



# *Msukaligwa Local Municipality*

MONTHLY BUDGET STATEMENT REPORT

**30 NOVEMBER 2023**



## 1. PURPOSE

The purpose of this report is to present a Section 71 financial report for the month ending November 2023 for consideration and noting.

## 2. LEGISLATION

- A) In terms of Section 71 of the Municipal Finance Management Act 56 of 2003.
- (1). The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:
- (a) Actual revenue, per revenue source;
  - (b) actual borrowings;
  - (c) actual expenditure, per vote;
  - (d) actual capital expenditure, per vote;
  - (e) the amount of any allocations received;
  - (f) actual expenditure on those allocations, excluding expenditure on –
    - (i) its share of the local government equitable share; and
    - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
  - (g) When necessary, an explanation of-
    - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
    - (ii) any material variances from the service delivery and budget implementation plan; and
    - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipalities approved budget.
- (2) The statement must include –
- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
  - (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.
- (5) The accounting officer of a municipality which has received an allocation referred to in subsection (1) (e) during any particular month must, by no later than 10 working days after the end of that month, submit that part of the statement reflecting the particulars referred to in subsection (1) (e) and (f) to the national or provincial organ of state or municipality which transferred the allocation.

### **3. DISCUSSION**

#### **3.1 Executive summary: Outcome of the operational and capital budget ending NOVEMBER 2023**

Section 71 of the Municipal Finance Management Act deals with requirements for a monthly budget report distinctively, of which the objective is finally to report on the financial status of the municipality.

The performance for the month ending November 2023, revenue amounted to R 411 000 million year-to-date actuals against the year-to-date budget of R 445 866 million with the unfavorable percentage of (-8%) or (R 34 866 million), whilst the expenditure incurred for the month of November 2023 amounted to R 326 091 million year-to-date expenditure against the year-to-date budget of R 488 637 million with the favorable percentage of 24% or R 116 350 million.

The Municipality has received capital grants of about 47% or (R 71 000 million against allocation of R 150 983 million). The current spending on capital appropriation is currently at an average of 93% against annual allocation and 155% against receipts, although there should be acceleration on grants such as MIG, WSIG, INEP and RBIG which is not directly under our control.

**The municipality's monthly budget statement for the period ending 30 NOVEMBER 2023 is summarized in table C1 of the C schedule and is as follows:**

