MUSINA
LOCAL MUNICIPALITY

Monthly Budget Statement

MFMA Section 71 Report May 2022

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
4. Operational Expenditure
    4.1 Operational Expenditure by type
    4.2 Summary of Operational Expenditure Trends
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 Grants Expenditure Trends
7. Debtors Management
8. Creditors Management
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 May 2022

The total budget approved for the 2021-2022 financial year amounts to R429 587 million was adjusted to R432 708 million.

The total expenditure for operating activities for the month amounts to R23 510 million.

Total revenue for the month amounts to R20 762 million.

The expenditure on Capital activities for the month amounts to R2 878 million.

The following table provides a summary of the municipality's performance as at 31 May 2022

LIM341 Musina - Table C1 Monthly Budget Statement Summary - M11 May

Description	2020/21	Budget Year 2021/22							
	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	24,787	22,698	22,698	1,824	21,682	20,806	876	4%	22,698
Service charges	156,127	189,125	189,022	11,028	134,198	173,365	(39,167)	-23%	189,022
Investment revenue	186	1,244	1,244	–	–	1,141	(1,141)	-100%	1,244
Transfers and subsidies	196,252	174,429	42,681	911	175,340	159,893	15,447	10%	174,720
Other own revenue	20,017	50,057	15,812	6,999	102,265	45,886	56,379	123%	45,296
Total Revenue (excluding capital transfers and contributions)	**397,369**	**437,554**	**271,457**	**20,762**	**433,485**	**401,091**	**32,394**	**8%**	**432,980**
Employee costs	149,831	158,392	158,403	11,660	128,314	145,193	(16,879)	-12%	158,403
Remuneration of Councillors	10,526	12,822	11,339	860	14,159	11,754	2,406	20%	11,339
Depreciation & asset impairment	28,488	34,265	34,265	–	8,565	31,410	(22,845)	-73%	34,265
Finance charges	276	1,777	1,777	–	15	1,629	(1,614)	-99%	1,777
Materials and bulk purchases	119,882	138,163	138,162	245	176,054	126,649	49,405	39%	138,162
Transfers and subsidies	4,689	6,073	6,073	452	5,635	5,567	68	1%	6,073
Other expenditure	100,922	78,096	82,207	10,293	134,535	71,588	62,947	88%	78,626
Total Expenditure	**414,614**	**429,587**	**432,226**	**23,510**	**467,277**	**393,789**	**73,488**	**19%**	**428,645**
Surplus/(Deficit)	**(17,245)**	**7,966**	**(160,769)**	**(2,748)**	**(33,792)**	**7,302**	**(41,094)**	**-563%**	**4,335**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	37,793	36,988	36,988	–	36,988	33,906	3,082	9%	36,988
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**20,548**	**44,954**	**(123,781)**	**(2,748)**	**3,196**	**41,208**	**(38,012)**	**-92%**	**41,323**
associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**20,548**	**44,954**	**(123,781)**	**(2,748)**	**3,196**	**41,208**	**(38,012)**	**-92%**	**41,323**
Capital expenditure & funds sources									
Capital expenditure	**37,793**	**44,955**	**–**	**196**	**17,335**	**30,035**	**(12,699)**	**-42%**	**–**
Capital transfers recognised	37,793	36,988	–	2,879	27,297	33,906	(6,609)	-19%	–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**–**	**7,967**	**–**	**–**	**3,878**	**7,303**	**(3,425)**	**-47%**	**–**
Total sources of capital funds	**37,793**	**44,955**	**–**	**2,879**	**31,175**	**41,209**	**(10,034)**	**-24%**	**–**
Financial position									
Total current assets	102,568	183,571	229,017		221,954				229,017
Total non current assets	562,093	367,812	614,261		627,451				614,261
Total current liabilities	520,764	86,492	603,293		525,539				603,293
Total non current liabilities	26,946	22,645	41,181		41,181				41,181
Community wealth/Equity	**116,951**	**442,246**	**198,804**		**282,685**				**198,804**
Cash flows									
Net cash from (used) operating	20,550	17,411	25,179	1,008	25,547	15,960	(9,588)	-60%	–
Net cash from (used) investing	(18,564)	(10,668)	(43,105)	(2,879)	(28,296)	(9,779)	18,517	-189%	–
Net cash from (used) financing	(2,181)	(6,185)	–	–	–	(5,670)	(5,670)	100%	–
Cash/cash equivalents at the month	**12,473**	**13,225**	**4,941**	**–**	**3,246**	**23,378**	**20,132**	**86%**	**5,995**
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)	8,987	4,064	2,994	2,617	2,537	15,521	40,722	77,435
Creditors Age Analysis									
Total Creditors	2,465	5,773	1,364	72	62,791	–	–	–	72,465

