

PIXLEY KA SEME DISTRICT MUNICIPALITY

NOVEMBER
2023



MONTHLY BUDGET STATEMENT

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Table of contents

Glossary	2
Objective	3
Legislative framework	3
Compliance MSCOA	3
Executive summary	4-6
In-year support tables	7-13
Support documents	14-17
Quality certificate	18
Conclusion	19
Communication	19
Recommendation	19
Submission to Executive Mayor	20

Glossary

Annual Budget – Prescribed in section 16 of the MFMA, the formal means by which a Municipality approve official budget of a period not exceeding three years.

Adjustment Budget – Prescribed in section 28 of the MFMA, the formal means by which a Municipality may revise the Adopted Annual budget during a financial year.

Capital Expenditure – Expenditure on moveable or immoveable assets. Any capital related expenditure must reflect on the Statement of Financial Position and be included in the asset register.

DORA – Division of Revenue Act. Adjusted legislation that indicates the total allocations by National Government to Provincial and Local Government

Fruitless and Wasteful Expenditure – Expenditure made in vain and would / should have been avoided had reasonable care been exercised.

MBRR – Municipal Finance Management Act 56 of 2003: Municipal Budget Reporting and Regulations

MFMA – The Municipal Finance Management Act 56 of 2003. Principle legislation relating to municipal financial management.

MSCOA – Municipal Standard Charts of Accounts.

MTREF – Medium Term revenue and Expenditure Framework. A medium-term financial plan over a three-year period. The period consists of the current year and two outer years.

Operating Expenditure – The daily expenditure of the municipality.

Unauthorised Expenditure – Spending without, or in excess of an approved budget.

Vote – One of the main segments into which a budget is divided. In Pixley Ka Seme District Municipality the means the different GFS classification the budget is divided.

Virement – A transfer of funds within a vote.

1. Objective

The Accounting Officer is required, in terms of the Municipal Finance Management Act no 56 of 2003, section 71 and Municipal Budget and Reporting Regulations (MBRR) Government Gazette 32141 of 17 May 2009, to submit to the Mayor of a municipality a report in prescribed format to review the performance of the budget compared to actual results on a monthly basis.

This report sets out the progress on the financial performance of Pixley Ka Seme District Municipality against the budget of the period ended **30 November 2023**.

2. Legislative framework

Section 71 of the MFMA and MBRR necessitates those specific financial particulars be reported on and in the format prescribed to meet legislative requirements.

“The monthly budget statement of the municipality must be in the format specified in Schedule C and include all the required tables and explanatory information, taking into account guidelines issued by the Minister in terms of section 168(1) of the Act”

Section 71 of the MFMA further requires that, “the accounting officer of a municipality must by no later than **10 working days** after the end of each month submit to the mayor of the municipality, and the relevant national and provincial treasury, a statement in the prescribed format on the state of the municipality’s budget reflecting certain particulars for the month under review. For the reporting period ending **30 November 2023**, the ten-working day reporting limit expires on **14 December 2023**

3. Compliance with Municipal Standard Chart of Accounts (MSCOA)

The primary objective of MSCOA regulations is to achieve uniformity across all municipalities and municipal entities. All municipalities were expected to transact in line with the seven MSCOA segments from 01 August 2017.

This report includes schedules that is generated from the TRU webapp, the txt that is imported, is generated on the main Venus application.

The municipality is transacting against the seven segments and generating monthly data strings directly from the financial system.

4. Executive Summary

Description R thousand (R'000)	Original Budget	Adjustment Budget	YTD Actual September 2023	%YTD Actual vs % YTD Adj Budget
Total Revenue	R 72 672 100	R 72 672 100	R 35 853 853	49%
Total Operational Expenditure	R 70 395 942	R 70 395 942	R 29 958 370	43%
Total Capital Expenditure	R 1 150 000	R 1 150 000	R 355 639	31%