#### **3.2 Table C 1- Monthly Budget statement summary- Month 05:**

MP302 Msukaligwa - Table C1 Monthly Budget Statement Summary - M05 November

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	202,863	242,332	242,332	16,610	84,960	100,971	(16,011)	-16%	242,332
Service charges	407,318	494,951	494,951	36,550	192,868	206,229	(13,361)	-6%	494,951
Investment revenue	-	1,500	1,500	512	2,720	625	2,095	335%	1,500
Transfers and subsidies - Operational	-	-	-	-	-	-	-	-	-
Other own revenue	425,815	331,295	331,296	4,788	130,451	138,040	(7,589)	-5%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1,035,997</b>	<b>1,070,078</b>	<b>1,070,078</b>	<b>58,460</b>	<b>411,000</b>	<b>445,866</b>	<b>(34,866)</b>	<b>-8%</b>	<b>1,070,078</b>
Employee costs	285,422	301,679	301,620	23,339	119,389	125,683	(6,294)	-5%	301,620
Remuneration of Councillors	17,362	19,494	19,494	982	4,687	8,123	(3,436)	-42%	19,494
Depreciation and amortisation	144,109	138,589	138,589	23,098	46,196	57,745	(11,549)	-20%	138,589
Interest	99,032	8,484	8,484	-	-	3,535	(3,535)	-100%	8,484
Inventory consumed and bulk purchases	407,789	423,852	426,002	39,214	148,300	177,501	(29,201)	-16%	426,002
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	297,415	268,950	279,564	21,500	53,716	116,051	(62,335)	-54%	279,564
<b>Total Expenditure</b>	<b>1,231,130</b>	<b>1,161,047</b>	<b>1,173,752</b>	<b>108,133</b>	<b>372,288</b>	<b>488,637</b>	<b>(116,350)</b>	<b>-24%</b>	<b>1,173,752</b>
<b>Surplus/(Deficit)</b>	<b>(195,133)</b>	<b>(90,970)</b>	<b>(103,674)</b>	<b>(49,673)</b>	<b>38,712</b>	<b>(42,772)</b>	<b>81,484</b>	<b>-191%</b>	<b>(103,674)</b>
Transfers and subsidies - capital (monetary allocations)	258,080	146,349	146,349	8,000	8,000	60,979	(52,979)	-87%	146,349
Transfers and subsidies - capital (in-kind)	238	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>63,185</b>	<b>55,379</b>	<b>42,675</b>	<b>(41,673)</b>	<b>46,712</b>	<b>18,207</b>	<b>28,505</b>	<b>157%</b>	<b>42,675</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>63,185</b>	<b>55,379</b>	<b>42,675</b>	<b>(41,673)</b>	<b>46,712</b>	<b>18,207</b>	<b>28,505</b>	<b>157%</b>	<b>42,675</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>-</b>	<b>166,448</b>	<b>179,577</b>	<b>9,404</b>	<b>59,986</b>	<b>73,755</b>	<b>(13,769)</b>	<b>-19%</b>	<b>179,577</b>
Capital transfers recognised	-	146,348	151,849	8,938	51,173	63,191	(12,017)	-19%	151,849
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	20,100	27,728	466	8,812	10,564	(1,752)	-17%	27,728
<b>Total sources of capital funds</b>	<b>-</b>	<b>166,448</b>	<b>179,577</b>	<b>9,404</b>	<b>59,986</b>	<b>73,755</b>	<b>(13,769)</b>	<b>-19%</b>	<b>179,577</b>
<b>Financial position</b>									
Total current assets	848,862	511,224	511,224	-	969,331	-	-	-	511,224
Total non current assets	2,832,968	2,849,706	2,862,835	-	2,892,954	-	-	-	2,862,835
Total current liabilities	2,086,245	2,130,926	2,130,926	-	2,064,017	-	-	-	2,130,926
Total non current liabilities	105,005	155,178	155,178	-	105,005	-	-	-	155,178
Community wealth/Equity	1,632,673	1,834,962	1,834,962	-	1,693,263	-	-	-	1,834,962
<b>Cash flows</b>									
Net cash from (used) operating	1,149,681	-	-	36,420	354,059	-	(354,059)	#DIV/0!	-
Net cash from (used) investing	(173)	-	-	(9,160)	(59,466)	-	59,466	#DIV/0!	-
Net cash from (used) financing	1,500	-	-	-	338	-	(338)	#DIV/0!	-
<b>Cash/cash equivalents at the month/year end</b>	<b>1,160,682</b>	<b>1,200</b>	<b>1,200</b>	<b>-</b>	<b>373,636</b>	<b>1,200</b>	<b>(372,436)</b>	<b>-31036%</b>	<b>78,705</b>
<b>Debtors &amp; creditors analysis</b>									
	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	85,026	27,060	25,326	31,806	20,892	19,854	112,642	906,085	1,228,701
<b>Creditors Age Analysis</b>									
Total Creditors	30,423	39,912	1,044,888	500,830	-	-	-	-	1,616,050