3. Operational Revenue

3.1 Revenue Performance by Source/Classification as at 31 May 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
		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		24,787	22,698	22,698	1,824	21,682	20,806	876	4%	22,698
Service charges - electricity revenue		143,707	174,493	174,390	9,844	121,006	159,952	(38,946)	-24%	174,390
Service charges - water revenue								–		–
Service charges - sanitation revenue								–		–
Service charges - refuse revenue		12,420	14,632	14,632	1,184	13,192	13,413	(221)	-2%	14,632
Rental of facilities and equipment		25	668	691	–	14	612	(598)	-98%	691
Interest earned - external investments		186	1,244	1,244	–	–	1,141	(1,141)	-100%	1,244
Interest earned - outstanding debtors		3,377	3,180	6,157	759	24,435	2,915	21,520	738%	3,180
Dividends received			–	–	–		–	–		–
Fines, penalties and forfeits		494	3,276	3,380	(676)	2,233	3,003	(770)	-26%	3,380
Licences and permits		4,841	5,509	5,509	10	239	5,050	(4,811)	-95%	5,509
Agency services			–	–	–	–	–	–		–
Transfers and subsidies		196,252	174,429	42,681	911	175,340	159,893	15,447	10%	174,720
Other revenue		9,470	13,731	75	6,906	75,344	12,587	62,757	499%	8,843
Gains		1,810	23,693	–	–	–	21,719	(21,719)	-100%	23,693
Total Revenue (excluding capital transfers and contributions)		**397,369**	**437,554**	**271,457**	**20,762**	**433,485**	**401,091**	**32,394**	**8%**	**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 - M11 May

Description	Ref	Budget Year 2021/22												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	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	2020/21	+1 2021/22	+2 2022/23
Cash Receipts By Source																
Property rates		4,460	1,825	1,515	1,823	1,780	1,826	1,822	1,466	1,542	1,799	1,824	510	22,192	23,191	24,258
Service charges - electricity revenue		9,807	12,307	11,883	10,793	10,243	11,719	11,935	10,581	11,460	10,434	9,844	20,102	141,108	149,574	158,549
Service charges - water revenue		–	–	–	–	–		–	–	–			–			–
Service charges - sanitation revenue		–	–			–							–			–
Service charges - refuse		1,250	1,246	1,228	1,247	1,173	1,179	1,192	1,160	1,179	1,154	1,184	(1,487)	11,705	12,407	13,152
Rental of facilities and equipment		5			–	–		2	1	1	5	–	654	668	708	750
Interest earned - external investments		–			–	–		–	–	–	–	–	995	995	1,055	1,118
Interest earned - outstanding debtors		766	565	7,821	609	974	1,313	5,991	380	633	4,624	759	(21,621)	2,814	2,983	3,162
Dividends received		–		–	–	–	–	1		–	–	–	(1)	–	–	–
Fines, penalties and forfeits		60	357	200	245	123	103	254	265	355	947	(676)	1,043	3,276	3,473	3,681
Licences and permits		115	12	10	23	35	12	6	8	–	8	10	5,270	5,509	5,839	6,190
Agency services		–	–		–	–							–			–
Transfers and Subsidies - Operational		70,777	3,279	–		771	56,621	2,464	556	42,466	126	911	(3,542)	174,429	184,895	195,988
Other revenue		11,376	7,608	3,848	16,468	5,873	2,930	200	8,335	7,775	3,774	6,906	(63,207)	11,887	12,600	13,356
Cash Receipts by Source		**98,616**	**27,199**	**26,505**	**31,208**	**20,972**	**75,703**	**23,867**	**22,752**	**65,411**	**22,871**	**20,762**	**(61,284)**	**374,583**	**396,725**	**420,204**

