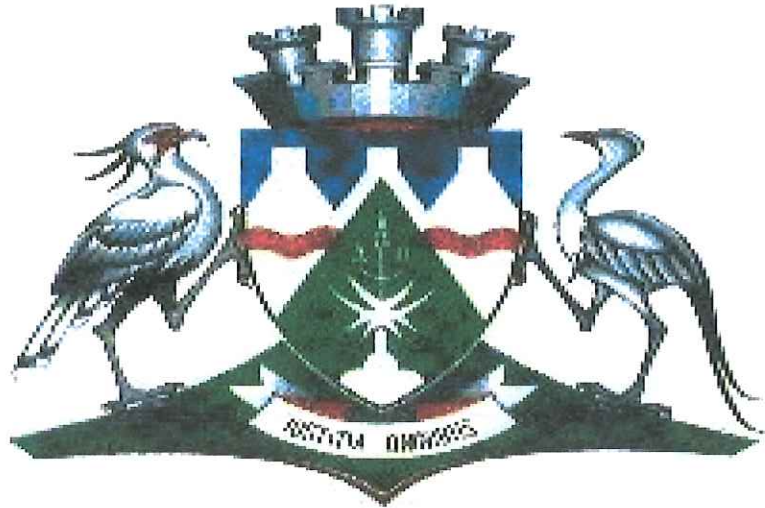


PIXLEY KA SEME DISTRICT MUNICIPALITY

DECEMBER
2022



MONTHLY BUDGET STATEMENT

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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 April 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 **31 December 2022**.

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 **31 December 2022**, the ten working day reporting limit expires on **16 January 2022**

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 July 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)	YTD Budget December 2022	YTD Actual December 2022	%YTD Actual vs % YTD Budget
Total Revenue	R 70 121 150	R 52 263 689	74%
Total Operational Expenditure	R 68 370 729	R 32 539 965	47%
Total Capital Expenditure	R 1 660 000	R 250 631	15%

Revenue by source

Non-exchange Revenue

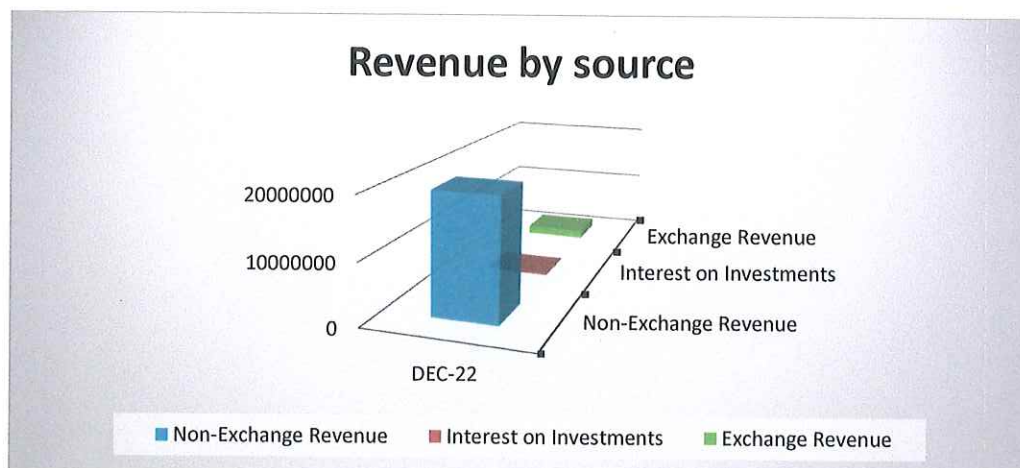
- Transfers and subsidies R 19 720 000

Interest received

- Investments R 74 820

Exchange Revenue

- Operational revenue R 47 260
- Licences and permits R 33 600
- Other income R 250 000
- Shared Services R 1 050 138



Operating Expenditure type

Expenditure by type

Employee related expenditure

- Senior Management R 345 800
- Municipal Staff R 3 167 138
- Council Remuneration R 422 579