### 3.2.1 Operational revenue

MP302 Msukaigwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		226,104	300,969	300,969	21,267	110,348	125,404	(15,056)	-12%	300,969
Service charges - Water		74,237	79,532	79,532	5,839	35,037	33,138	1,899	6%	79,532
Service charges - Waste Water Management		57,677	61,650	61,650	5,084	25,548	25,688	(140)	-1%	61,650
Service charges - Waste management		49,300	52,800	52,800	4,360	21,935	22,000	(65)	0%	52,800
Sale of Goods and Rendering of Services		-	-	-	-	-	-	-	-	-
Agency services		6,886	8,940	8,940	-	-	3,725	(3,725)	-100%	8,940
Interest		4,854	1,500	1,500	512	2,720	625	2,095	335%	1,500
Interest earned from Receivables		-	-	-	-	-	-	-	-	-
Interest from Current and Non Current Assets		-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		2,920	2,741	2,741	297	1,319	1,142	177	15%	2,741
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		117,616	12,896	12,896	564	4,573	5,373	(800)	-15%	12,896
<b>Non-Exchange Revenue</b>										
Property rates		202,863	242,332	242,332	16,610	84,960	100,971	(16,011)	-16%	242,332
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		5,704	5,448	5,448	20	75	2,270	(2,195)	-97%	5,448
Licence and permits		3,488	3,829	3,829	5	42	1,595	(1,553)	-97%	3,829
Transfers and subsidies - Operational		242,386	260,523	260,524	-	105,530	108,551	(3,022)	-3%	260,524
Interest		37,111	36,918	36,918	3,902	18,878	15,383	3,495	23%	36,918
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		4,850	-	-	-	34	-	34	0%	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1,035,997</b>	<b>1,070,078</b>	<b>1,070,078</b>	<b>58,460</b>	<b>411,000</b>	<b>445,866</b>	<b>(34,866)</b>	<b>-8%</b>	<b>1,070,078</b>

**Property Rates** - Unfavourable variance of (R 16 011) million (-16%) due to omission during budget to consider additional rebates offered by the Municipality, this would be corrected during adjustment budget.

**Electricity** – Unfavourable variance of (R 15 056) million (-12%) due to decrease on pre-paid purchases caused increase loadshedding and in some instances illegal connections.

**Water** – Favourable variance of R 1 866 million 6% due to the monitoring of water usage and leaked in the month of November 2023.

**Sanitation** - Unfavourable variance of R 140 thousand for the month as per revenue projection.

**Refuse** – Unfavourable variance of R 65 thousand for the month as per revenue projection.

**Agency Services** - Unfavourable variance of 100% due to the department being transferred with effect from July 2023, downward adjustment should be made on the budget.

**Rental of Facilities** - Favourable variance of R 177 thousand 15% for the month due to the use of Municipal sports facilities stringent control on municipal rented properties.

**Interest earned - external investments** - Favourable variance of R 2 095 million 335% for the month due to short term investment on funds not yet committed.

**Interest earned - outstanding debtors** - Favourable variance of R 3 495 million 23% for the month due to increasing of the debtor's book due to non-payment of debtors.

**Fines, Penalties and Forfeits** - Unfavourable variance of (R 2 195) million (-97%) for the month due to non-payment of traffic fines. Performance is also hampered by the appointed contractor not yet implementing as awaiting approval.

**Licence and permits** – Unfavourable variance of (R 1 553) million (-97%) for the month due to the non-enforcement of Municipal policy for trading licences and permits.

**Transfers and subsidies - Operating:** Unfavourable variance of (R 3 022) million(-3%) for the month due to none received of the anticipated DORA allocation.

**Other revenue** - Unfavourable variance of R 800 thousand (-15%) for the month due to non-collection of service rendered against the anticipated budget.