Summary of total Own revenue

LIM341 Musina - Table C7 Monthly Budget Statement - Cash Flow - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
		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		24,787	22,192	18,158	1,824	20,351	20,343	8	0%	
Service charges		156,276	152,813	82,734	11,028	158,051	140,079	17,972	13%	
Other revenue		17,729	21,340	84,010	8,503	95,617	19,562	76,055	389%	
Transfers and Subsidies - Operational		195,305	174,429	173,005		174,429	159,893	14,536	9%	
Transfers and Subsidies - Capital		37,793	36,988	36,988	–	36,988	33,906	3,082	9%	
Interest		3,273	3,809	7,402	759	23,461	3,492	19,969	572%	
Dividends								–		
Payments										
Suppliers and employees		(409,999)	(388,311)	(375,341)	(20,583)	(478,046)	(355,952)	122,094	-34%	
Finance charges		(276)	(1,777)	(1,777)	(68)	(430)	(1,629)	(1,198)	74%	
Transfers and Grants		(4,339)	(4,073)		(455)	(4,874)	(3,733)	1,140	-31%	
NET CASH FROM/(USED) OPERATING ACTIVITIES		**20,550**	**17,411**	**25,179**	**1,008**	**25,547**	**15,960**	**(9,588)**	**-60%**	**–**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		19,967	26,320	1,717			24,127	(24,127)	-100%	
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(38,530)	(36,988)	(44,822)	(2,879)	(28,296)	(33,906)	(5,609)	17%	
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(18,564)**	**(10,668)**	**(43,105)**	**(2,879)**	**(28,296)**	**(9,779)**	**18,517**	**-189%**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans			(351)				(322)	322	-100%	
Borrowing long term/refinancing		(194)	(2,785)				(2,553)	2,553	-100%	
Increase (decrease) in consumer deposits			(49)				(45)	45	-100%	
Payments										
Repayment of borrowing		(1,987)	(3,000)		–	–	(2,750)	(2,750)	100%	
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(2,181)**	**(6,185)**	**–**	**–**	**–**	**(5,670)**	**(5,670)**	**100%**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**(195)**	**558**	**(17,926)**	**(1,871)**	**(2,749)**	**511**			**–**
Cash/cash equivalents at beginning:		12,667	12,667	22,867		5,995	22,867			5,995
Cash/cash equivalents at month/year end:		12,473	13,225	4,941		3,246	23,378			5,995

4. Operational Expenditure

4.1 Operational Expenditure Performance by type as at 31 May 2022

LIM341 Musina - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
		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		149,831	158,392	158,403	11,660	128,314	145,193	(16,879)	-12%	158,403
Remuneration of councillors		10,526	12,822	11,339	860	14,159	11,754	2,406	20%	11,339
Debt impairment		36,833	8,325	8,325	–	1,389	7,631	(6,242)	-82%	8,325
Depreciation & asset impairment		28,488	34,265	34,265	–	8,565	31,410	(22,845)	-73%	34,265
Finance charges		276	1,777	1,777	–	15	1,629	(1,614)	-99%	1,777
Bulk purchases		116,844	129,748	129,748	107	161,517	118,936	42,581	36%	129,748
Other materials		3,038	8,414	8,414	138	14,537	7,713	6,824	88%	8,414
Contracted services		29,600	37,238	41,348	1,462	34,933	34,135	798	2%	37,767
Transfers and subsidies		4,689	6,073	6,073	452	5,635	5,567	68	1%	6,073
Other expenditure		34,489	32,533	32,534	8,831	98,214	29,822	68,391	229%	32,534
Losses			–	–	–	–	–	–		
Total Expenditure		**414,614**	**429,587**	**432,226**	**23,510**	**467,277**	**393,789**	**73,488**	**19%**	**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 - M11 May