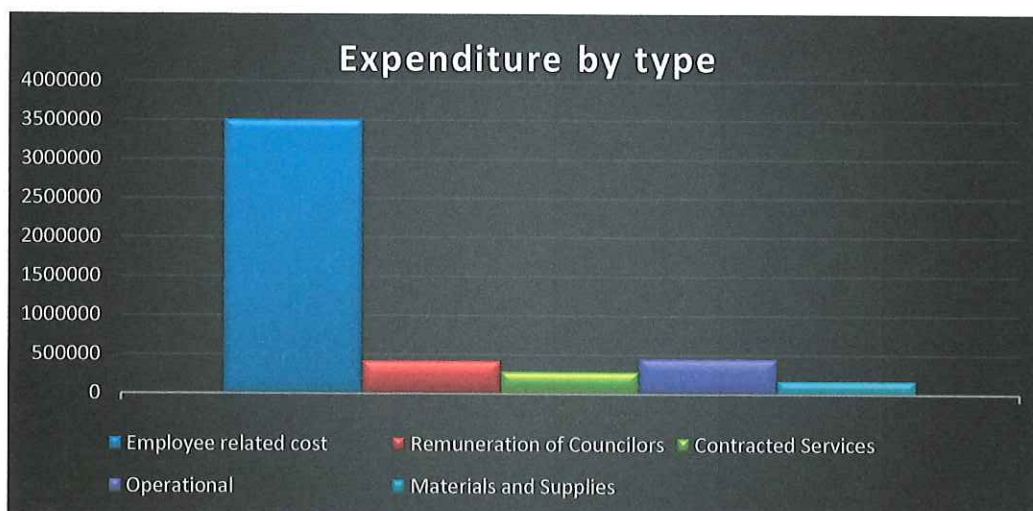
Contracted Services

- Outsourced services R 123 470
- Consultants and Professional Services R 158 329
- Repairs and Maintenance R 1 252

Operational Cost R 456 793

Materials and Supplies R 170 403

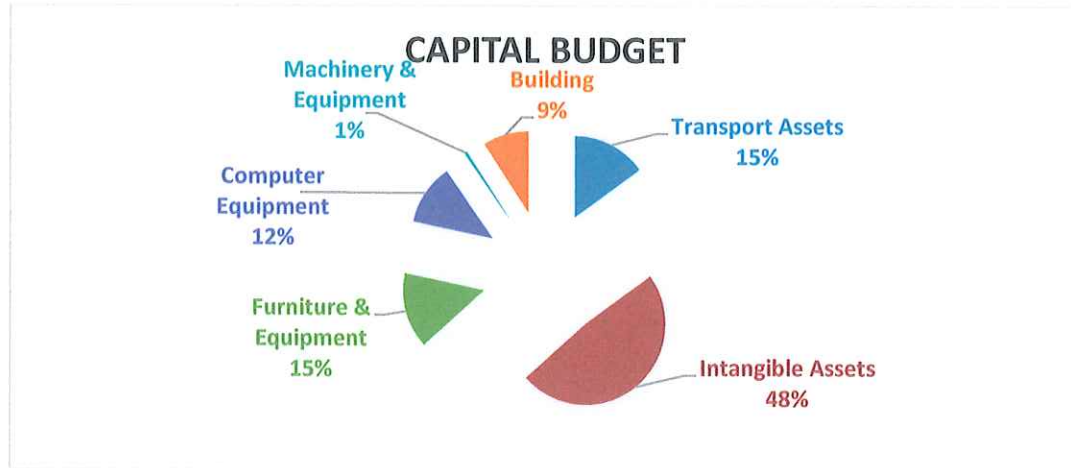
Depreciation R 128 956



Capital Expenditure

Capital expenditure is currently at 15% of total capital budget. The Municipality does not have any multi-year projects for the year under review.

There was no capital expenditure for December 2022



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

4.1 TableC1: S71

DC7 Pixley Ka Seme (Nc) - Table C1 Monthly Budget Statement Summary - M06 December

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	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	643	500	500	75	448	250	198	79%	500
Transfers and subsidies	62 190	65 701	65 701	19 720	47 881	32 850	15 031	46%	65 701
Other own revenue	4 029	3 920	3 920	1 381	3 935	1 960	1 975	101%	3 920
Total Revenue (excluding capital transfers and contributions)	66 862	70 121	70 121	21 176	52 264	35 061	17 203	49%	70 121
Employee costs	42 804	47 535	47 526	3 513	21 766	23 763	(1 997)	-8%	47 526
Remuneration of Councilors	4 748	5 012	5 012	423	2 797	2 506	291	12%	5 012
Depreciation & asset impairment	1 425	1 000	1 000	129	782	500	282	56%	1 000
Finance charges	–	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	3 335	894	894	170	899	447	452	101%	894
Transfers and subsidies	462	420	420	13	57	210	(153)	-73%	420
Other expenditure	18 755	13 511	13 520	727	6 267	6 759	(492)	-7%	13 520
Total Expenditure	71 529	68 371	68 371	4 975	32 568	34 185	(1 617)	-5%	68 371
Surplus/(Deficit)	(4 667)	1 750	1 750	16 201	19 696	875	18 820	2150%	1 750
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	200	–	–	(3)	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind all)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(4 467)	1 750	1 750	16 198	19 696	875	18 820	2150%	1 750
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(4 467)	1 750	1 750	16 198	19 696	875	18 820	2150%	1 750
Capital expenditure & funds sources									
Capital expenditure	1 485	1 660	1 660	–	251	830	(579)	-70%	1 660
Capital transfers recognised	1 164	–	4	–	3	1	2	206%	4
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	321	1 660	1 656	–	248	829	(581)	-70%	1 656
Total sources of capital funds	1 485	1 660	1 660	–	251	830	(579)	-70%	1 660
Financial position									
Total current assets	10 898	11 668	11 668		20 920				11 668
Total non current assets	1 156	14 309	14 309		1 060				14 309
Total current liabilities	31 005	24 226	24 226		4 284				24 226
Total non current liabilities	4 157	–	–		3 002				–
Community wealth/Equity	(2 558)	1 750	1 750		19 555				1 750
Cash flows									
Net cash from (used) operating	–	4 283	4 283	19 338	41 144	2 142	(39 002)	-1821%	4 283
Net cash from (used) investing	(9)	9 954	(1 660)	–	(11 401)	(830)	10 571	-1274%	(1 660)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	6 369	20 798	9 184	–	33 414	7 873	(25 541)	-324%	6 295
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	557	1	–	2	2	2	1	–	564
Creditors Age Analysis									
Total Creditors	915	–	–	–	–	–	–	24	939