### 3.2.2 Operational expenditure:

MP302 Msukaligwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Expenditure By Type</b>										
Employee related costs		265,422	301,679	301,620	23,339	119,389	125,683	(6,294)	-5%	301,620
Remuneration of councillors		17,362	19,494	19,494	982	4,687	8,123	(3,436)	-42%	19,494
Bulk purchases - electricity		297,904	336,039	336,039	30,936	127,815	140,016	(12,201)	-9%	336,039
Inventory consumed		109,886	87,812	89,962	8,277	20,484	37,484	(17,000)	-45%	89,962
Debt impairment		148,238	114,044	114,044	19,007	38,015	47,518	(9,504)	-20%	114,044
Depreciation and amortisation		144,109	138,589	138,589	23,098	46,196	57,745	(11,549)	-20%	138,589
Interest		99,032	8,484	8,484	-	-	3,535	(3,535)	-100%	8,484
Contracted services		80,144	84,368	85,368	9,121	25,142	35,570	(10,428)	-29%	85,368
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		-	-	-	-	-	-	-	-	-
Operational costs		57,068	70,538	80,152	12,378	28,572	32,962	(4,390)	-13%	80,152
Losses on Disposal of Assets		11,965	-	-	-	0	-	0	0%	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1,231,130</b>	<b>1,161,047</b>	<b>1,173,752</b>	<b>127,140</b>	<b>410,301</b>	<b>488,637</b>	<b>(78,336)</b>	<b>-16%</b>	<b>1,173,752</b>

**Employee related costs** – Favourable variance of (R 6 294) million (-5%) due to planned position not yet filled.

**Remuneration of councillors** - Favourable variance of (R 3 436) million (-42%) implementation of upper limits and other allowances, remuneration of councillors still within the norm and other officials moved to their relevant cost centres.

**Debt impairment** - Favourable variance of (R 9 504) million (-20%) the municipality has impaired doubtful debts for the month against the approved budget due to provision of none payments and late estate debt.

**Depreciation & asset impairment** - Favourable variance of (R 11 549) million (-20%) the municipality has anticipated an depreciation or amortisation expense for the month due to depleted assets.

**Finance charges** – Favourable variance of (R 3 535) million (-100%) due to the interest charged incurred for the month.

**Bulk purchases – electricity** - Favourable variance of (R 12 201) million (-9%) due to loadshedding and load reduction implementation.

**Inventory consumed** – Favourable variance of (R 17 000) million (-45%) due to the maintained needs of materials and supplies by the departments, and also limit the overspending by implementing cost containment measures.

**Contracted services** - Favourable variance of (R 10 428) million (-29%) due to implementation of cost containment measures for the utilisation of other contracted services.

**Other expenditures** - Favourable variance of (R 4 390) million (-13%) due to cost containment measures eliminate overspending in general expenses against the approved budget

### 3.2.3 Capital budget

OPERATIONAL GRANTS SPENDING									
TYPE of GRANTS	Original allocation	Roll Over	Received to date	Spent to date	Remaining on budget	Remaining on Receipts	% received to date against original allocation	% against allocation	% against Receipts
FMG	R 3,000,000.00	R 0.00	R 3,000,000.00	R 97,640.76	R 2,902,359.24	R 0.00	100%	3%	3%
EPWP	R 1,511,000.00	R 0.00	R 378,000.00	R 677,452.80	R 833,547.20	R 1,133,000.00	25%	45%	179%
	R 4,511,000.00	R 0.00	R 3,378,000.00	R 775,093.56	R 3,735,906.44	R 1,133,000.00	75%	48%	182%

CAPITAL GRANTS SPENDING									
TYPE of GRANTS	Original allocation	Adjusted allocation /Roll Over	Received to date	Spent to date	Remaining on budget	Remaining on Receipts	% received to date against original allocation	% against allocation	% against Receipts
MIG	R 62,683,000.00	R 0.00	R 35,000,000.00	R 22,980,304.70	R 39,702,695.30	R 27,683,000.00	56%	37%	66%
EEDSM	R 5,000,000.00	R 0.00	R 1,000,000.00	R 4,558,506.38	R 441,493.62	R 4,000,000.00	20%	91%	456%
WSIG	R 30,000,000.00	R 0.00	R 20,000,000.00	R 16,805,059.64	R 13,194,940.36	R 10,000,000.00	67%	56%	84%
RBIG	R 50,000,000.00	R 40,073,191.00	R 15,000,000.00	R 11,372,401.21	R 38,627,598.79	R 35,000,000.00	30%	23%	76%
INEP	R 1,800,000.00	R 0.00	R 800,000.00	R 1,198,869.35	R 601,130.65	R 1,000,000.00	44%	67%	150%
MDRG	R 1,500,000.00	R 0.00	R 1,500,000.00	R 1,496,283.74	R 3,716.26	R 0.00	100%	100%	100%
	R 150,983,000.00	R 40,073,191.00	R 71,000,000.00	R 56,915,141.28	R 92,567,858.72	R 76,683,000.00	47%	93%	155%