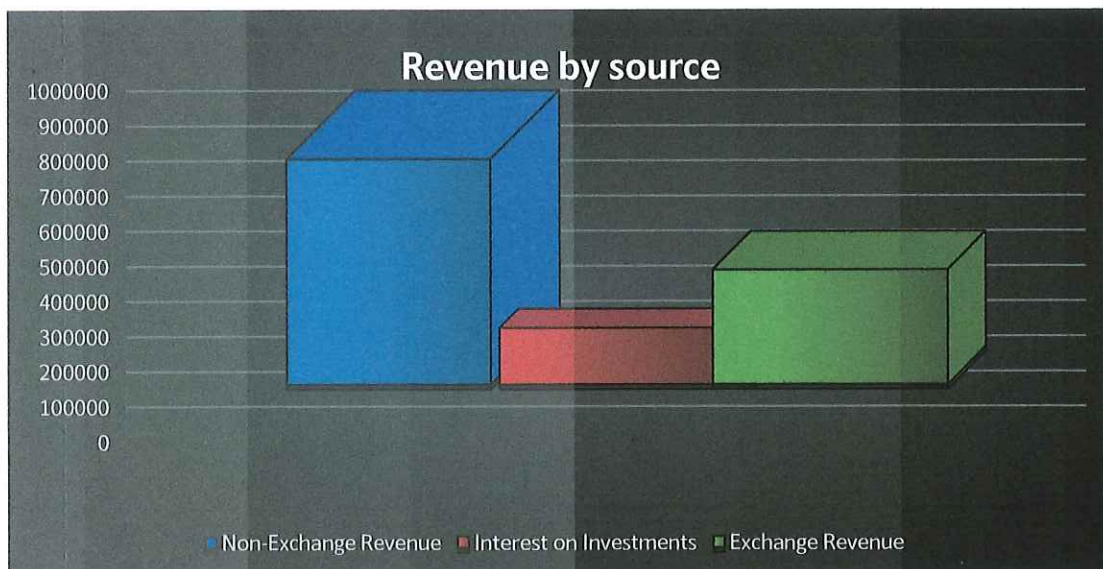
Revenue by source

Non-exchange Revenue

- Transfers and subsidies R 904 000
- Interest received
 - Investments R 54 001

Exchange Revenue

- Operational revenue R 102 739
- Licences and permits R 171 688



Operating Expenditure type

Expenditure by type

Employee related expenditure

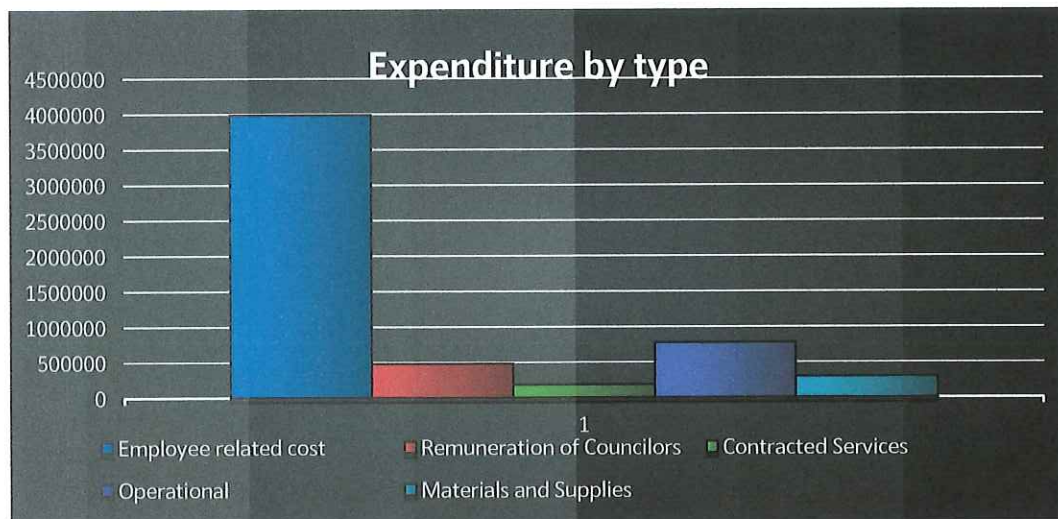
- Senior Management R 446 811
- Municipal Staff R 3 543 083
- Council Remuneration R 479 910

Contracted Services

- Outsourced services R 37 265
- Consultants and Professional Services R 129 073
- Repairs and Maintenance R 20 065