Description	Ref	Budget Year 2021/22												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	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	2020/21	+1 2021/22	+2 2022/23
													–			
Cash Payments by Type													–			
Employee related costs		11,517	11,741	11,295	13,339	11,916	13,148	11,717	8,467	11,884	11,630	11,660	30,078	158,392	167,907	177,982
Remuneration of councillors		845	825	825	825	700	915	860	5,784	860	860	860	(1,878)	12,281	13,018	13,799
Interest paid		–			13	2		–	–	–	–	–	1,762	1,777	1,883	1,996
Bulk purchases - Electricity		62,058	2,015	5,633	11,639	–	42,074	2,856	2,657	30,521	1,834	107	(1,646)	159,748	169,333	179,493
Bulk purchases - Water & Sewer		–		–				–	–	–	–	–	–	–	–	–
Other materials		268	103	759	91	123	175	308	275	11,734	156	138	(10,057)	4,073	4,317	4,576
Contracted services		5,289	3,024	3,024	2,778	3,263	4,517	3,557	1,152	5,829	1,568	1,462	2,305	37,767	40,033	42,435
Grants and subsidies paid - other municipalities		–		–	-		–	–	–	–	–	–	–	–	–	–
Grants and subsidies paid - other		519	522	866	481	443	810	155	426	506	455	452	(5,635)	–	–	–
General expenses		32,057	2,215	2,890	12,321	3,752	19,299	789	2,285	12,341	1,774	5,952	(38,575)	57,100	63,058	65,393
Cash Payments by Type		**112,553**	**20,445**	**25,291**	**41,487**	**20,199**	**80,938**	**20,242**	**21,046**	**73,675**	**18,277**	**20,631**	**(23,646)**	**431,138**	**459,549**	**485,674**
													–			
Other Cash Flows/Payments by Type																
Capital assets		7,546	4,685	1,901	2,045	963	196	1,439	2,383	1,971	1,290	2,879	(27,297)	–	–	–
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other Cash Flows/Payments			–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type		**120,098**	**25,130**	**27,192**	**43,532**	**21,162**	**81,134**	**21,681**	**23,429**	**75,646**	**19,567**	**23,510**	**(50,943)**	**431,138**	**459,549**	**485,674**

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) - M11 May

Vote Description	Ref	2020/21	Budget Year 2021/22							
		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		–	**7,967**	**7,834**	–	**3,878**	**7,303**	(3,425)	-47%	–
Executive and council								–		
Finance and administration			7,967	7,834	–	3,878	7,303	(3,425)	-47%	
Internal audit								–		
Community and public safety		–	**2,500**	**4,910**	–	**1,873**	**2,292**	(419)	-18%	–
Community and social services			2,500	4,910	–	1,873	2,292	(419)	-18%	
Sport and recreation						–	–	–		
Public safety								–		
Housing								–		
Health								–		
Economic and environmental services		**37,793**	**34,488**	**32,078**	**2,879**	**25,424**	**31,614**	(6,190)	-20%	–
Planning and development		37,793	17,538	22,959	2,879	12,024	16,077	(4,052)	-25%	
Road transport			16,950	9,119	–	13,399	15,538	(2,138)	-14%	
Environmental protection								–		
Trading services		–	–	–	–	–	–	–		–
Energy sources								–		
Water management								–		
Waste water management								–		
Waste management								–		
Other								–		
Total Capital Expenditure - Functional	3	**37,793**	**44,955**	**44,822**	**2,879**	**31,175**	**41,209**	**(10,034)**	**-24%**	–
Funded by:										
National Government		37,793	36,988		2,879	27,297	33,906	(6,609)	-19%	
Provincial Government								–		
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers recognised - capital		**37,793**	**36,988**	–	**2,879**	**27,297**	**33,906**	**(6,609)**	**-19%**	–
Borrowing	6							–		
Internally generated funds			7,967		–	3,878	7,303	(3,425)	-47%	
Total Capital Funding		**37,793**	**44,955**	–	**2,879**	**31,175**	**41,209**	**(10,034)**	**-24%**	–

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 - M11 May

Description	Ref	2020/21	Budget Year 2021/22							
		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:		**199,644**	**174,429**	**–**	**–**	**174,429**	**159,893**	**14,536**	**9.1%**	**–**
Local Government Equitable Share		195,305	169,864		–	169,864	155,709	14,155	9.1%	
Finance Management		2,700	2,850			2,850	2,613	238	9.1%	
EPWP Incentive		1,639	1,715		–	1,715	1,572	143	9.1%	
#REF!								–		
#REF!								–		
#REF!								–		
Other transfers and grants [insert description]								–		
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
#REF!								–		
#REF!								–		
#REF!								–		
#REF!								–		
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
[insert description]								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		**199,644**	**174,429**	**–**	**–**	**174,429**	**159,893**	**14,536**	**9.1%**	**–**
Capital expenditure of Transfers and Grants										
National Government:		37,793	36,988	–	2,879	28,737	33,906	(5,169)	**-15.2%**	–
#REF!		37,793	36,988		2,879	28,737	33,906	(5,169)	-15.2%	
#REF!								–		
#REF!								–		
#REF!								–		
#REF!								–		
Other capital transfers [insert description]								–		
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
#REF!								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
#REF!								–		
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
								–		
#REF!								–		
Total capital expenditure of Transfers and Grants		**37,793**	**36,988**	**–**	**2,879**	**28,737**	**33,906**	**(5,169)**	**-15.2%**	**–**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**237,437**	**211,417**	**–**	**2,879**	**203,166**	**193,799**	**9,367**	**4.8%**	**–**