**Grants receipt** – The report for grant receipts shown in the table above has been prepared based on the Division of Revenue Act (DORA) allocation, the year-to-date actuals receipt of R 71 000 million (47%) for the month ending 30 November 2023 against the year-to-date budgeted target (DORA) of R 71 000 million (47%)

**Grants expenditure** – The capital expenditure has been prepared based on the actual spending vs original allocation. The capital expenditure year-to-date spending for the period is R 56 915 million (93%), on the year-to-date budgeted target of R 71 000 million (47%). Remaining on budget of R 92 568 million against the spending to date of R 56 915 million.

### 3.2.4 Debtors

MP302 Msukaligwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2023/24								
		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
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	1200	10,859	3,621	3,235	11,210	2,904	2,809	18,231	173,644	226,513
Trade and Other Receivables from Exchange Transactions - Electricity	1300	23,038	5,060	4,625	4,409	3,305	2,917	16,354	103,823	163,532
Receivables from Non-exchange Transactions - Property Rates	1400	23,031	6,383	6,023	5,647	5,538	5,204	26,746	121,200	199,771
Receivables from Exchange Transactions - Waste Water Management	1500	9,195	3,467	3,317	3,100	2,816	2,730	15,756	109,981	150,362
Receivables from Exchange Transactions - Waste Management	1600	8,203	3,173	3,041	2,850	2,655	2,617	15,080	107,407	145,027
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	7,921	3,802	3,665	3,611	3,393	3,310	18,348	234,444	278,494
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-
Other	1900	2,780	1,554	1,420	980	280	266	2,126	55,597	65,001
<b>Total By Income Source</b>	<b>2000</b>	<b>85,026</b>	<b>27,060</b>	<b>25,326</b>	<b>31,806</b>	<b>20,892</b>	<b>19,854</b>	<b>112,642</b>	<b>906,095</b>	<b>1,228,701</b>
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	2200	9,236	3,167	2,808	2,481	1,887	1,667	7,199	38,130	66,575
Commercial	2300	28,759	5,894	5,487	5,365	4,244	3,804	21,381	162,542	237,477
Households	2400	43,550	16,688	16,196	23,201	14,155	13,774	80,343	674,834	882,741
Other	2500	3,481	1,310	835	760	606	610	3,719	30,588	41,909
<b>Total By Customer Group</b>	<b>2600</b>	<b>85,026</b>	<b>27,060</b>	<b>25,326</b>	<b>31,806</b>	<b>20,892</b>	<b>19,854</b>	<b>112,642</b>	<b>906,095</b>	<b>1,228,701</b>

The total outstanding debtors, as of 30 November 2023, is reported as R 1 228 701 billion. In the previous month the debtors amounted to R 1 216 128 billion. An increase of 102% or R 12,573 million. The municipality implemented the debt incentive programme, effective from 1st August 2023 to 31st December 2023, to residential customers and the business fraternity at a 50% and 30% rebate respectively, excluding Government entities for the month. However, it should be noted that the Municipality is continuing with the implementation of the Credit Control and Debt Collection during the month of November 2023.

### 3.2.5 Creditors

- The total outstanding creditors as of 30 November 2023 amounts to R 1 616 050 billion.