Operational Cost R 776 634

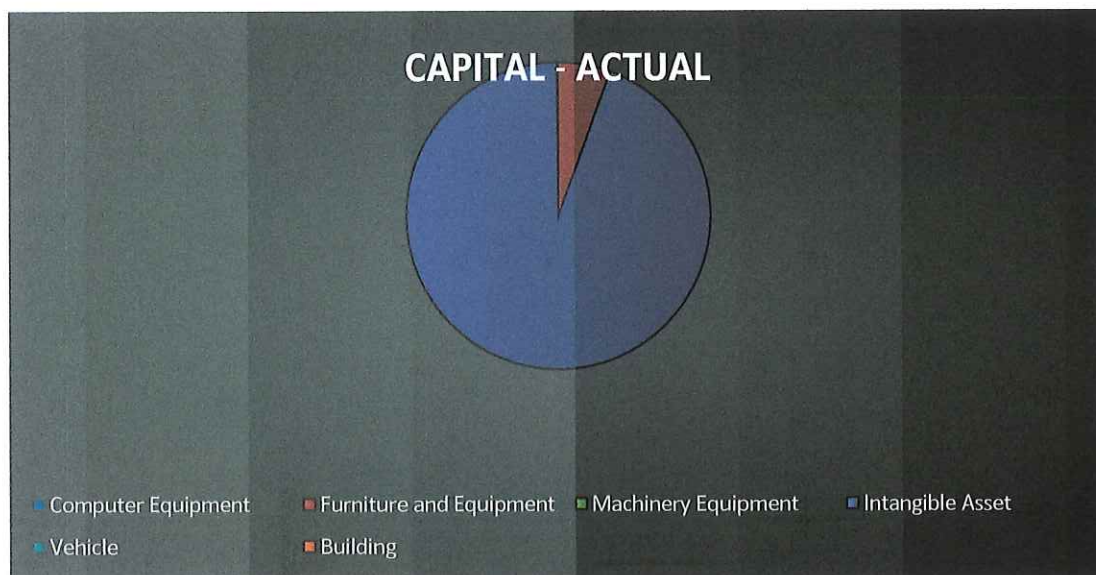
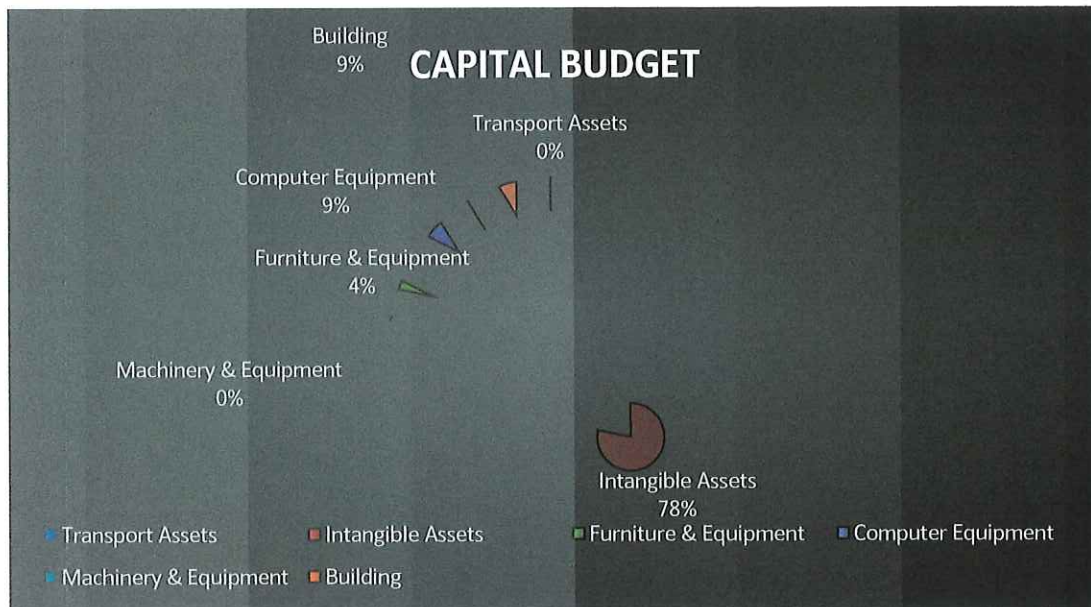
Materials and Supplies R 299 545



Capital Expenditure

Capital expenditure is currently at 31% of total capital budget. The Municipality does not have any multi-year projects for the year under review.