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) - M06 December

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									
Revenue - Functional										
<i>Governance and administration</i>		60 217	64 828	64 828	21 142	48 507	32 414	16 093	50%	64 828
Executive and council		3 653	-	-	-	-	-	-	-	-
Finance and administration		56 564	64 828	64 828	21 142	48 507	32 414	16 093	50%	64 828
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 499	1 000	1 000	34	750	500	250	50%	1 000
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		219	-	-	-	200	-	200	#DIV/0!	-
Health		1 280	1 000	1 000	34	550	500	50	10%	1 000
<i>Economic and environmental services</i>		5 346	4 293	4 293	(3)	3 006	2 147	860	40%	4 293
Planning and development		5 346	4 293	4 293	(3)	3 006	2 147	860	40%	4 293
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	67 062	70 121	70 121	21 173	52 264	35 061	17 203	49%	70 121
Expenditure - Functional										
<i>Governance and administration</i>		47 529	43 987	43 987	3 170	21 565	21 994	(429)	-2%	43 987
Executive and council		12 861	12 947	12 947	986	6 174	6 473	(300)	-5%	12 947
Finance and administration		28 111	24 168	24 168	1 677	12 039	12 084	(45)	0%	24 168
Internal audit		6 557	6 872	6 872	506	3 352	3 436	(84)	-2%	6 872
<i>Community and public safety</i>		13 151	14 491	14 491	1 052	6 502	7 246	(744)	-10%	14 491
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 479	3 703	3 703	271	1 702	1 851	(150)	-8%	3 703
Housing		2 530	2 515	2 515	185	1 217	1 257	(41)	-3%	2 515
Health		7 142	8 274	8 274	596	3 584	4 137	(553)	-13%	8 274
<i>Economic and environmental services</i>		10 849	9 892	9 892	753	4 501	4 946	(445)	-9%	9 892
Planning and development		10 849	9 892	9 892	753	4 501	4 946	(445)	-9%	9 892
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	71 529	68 371	68 371	4 975	32 568	34 185	(1 617)	-5%	68 371
Surplus/ (Deficit) for the year		(4 467)	1 750	1 750	16 198	19 696	875	18 820	2150%	1 750

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) - M06

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										
Revenue by Vote	1									
Vote 01 - Office Of The Mayor		3 653	-	-	-	-	-	-	-	-
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office		56 564	64 828	64 828	21 142	48 507	32 414	16 093	49.6%	64 828
Vote 04 - Administration		-	-	-	-	-	-	-	-	-
Vote 05 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure		5 346	4 293	4 293	(3)	3 006	2 147	860	40.0%	4 293
Vote 07 - Municipal Health Services		1 280	1 000	1 000	34	550	500	50	10.0%	1 000
Vote 08 - Housing		219	-	-	-	200	-	200	#DIV/0!	-
Vote 09 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - . .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - ..		-	-	-	-	-	-	-	-	-
Vote 14 - . . .		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	67 062	70 121	70 121	21 173	52 264	35 061	17 203	49.1%	70 121
Expenditure by Vote	1									
Vote 01 - Office Of The Mayor		10 841	10 656	10 656	926	5 753	5 328	425	8.0%	10 656
Vote 02 - Municipal Manager		2 020	2 291	2 291	61	421	1 145	(725)	-63.3%	2 291
Vote 03 - Budget & