall	4 806 262.14												
PMU Management fees	1 635 650.00	223 683.20	159 492.73	159 809.56	161 261.54	157 323.97	200 171.28						
	32 713 000.00	**4 648 866.09**	**1 092 441.34**	**2 704 047.80**	**1 403 854.49**	758 942.79	200 171.28	-	-	-	-	-	-

7. Debtors Management

The age analysis of the outstanding trade debtors from 1st October to 31st December 2022 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q02 Second Quarter

Description		Budget Year 2022/23											
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	Impairment - Bad Debts i.t.o Council
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200									–	–		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	7	5 332	1 594	1 084	1 170	1 052	3 296	9 618	23 151	16 220		18 144
Receivables from Non-exchange Transactions - Property Rates	1400	–	1 953	1 021	841	767	717	5 604	34 457	45 359	42 385		44 459
Receivables from Exchange Transactions - Waste Water Management	1500									–	–		
Receivables from Exchange Transactions - Waste Management	1600	(0)	1 549	691	623	456	420	1 887	7 477	13 102	10 863		11 623
Receivables from Exchange Transactions - Property Rental Debtors	1700									–	–		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(1)	1 076	540	(4)	527	660	2 731	(16 631)	(11 102)	(12 717)		(2 537)
Total By Income Source	**2000**	**6**	**9 910**	**3 845**	**2 544**	**2 920**	**2 849**	**13 518**	**34 920**	**70 511**	**56 751**	**–**	**71 689**
2021/22 - totals only										–	**–**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	–	483	176	141	157	392	1 728	6 852	9 929	9 271		11 226
Commercial	2300	–	3 356	827	173	821	764	3 675	(7 484)	2 134	(2 050)		6 830
Households	2400	6	3 913	2 146	1 695	1 367	1 221	6 024	23 660	40 031	33 966		36 582
Other	2500	–	2 159	697	535	574	472	2 091	11 892	18 419	15 564		17 050
Total By Customer Group	**2600**	**6**	**9 910**	**3 845**	**2 544**	**2 920**	**2 849**	**13 518**	**34 920**	**70 513**	**56 751**	**–**	**71 689**

7.1Disconnection List

DISCONNECTION LIST FROM OCTOBER TO DECEMBER 2022			
	ELECTRICITY MUSINA	MUSINA	ELECTRICITY NANCEFIELD
TOWN	113	1	204
EXTENTION 1	88		656
EXTENTION 2	43		482
EXTENSION 3	10		0
EXTENSION 4	38		626
EXTENTION 5	20		1010
EXTENSION 6	13		370
EXTENTION 7	10		774
EXTENTION 8	0		712
EXTENTION 9	0		794
EXTENTION 10	0		1054
EXTENTION 11	2		238
EXTENTION 12	0		0
EXTENTION 14	10		978
MUSINA 4 MT	0		0
MUSINA EXT 17	0		0
VOGELZANG 3 MT	0		0
BUITEGEBIED	2		0
DISCONNECTIONS	349	1	7898
ARRANGEMENTS	6	0	20
TOTAL DISCONNECTED	196	0	4786
PAID/RESPONDED	201	0	3178
TOTAL NOT DISCONNECTED	-54	0	6796
AMOUNT COLLECTED-TOWN	R 602 080.30		R 789 703.34
CREDIT CONTROL COLLECTI	R 1 391 783.64		

8. Creditors Management

The age analysis of the outstanding creditors from 1st October to 31st December **2022** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q02 Second Quarter											
Description	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
R thousands		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	
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	4 156	205	3 131	2 877	52 171				**62 541**	
Auditor General	0800									–	
Other	0900									–	
Total By Customer Type	**1000**	**4 156**	**205**	**3 131**	**2 877**	**52 171**	**–**	**–**	**–**	**62 541**	**–**

8.1 EXPENDITURE ANALYSIS

The following table provides a summary of the expenditure trends based on current Quarter from 1st October to 31st December 2022

MUSINA LOCAL MUNICIPALITY

EXPENDITURE ANALYSIS

SECOND QUARTER-END 31 DECEMBER 2022

DESCRIPTION	AMOUNT
ESKOM	52 730 896.84
SALARIES	33 505 231.33
SUNDRY CREDITORS	2 274 236.26
TRADE CREDITORS	9 535 036.45
SARS (PAYE VAT)	7 484 599.33
AUDITOR	3 021 152.25
MAHOSI	4 736 940.61
	-
TELKOM	171 141.69
BANK CHARGES	208 094.77
DEBIT ORDERS	5 381 073.71
PORVERTY ALLIVIATION WORKERS	1 124 663.17
LEARNERS LGSETA	64 885.80
WARD COMMITTEE MEMBERS -STIPENS	535 500.00
SUB-TOTAL	**120 773 452.21**
Construction of Tshikhudini community hall	204 667.94
Construction of Rhino Ridge park internal street & stormwater infrastructure management	1 000 000.00
Construction of Bridge and Culverts from Tshipale to Tshivhongweni	292 712.23
Construction of Tshikhudini community hall	719 227.34
Electrification of Malale	458 261.83
Development of Mberegeni graveward	1 111 726.72
Electrification of Rhino park	983 569.00
Cession Payment	135 615.31
Construction of Manyathela Stadium	459 667.32
Provision of service in compliance with GRAP 17	207 000.00
Provision of service for landfill operation & management	611 546.00
Provision of service for landfill operation & management	611 546.00
Provision of service for landfill operation & management	498 806.00
SUB-TOTAL	-
	7 294 345.69
TOTAL EXPENDITURE	**128 052 897.39**

VDM	3137.55
TELKOM	171 141.69
ESKOM RIOOLDAMME	71 684.71
	245 963.95
	128 298 861.34

8.2 Outstanding Creditors

OUTSTANDING CREDITORS FROM OCTOBER TO DECEMBER 2022

SUPPLIER	Q02 SECOND QUARTER
ESKOM	110 883 421.02
DEPARTMENT OF TRANSPORT	43 245 397.63
CONTRACTED SERVICES	10 933 849.62
SUPPLIERS	101 967 427.59
TOTAL	**267 030 095.86**

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents from 1st October to 31st December 2022.

QUARTERLY REPORT

DEPARTMENT OF THE CHIEF FINANCIAL OFFICER

BANK RECONCILIATION AS FROM 30 OCTOBER TO 31 DECEMBER 2022

	BALANCE AS ON 30 OCTOBER 2022		2 897 000.00
LESS:	EXPENDITURE	145 021 000.00	
	RETURNED CHEQUE	-	
	DAY CALL		
	TOTAL EXPENDITURE	145 021 000.00	
PLUS:	INCOME		
	INCOME NOT RECEIPTED		
	CANCELLED STALE CHEQUES		
	DAY CALL	-	
	TOTAL REVENUE	146 131 000.00	
	BALANCE AS ON 31 DECEMBER 2022		4 007 000.00
	BALANCE AS PER BANK STATEMENT		4 007 000.00
LESS:	OUTSTANDING CHEQUE		-
			4 007 000.00

interest 10.50%

	TRAFFIC	189 695.03
	BALANCE AS ON 31 DECEMBER 2022	4 007 000.00

The municipality closed the financial second Quarter with a positive bank balance.

10. Recommendations

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