Year-to-date capital expenditure amounted to R 355 639



4. Monthly Budget Statement Summary: In-year budget statement tables

4.1 Table C1: S71

DC7 Pixley Ka Seme (Nc) - 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
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	–	–	–	–	–	–	–	–	–
Investment revenue	950	–	–	–	–	–	–	–	–
Transfers and subsidies - Operational	950	500	500	54	563	208	355	170%	500
Other own revenue	69 426	72 172	72 172	1 178	35 290	30 072	5 219	17%	–
Total Revenue (excluding capital transfers and contributions)	71 325	72 672	72 672	1 232	35 854	30 280	5 574	18%	72 672
Employee costs	44 635	49 826	49 826	3 990	20 160	20 761	(601)	–	49 826
Remuneration of Councillors	5 528	5 625	5 625	480	2 400	2 344	56	–	5 625
Depreciation and amortisation	1 520	1 001	1 001	–	–	417	(417)	–	1 001
Interest	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	2 494	1 507	1 507	300	1 092	628	464	–	1 507
Transfers and subsidies	1 056	485	485	8	(31)	202	(233)	-115%	485
Other expenditure	17 896	11 952	11 952	926	6 339	4 980	1 359	27%	11 952
Total Expenditure	73 128	70 396	70 396	5 703	29 958	29 332	627	2%	70 396
Surplus/(Deficit)	(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	522%	2 276
Transfers and subsidies - capital (monetary)	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	522%	2 276
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	522%	2 276
Capital expenditure & funds sources									
Capital expenditure	1 132	1 150	1 150	–	356	479	(124)	-26%	1 150
Capital transfers recognised	47	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	1 084	1 150	1 150	–	356	479	(124)	-26%	1 150
Total sources of capital funds	1 132	1 150	1 150	–	356	479	(124)	-26%	1 150
Financial position									
Total current assets	5 848	7 484	7 484	–	6 628	–	–	–	7 484
Total non current assets	3 007	9 331	9 331	–	3 706	–	–	–	9 331
Total current liabilities	25 317	14 539	14 539	–	12 353	–	–	–	14 539
Total non current liabilities	–	–	–	–	(1 110)	–	–	–	–
Community wealth/Equity	6 890	2 276	2 276	–	(909)	–	–	–	2 276
Cash flows									
Net cash from (used) operating	–	6 125	6 125	90	26 470	2 552	(23 918)	-937%	6 125
Net cash from (used) investing	2 843	7 620	(1 150)	–	(8 782)	(479)	8 303	-1733%	(1 150)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	5 044	17 163	8 392	–	18 297	5 490	(12 807)	-233%	5 684
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	853	–	–	–	99	–	138	–	1 090
Creditors Age Analysis									
Total Creditors	2 644	110	21	–	1 952	–	–	22	4 749

4.2 Table C2: Monthly Budget Statement – Financial Performance (standard classification)

This table reflect the operating budget in the standard classifications that is the Government Statistics Function and Sub-functions. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading Services which is not applicable to the District Municipality

DC7 Pixley Ka Seme (Nc) - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - 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
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		65 700	67 240	67 240	157	31 361	28 017	3 345	12%	67 240
Executive and council		500	—	—	—	775	—	775	#DIV/0!	—
Finance and administration		65 200	67 240	67 240	157	30 586	28 017	2 570	9%	67 240
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		1 332	1 250	1 250	172	824	521	303	58%	1 250
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	—	—	—	—	—	—	—	—
Housing		200	—	—	—	—	—	—	—	—
Health		1 132	1 250	1 250	172	824	521	303	58%	1 250
<i>Economic and environmental services</i>		4 293	4 182	4 182	904	3 669	1 743	1 927	111%	4 182
Planning and development		4 293	4 182	4 182	904	3 669	1 743	1 927	111%	4 182
Road transport		—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		—	—	—	—	—	—	—	—	—
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	—	—	—	—	—	—	—	—
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	71 325	72 672	72 672	1 232	35 854	30 280	5 574	18%	72 672
Expenditure - Functional										
<i>Governance and administration</i>		47 962	45 704	45 704	3 452	19 588	19 044	545	3%	45 704
Executive and council		13 661	13 769	13 769	1 160	6 619	5 737	882	15%	13 769
Finance and administration		27 199	24 506	24 506	1 671	10 078	10 211	(133)	-1%	24 506
Internal audit		7 102	7 429	7 429	621	2 891	3 095	(204)	-7%	7 429
<i>Community and public safety</i>		14 736	14 606	14 606	1 268	6 338	6 086	252	4%	14 606
Community and social services		—	—	—	—	—	—	—	—	—
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		4 427	3 706	3 706	424	1 981	1 544	437	28%	3 706
Housing		2 290	2 076	2 076	157	794	865	(71)	-8%	2 076
Health		8 018	8 824	8 824	687	3 563	3 677	(114)	-3%	8 824
<i>Economic and environmental services</i>		10 430	10 086	10 086	983	4 032	4 202	(170)	-4%	10 086
Planning and development		10 430	10 086	10 086	983	4 032	4 202	(170)	-4%	10 086
Road transport		—	—	—	—	—	—	—	—	—
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		—	—	—	—	—	—	—	—	—
Energy sources		—	—	—	—	—	—	—	—	—
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	—	—	—	—	—	—	—	—
<i>Other</i>		—	—	—	—	—	—	—	—	—
Total Expenditure - Functional	3	73 128	70 396	70 396	5 703	29 958	29 332	627	2%	70 396
Surplus/ (Deficit) for the year		(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	522%	2 276

4.3 Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

Reporting per municipal vote provide details on the spread of spending over the various functions of Council