#### MP302 Msukaligwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	NT Code	Budget Year 2023/24								Total
		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	
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	29,137	39,912	55,374	380,434	-	-	-	-	504,856
Bulk Water	0200	-	-	989,152	120,073	-	-	-	-	1,109,226
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	1,286	-	359	323	-	-	-	-	1,968
Auditor General	0800									-
Other	0900									-
<b>Total By Customer Type</b>	<b>1000</b>	<b>30,423</b>	<b>39,912</b>	<b>1,044,886</b>	<b>500,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,616,050</b>

#### TOP TEN CREDITORS FOR NOVEMBER 2023

SUPPLIER NUMBER	SUPPLIER NAME	AMOUNT
ED251	DEPARTMENT OF WATER AND SANITATION	1,109,225,805.48
EE265	ESKOM NEW	504,856,202.81
EE272	EMALANGENI TECHNOLOGIES PTY (LTD)	915,221.06
EG115	GRANT THORNTON	481,099.61
EC247	CIGICELL PTY LTD	323,007.57
EE301	EMS SOLUTIONS (PTY) LTD	131,516.10
EG161	GTF INDUSTRIES	65,040.00
EE191	ELQUEEN BUSINESS ENTERPRISE	20,000.00
EI164	INZALO UTILITY MANAGEMENT	19,138.02
ET295	TELEKINESIS STUDIOS	13,000.00
<b>TOTAL</b>		<b>1,616,050,030.65</b>



### 3.2.6 Cash flow

The available cash flow at end of November 2023 amounted to R 91 940 954.63 million

MP302 Msukaligwa - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2022/23	Budget Year 2023/24							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		155,331	-	-	15,118	62,676	-	62,676	0%	-
Service charges		300,958	-	-	30,060	141,233	-	141,233	0%	-
Other revenue		556,399	-	-	(5,741)	124,713	-	124,713	0%	-
Transfers and Subsidies - Operational		246,863	-	-	-	124,365	-	124,365	0%	-
Transfers and Subsidies - Capital		128,055	-	-	11,000	66,800	-	66,800	0%	-
Interest		-	-	-	-	1,205	-	1,205	0%	-
Dividends		-	-	-	-	-	-	-	0%	-
<b>Payments</b>										
Suppliers and employees		(237,926)	-	-	(14,016)	(448,628)	-	448,628	0%	-
Interest		-	-	-	-	-	-	-	0%	-
Transfers and Subsidies		-	-	-	-	-	-	-	0%	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1,149,681</b>	<b>-</b>	<b>-</b>	<b>36,420</b>	<b>72,364</b>	<b>-</b>	<b>(72,364)</b>	<b>0%</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		(173)	-	-	-	32	-	32	0%	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	0%	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	0%	-
<b>Payments</b>										
Capital assets		-	-	-	(9,160)	(59,498)	-	59,498	0%	-
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(173)</b>	<b>-</b>	<b>-</b>	<b>(9,160)</b>	<b>(59,466)</b>	<b>-</b>	<b>59,466</b>	<b>0%</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	0%	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	0%	-
Increase (decrease) in consumer deposits		1,500	-	-	-	338	-	338	0%	-
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	0%	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>1,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>338</b>	<b>-</b>	<b>(338)</b>	<b>0%</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>1,151,008</b>	<b>-</b>	<b>-</b>	<b>27,260</b>	<b>13,236</b>	<b>-</b>			<b>-</b>
Cash/cash equivalents at beginning:		9,674	1,200	1,200	343,913	78,705	1,200			78,705
Cash/cash equivalents at month/year end:		1,160,682	1,200	1,200	371,173	91,941	1,200			78,705

### 3.2.7 Monthly Budget Statement - Financial Position TABLE C6 – NOVEMBER 2023

				0.47
<b>Current Ratio</b>	Current Assets / Current Liabilities	1.5 - 2:1	Current Assets	969,331
			Current Liabilities	2,064,017