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 - M11 May

Month	2020/21	Budget Year 2021/22							
	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		3,082		(7,546)		3,082	–		
August		3,082		(4,685)		6,164	–		
September		3,082		(1,901)		9,246	–		
October		3,082		(2,045)		12,328	–		
November		3,082		(963)		15,410	–		
December		3,082		(196)		18,492	–		
January		3,082		(1,439)		21,574	–		
February		3,082		(2,383)		24,656	–		
March		3,082		(1,971)		27,738	–		
April		3,082		(1,290)		30,820	–		
May		3,082		(2,879)		33,902	–		
June		3,086				36,988	–		
Total Capital	–	36,988	–	(27,298)					

7. Debtors Management

The age analysis of the outstanding trade debtors as at 31 May 2022 is reflected in the table below.

LIM341 Musina - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description		Budget Year 2021/22											
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	(4)	4,414	1,508	902	711	684	3,706	10,387	22,309	16,391		16,391
Receivables from Non-exchange Transactions - Property Rates	1400	(0)	1,792	985	765	721	678	5,537	34,078	44,555	41,778		41,778
Receivables from Exchange Transactions - Waste Water Management	1500									–	–		
Receivables from Exchange Transactions - Waste Management	1600	(0)	1,090	558	459	409	385	2,014	7,845	12,760	11,112		11,112
Receivables from Exchange Transactions - Property Rental Debtors	1700									–	–		
Interest on Arrear Debtor Accounts	1810									–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	(2)	1,690	1,013	869	775	789	4,264	(11,588)	(2,189)	(4,891)		(4,891)
Total By Income Source	**2000**	**(6)**	**8,987**	**4,064**	**2,994**	**2,617**	**2,537**	**15,521**	**40,722**	**77,435**	**64,390**	**–**	**64,390**
2020/21 - totals only										–	**–**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	–	255	138	171	118	164	2,127	7,211	10,184	9,791		9,791
Commercial	2300	(1)	3,747	857	670	700	687	4,409	(3,426)	7,644	3,040		3,040
Households	2400	(6)	3,807	2,362	1,626	1,424	1,320	7,007	24,250	41,790	35,627		35,627
Other	2500	–	1,177	707	527	375	365	1,977	12,687	17,817	15,932		15,932
Total By Customer Group	**2600**	**(6)**	**8,987**	**4,064**	**2,994**	**2,617**	**2,537**	**15,521**	**40,722**	**77,435**	**64,390**	**–**	**64,390**

8. Creditors Management

The age analysis of the outstanding creditors as at **31 May 2022** was as outlined below:

LIM341 Musina - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	NT Code	Budget Year 2021/22									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	2,465	5,773	1,364	72	62,791				**72,465**	
Auditor General	0800									–	
Other	0900									–	
Total By Customer Type	**1000**	**2,465**	**5,773**	**1,364**	**72**	**62,791**	**–**	**–**	**–**	**72,465**	–

9. Cash Management

The table below provides a breakdown of the cash and cash equivalents at end of 31 May 2022.

MONTHLY REPORT

DEPARTMENT OF THE CHIEF FINANCIAL OFFICER

BANK RECONCILIATION AS 31 MAY 2022

	BALANCE AS ON 30 APRIL 2022		5,994,732.07
LESS:	EXPENDITURE	23,510,980.25	
	RETURNED CHEQUE	-	
	DAY CALL	-	
	TOTAL EXPENDITURE	23,510,980.25	
PLUS:	INCOME	20,762,890.40	
	INCOME NOT RECEIPTED		
	CANCELLED STALE CHEQUES		
	DAY CALL		
	TOTAL REVENUE	20,762,890.40	
	BALANCE AS ON 31 MAY 2022		3,246,642.22

	BALANCE AS PER BANK STATEMENT	3,246,642.22
LESS:	OUTSTANDING CHEQUE	-
		3,246,642.22

interest 2.78%

	TRAFFIC	177,324.33
	BALANCE AS ON 30 APRIL 2022	3,423,966.55

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

10. Recommendations

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