DC7 Pixley Ka Seme (Nc) - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

Vote 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
R thousands										
Revenue by Vote	1									
Vote 01 - Office Of The Mayor		500	-	-	-	775	-	775	#DIV/0!	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-		-
Vote 03 - Budget & Treasury Office		65 200	67 240	67 240	157	30 586	28 017	2 570	9.2%	67 240
Vote 04 - Administration		-	-	-	-	-	-	-		-
Vote 05 - Internal Audit		-	-	-	-	-	-	-		-
Vote 06 - Planning Development & Infrastructure		4 293	4 182	4 182	904	3 669	1 743	1 927	110.6%	4 182
Vote 07 - Municipal Health Services		1 132	1 250	1 250	172	824	521	303	58.1%	1 250
Vote 08 - Housing		200	-	-	-	-	-	-		-
Vote 09 - Public Safety		-	-	-	-	-	-	-		-
Vote 10 - ..		-	-	-	-	-	-	-		-
Vote 11 - ..		-	-	-	-	-	-	-		-
Vote 12 - ..		-	-	-	-	-	-	-		-
Vote 13 - ..		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	71 325	72 672	72 672	1 232	35 854	30 280	5 674	18.4%	72 672
Expenditure by Vote	1									
Vote 01 - Office Of The Mayor		11 860	11 518	11 518	983	5 866	4 799	1 067	22.2%	11 518
Vote 02 - Municipal Manager		1 801	2 251	2 251	177	753	938	(185)	-19.8%	2 251
Vote 03 - Budget & Treasury Office		13 279	12 144	12 144	666	4 651	5 060	(409)	-8.1%	12 144
Vote 04 - Administration		13 920	12 363	12 363	1 005	5 428	5 151	276	5.4%	12 363
Vote 05 - Internal Audit		7 102	7 429	7 429	621	2 891	3 095	(204)	-6.6%	7 429
Vote 06 - Planning Development & Infrastructure		10 430	10 086	10 086	983	4 032	4 202	(170)	-4.0%	10 086
Vote 07 - Municipal Health Services		8 018	8 824	8 824	687	3 563	3 677	(114)	-3.1%	8 824
Vote 08 - Housing		2 290	2 076	2 076	157	794	865	(71)	-8.3%	2 076
Vote 09 - Public Safety		4 427	3 706	3 706	424	1 981	1 544	437	28.3%	3 706
Vote 10 - ..		-	-	-	-	-	-	-		-
Vote 11 - ..		-	-	-	-	-	-	-		-
Vote 12 - ..		-	-	-	-	-	-	-		-
Vote 13 - ..		-	-	-	-	-	-	-		-
Vote 14 -		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	73 128	70 396	70 396	5 703	29 958	29 332	627	2.1%	70 396
Surplus/ (Deficit) for the year	2	(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	521.7%	2 276

4.4 Table C4: Monthly Budget Statement- Financial Performance

DC7 Pixley Ka Seme (Nc) - 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
R thousands											
Revenue											
Exchange Revenue											
Service charges - Electricity								-			
Service charges - Water								-			
Service charges - Waste Water Management								-			
Service charges - Waste management								-			
Sale of Goods and Rendering of Services		716	610	610	50	210	254	(44)	-17%	610	
Agency services		1 710	2 310	2 310	-	2 138	963	1 175	122%	2 310	
Interest								-			
Interest earned from Receivables		-	-	-	-	-	-	-		-	
Interest from Current and Non Current Assets		950	500	500	54	563	208			500	
Dividends								-			
Rent on Land								-			
Rental from Fixed Assets		-	-	-	-	-	-	-		-	
Licence and permits		1 132	1 250	1 250	172	724	521	203	39%	1 250	
Operational Revenue		405	329	329	53	229	137	92	67%	329	
Non-Exchange Revenue											
Property rates								-			
Surcharges and Taxes								-			
Fines, penalties and forfeits		11	-	-	-	-	-	-		-	
Licence and permits								-			
Transfers and subsidies - Operational		66 401	67 673	67 673	904	31 990	28 197	3 793		67 673	
Interest								-			
Fuel Levy								-			
Operational Revenue								-			
Gains on disposal of Assets		-	-	-	-	-	-	-		-	
Other Gains								-			
Discontinued Operations											
			71 325	72 672	72 672	1 232	35 854	30 280	5 574	18%	72 672
Total Revenue (excluding capital transfers and contributions)											
Expenditure By Type											
Employee related costs		44 635	49 826	49 826	3 990	20 160	20 761	(601)	-3%	49 826	
Remuneration of councillors		5 528	5 625	5 625	480	2 400	2 344	56	2%	5 625	
Bulk purchases - electricity								-			
Inventory consumed		2 494	1 507	1 507	300	1 092	628	464		1 507	
Debt impairment		-	-	-	-	-	-	-		-	
Depreciation and amortisation		1 520	1 001	1 001	-	-	417	(417)	-100%	1 001	
Interest								-			
Contracted services		3 559	3 276	3 276	149	1 315	1 365	(50)	-4%	3 276	
Transfers and subsidies		1 056	485	485	8	(31)	202	(233)	-115%	485	
Irrecoverable debts written off								-			
Operational costs		13 732	8 676	8 676	777	5 024	3 615	1 409	39%	8 676	
Losses on Disposal of Assets		605	-	-	-	-	-	-		-	
Other Losses								-			
			73 128	70 396	70 396	5 703	29 958	29 332	627	2%	70 396
Total Expenditure											
Surplus/(Deficit)			(1 803)	2 276	2 276	(4 470)	5 895	948	4 947	0	2 276
Transfers and subsidies - capital (monetary allocations)			-	-	-	-	-	-			-
Transfers and subsidies - capital (in-kind)								-			
Surplus/(Deficit) after capital transfers & contributions			(1 803)	2 276	2 276	(4 470)	5 895	948			2 276
Income Tax											
Surplus/(Deficit) after income tax			(1 803)	2 276	2 276	(4 470)	5 895	948			2 276
Share of Surplus/Deficit attributable to Joint Venture											
Share of Surplus/Deficit attributable to Minorities											
Surplus/(Deficit) attributable to municipality			(1 803)	2 276	2 276	(4 470)	5 895	948			2 276
Share of Surplus/Deficit attributable to Associate											
Intercompany/Parent subsidiary transactions											
Surplus/ (Deficit) for the year			(1 803)	2 276	2 276	(4 470)	5 895	948			2 276

4.5 C5 Capital Expenditure (municipal vote, functional classification and funding)

DC7 Pixley Ka Seme (Nc) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Multi-Year expenditure appropriation	2								
Vote 01 - Office Of The Mayor		-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office		-	-	-	-	-	-	-	-
Vote 04 - Administration		-	-	-	-	-	-	-	-
Vote 05 - Internal Audit		-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure		-	-	-	-	-	-	-	-
Vote 07 - Municipal Health Services		-	-	-	-	-	-	-	-
Vote 08 - Housing		-	-	-	-	-	-	-	-
Vote 09 - Public Safety		-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-
Vote 14 - .		-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2								
Vote 01 - Office Of The Mayor		-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office		1 132	1 150	1 150	-	356	479	(124)	-26%
Vote 04 - Administration		-	-	-	-	-	-	-	-
Vote 05 - Internal Audit		-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure		-	-	-	-	-	-	-	-
Vote 07 - Municipal Health Services		-	-	-	-	-	-	-	-
Vote 08 - Housing		-	-	-	-	-	-	-	-
Vote 09 - Public Safety		-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-
Vote 14 - .		-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	1 132	1 150	1 150	-	356	479	(124)	-26%
Total Capital Expenditure		1 132	1 150	1 150	-	356	479	(124)	-26%
Capital Expenditure - Functional Classification									
Governance and administration		1 132	1 150	1 150	-	356	479	(124)	-26%
Executive and council		-	-	-	-	-	-	-	-
Finance and administration		1 132	1 150	1 150	-	356	479	(124)	-26%
Internal audit		-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-
Energy services		-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1 132	1 150	1 150	-	356	479	(124)	-26%
Funded by:									
National Government		19	-	-	-	-	-	-	-
Provincial Government		29	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-
Transfers recognised - capital		47	-	-	-	-	-	-	-
Borrowing		-	-	-	-	-	-	-	-
Internally generated funds	6	1 084	1 150	1 150	-	356	479	(124)	-26%
Total Capital Funding		1 132	1 150	1 150	-	356	479	(124)	-26%

4.6 Table C6: Statement of Financial Position

DC7 Pixley Ka Seme (Nc) - 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
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		4 440	5 067	5 067	3 981	5 067
Trade and other receivables from exchange transactions		200	2 417	2 417	1 090	2 417
Receivables from non-exchange transactions		-	-	-	-	-
Current portion of non-current receivables		-	-	-	-	-
Inventory		-	-	-	-	-
VAT		1 209	-	-	1 558	-
Other current assets		(0)	-	-	(2)	-
Total current assets		5 848	7 484	7 484	6 628	7 484
Non current assets						
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Property, plant and equipment		11 291	8 430	8 430	11 312	8 430
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		486	900	900	821	900
Trade and other receivables from exchange transactions		(8 770)	-	-	(8 427)	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		3 007	9 331	9 331	3 706	9 331
TOTAL ASSETS		8 855	16 815	16 815	10 334	16 815
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables from exchange transactions		22 109	6 454	6 454	4 582	6 454
Trade and other payables from non-exchange transactions		167	-	-	167	-
Provision		1 645	7 894	7 894	5 824	7 894
VAT		1 397	191	191	1 781	191
Other current liabilities		-	-	-	-	-
Total current liabilities		25 317	14 539	14 539	12 353	14 539
Non current liabilities						
Financial liabilities		-	-	-	(1 110)	-
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		-	-	-	-	-
Total non current liabilities		-	-	-	(1 110)	-
TOTAL LIABILITIES		25 317	14 539	14 539	11 243	14 539
NET ASSETS	2	(16 462)	2 276	2 276	(909)	2 276
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		6 890	2 276	2 276	(909)	2 276
Reserves and funds		-	-	-	-	-
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	6 890	2 276	2 276	(909)	2 276