- Current- and liquidity ratio calculated as per the above-mentioned table;
  - The current ratio (Current assets/ Current liabilities) for the quarter to date is 47% less than the municipal liability.
  - The ideal rate is a ratio of 2:1. The municipalities ratio is therefore 0.47:1

MP302 Msukaligwa - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		78,705	2,915	2,915	87,017	2,915
Trade and other receivables from exchange transactions		167,034	235,026	235,026	242,271	235,026
Receivables from non-exchange transactions		65,160	125,526	125,526	84,030	125,526
Current portion of non-current receivables		-	-	-	-	-
Inventory		23,589	32,295	32,295	33,728	32,295
VAT		503,279	115,462	115,462	510,628	115,462
Other current assets		11,094	-	-	11,657	-
<b>Total current assets</b>		<b>848,862</b>	<b>511,224</b>	<b>511,224</b>	<b>969,331</b>	<b>511,224</b>
<b>Non current assets</b>						
Investments		-	-	-	-	-
Investment property		181,143	189,659	189,659	181,143	189,659
Property, plant and equipment		2,651,634	2,659,807	2,672,935	2,711,620	2,672,935
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		175	175	175	175	175
Intangible assets		16	65	65	16	65
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
<b>Total non current assets</b>		<b>2,832,968</b>	<b>2,849,706</b>	<b>2,862,835</b>	<b>2,892,954</b>	<b>2,862,835</b>
<b>TOTAL ASSETS</b>		<b>3,681,830</b>	<b>3,360,929</b>	<b>3,374,058</b>	<b>3,862,285</b>	<b>3,374,058</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		20,450	112,000	112,000	20,994	112,000
Trade and other payables from exchange transactions		1,582,615	1,884,331	1,884,331	1,443,922	1,884,331
Trade and other payables from non-exchange transactions		44,724	700	700	130,902	700
Provision		5,492	102,454	102,454	5,492	102,454
VAT		371,606	31,441	31,441	400,790	31,441
Other current liabilities		61,359	-	-	61,917	-
<b>Total current liabilities</b>		<b>2,086,245</b>	<b>2,130,926</b>	<b>2,130,926</b>	<b>2,064,017</b>	<b>2,130,926</b>
<b>Non current liabilities</b>						
Financial liabilities		43	-	-	43	-
Provision		104,962	155,178	155,178	104,962	155,178
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
<b>Total non current liabilities</b>		<b>105,005</b>	<b>155,178</b>	<b>155,178</b>	<b>105,005</b>	<b>155,178</b>
<b>TOTAL LIABILITIES</b>		<b>2,191,250</b>	<b>2,286,103</b>	<b>2,286,103</b>	<b>2,169,022</b>	<b>2,286,103</b>
<b>NET ASSETS</b>	2	<b>1,490,580</b>	<b>1,074,826</b>	<b>1,087,955</b>	<b>1,693,263</b>	<b>1,087,955</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		1,632,673	1,834,962	1,834,962	1,693,263	1,834,962
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,632,673</b>	<b>1,834,962</b>	<b>1,834,962</b>	<b>1,693,263</b>	<b>1,834,962</b>

**QUALITY CERTIFICATE**

**MP 302 MSUKALIGWA LOCAL MUNICIPALITY**

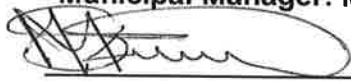
I, M. KUNENE, the Municipal Manager of Msukaligwa Local Municipality, hereby certify that the monthly budget statement report and supporting documentation for submission of the section 71 for the Month ending **30 November 2023**, has been prepared in accordance with the Municipal management act and the regulations made under the Act.

**Municipal Manager of Msukaligwa Local Municipality**

**Name:** MR. M. KUNENE

**Position:** Municipal Manager: MP 302 Msukaligwa local municipality

**Signature:**



**Date:**

8 Dec 23