4.7 Table C7: Monthly Budget Statement Cash Flow

DC7 Pixley Ka Seme (Nc) - Table C7 Monthly Budget Statement - Cash Flow - 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
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges								-		
Other revenue		-	4 499	4 499	1 179	4 147	1 875	2 273	121%	4 499
Transfers and Subsidies - Operational		-	67 673	67 673	-	28 100	28 197	(97)	0%	67 673
Transfers and Subsidies - Capital		-	-	-	-	-	-	-		-
Interest		-	500	500	54	563	208	355	170%	500
Dividends								-		
Payments										
Suppliers and employees		-	(66 547)	(66 547)	(1 143)	(6 340)	(27 728)	(21 388)	77%	(66 547)
Interest								-		
Transfers and Subsidies								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	6 125	6 125	90	26 470	2 552	(23 918)	-937%	6 125
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		2 843	8 770	-	-	(8 427)	-	(8 427)	#DIV/0!	-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		-	(1 150)	(1 150)	-	(356)	(479)	(124)	26%	(1 150)
NET CASH FROM/(USED) INVESTING ACTIVITIES		2 843	7 620	(1 150)	-	(8 782)	(479)	8 303	-1733%	(1 150)
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		2 843	13 746	4 975	90	17 688	2 073			4 975
Cash/cash equivalents at beginning:		2 201	3 417	3 417	(4 834)	609	3 417			609
Cash/cash equivalents at month/year end:		5 044	17 163	8 392		18 297	5 490			5 584

5.Supporting tables

5.1 Debtors' Analysis

Section 64 of MFMA requires that:

- (1) The Accounting Officer of a municipality is responsible for the management of the revenue of the municipality.
- (2) The Accounting Officer must for the purposes of subsection take all reasonable steps to ensure:
 - a. That the municipality has effective revenue collection systems consistent with section 95 of the Municipal System Act and the municipality's credit control and debt collection policy

Categories of outstanding debtors

- Shared services R 1 089 912

3C7 Pixley Ka Seme (Nc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description		Budget Year 2023/24											Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts Lta Council Policy
		NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total	Total over 90 days		
1 thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200									-	-			
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-			
Receivables from Non exchange Transactions - Property Rates	1400									-	-			
Receivables from Exchange Transactions - Waste Water Management	1500									-	-			
Receivables from Exchange Transactions - Waste Management	1600									-	-			
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-			
Interest on Arrear Debtor Accounts	1810									-	-			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-			
Other	1900									-	-			
Total By Income Source	2000	853	-	-	-	99	-	138	-	1090	237	-	-	
022023 - Actuals only		498489 217	95335 1/2	95422 1/5	95422 1/5	95422 1/5	1037	0	0	881	192	0	0	
Debtors Age Analysis By Customer Group														
Organs of State	2200					99		131		230	230			
Commercial	2300									-	-			
Households	2400									-	-			
Other	2500	853	-	-	-	-	-	7	-	860	7	-	-	
Total By Customer Group	2000	853	-	-	-	99	-	138	-	1090	237	-	-	

5.2 Creditor's Analysis

Section 65 of the MFMA requires that:

- (1) The Accounting Officer of a municipality is responsible for the management of the expenditure of the municipality.
- (2) The Accounting Officer must for the purpose of subsection (1) take all reasonable steps to ensure
 - (a) that the municipality has and maintains an effective system of expenditure control, including procedures for the approval, authorisation, withdrawal and payment of funds;
 - (c) that the municipality has and maintains a system of internal control in respect of creditors and payments
 - (e) all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement unless prescribed otherwise for certain categories of expenditure

Categories of Creditors

- Auditor-General R 2 448 365
- Other R 2 299 995
 - This category comprises of ex-gratia medical aid contributions paid in advance, provision for creditors and membership fees to SALGA and Department of Labour for the compensation fund

The municipality has entered into a ring-fenced agreement with SALGA to settle the annual membership fees that amounted to R500 000 over a period of ten months. The Municipality has been honouring the arrangement to the latter

DC7 Pixley Ka Seme (Nc) - 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	
R thousands										
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									-
Auditor General	0800	2 448	-	-	-	-	-	-	-	2 448
Other	0900	196	110	21	-	1 952	-	-	22	2 300
Total By Customer Type	1000	2 644	110	21	-	1 952	-	-	22	4 749

5.3 Cash Management and Investment

Section 8 of the MFMA requires:

- (1) A municipality must have a primary bank account. If a municipality
 - a. Has only one bank account, that account is its primary bank account or
 - b. Has more than one bank account, it must designate one of those bank accounts as its primary bank account.

Cash flow

Conditional grants received are invested, funds are withdrawn for expenditure within the set conditions of grants.

Bank reconciliation

Bank reconciliations are processed on a monthly frequency

Balance as per Cash book and Bank statement 30 November 2023 amounted to R 151 005

Conditional Grants

The following conditional grants have been published in DORA

Financial Management Grant	R 1 700 000
Expanded Public Works Programme	R 950 000
Rural Road Asset Management Grant	R 3 232 000

For the period July to November 2023, only the following allocations has been received:

Conditional Grant	Total received	Closing balance
Rural Road Asset Management Grant	R 2 262 000	R 1 201 867
Expanded Public Works Programme	R 665 000	R 152 466
Financial Management Grant	R 1 700 000	R 453 329
Human settlement Grant	R -	R
Department of Health	R 250 000	R 84 341
Cleaning Project (EPWP)	R 742 000	R 447 336
Tourism	R 525 000	R 33 755

All balances on Conditional Grants are recorded as per 30 November 2023

Investments

Section 13 of the MFMA prescribes:

- (1) The Minister, acting with the concurrence of the Cabinet member responsible for Local Government, may prescribe a framework within which municipalities must
 - a. Conduct their cash management and investments; and
 - b. Invest money not immediately required

The Municipality invests surplus funds in order to maximise the interest to have cash readily available when needed, this is done in line with the Cash Management and Investment Policy of Council.

All investments are held at Standard Bank in interest yielding call deposit accounts

DC7 Pixley Ka Seme (Nc) - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands														
Municipality														
Standard Bank Call Deposit Accounts		12	Deposits	No	Fixed	5.50%	0	0	2024/06/30	8 664	51	(6 080)	1 084	3 722
Municipality sub-total										8 664		(6 080)	1 084	3 722
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									8 664		(6 080)	1 084	3 722

References

Quality Certificate

I, Isak Visser Municipal Manager of Pixley Ka Seme District Municipality, hereby certify that –
(mark as appropriate)

✓	The Monthly Budget Statement
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	Quarterly Report of the implementation of the budget and financial state affairs of the municipality
--	--

	Mid-year Budget and Performance Assessment
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For the month of **November 2023** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr I Visser

Municipal Manager of Pixley Ka Seme District Municipality (DC7)

Signature: _____

Date: _____

11/12/2023

7. Conclusion

This report is in compliance of Section 71 of the MFMA, by providing a statement to the Executive Mayor containing certain financial particulars for the month of review.

8. Communication

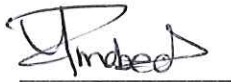
In compliance to section 75 of the MFMA, this document is provided to all stakeholders by publishing it on the Pixley Ka Seme's municipal website at www.pksgdm.gov.za

9. Recommendation

That in compliance with section 71 of the MFMA:

1. The Accounting Officer submits to the Executive Mayor this report reflecting the implementation of the budget and financial state of affairs of the municipality for the period ending 30 November 2023
2. The Accounting Officer ensure that this report be submitted to National and Provincial Treasury, in both signed and electronic format.

Compiled by



Ms ZY Mabedla

Accountant Budget Control

Reviewed by:



Mr DJ Fourie

Deputy Chief Financial Officer

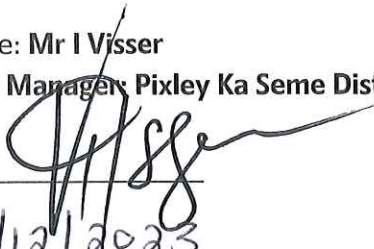
SUBMISSION TO MAYOR

In terms of section 71(1) of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA), the Accounting Officer must by no later than 10 working days after the end of each month submit to the Mayor of the Municipality a statement on the state of the municipality's budget for the month under review.

Report Submitted by:

Print Name: **Mr I Visser**

Municipal Manager, Pixley Ka Seme District Municipality

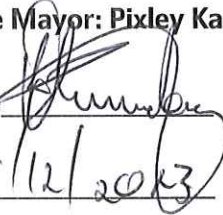
Signature 

Date: 11/12/2023

Report Submitted to:

Print Name: **Mr UR Itumeleng**

Executive Mayor, Pixley Ka Seme District Municipality

Signature 

Date: 11/12/2023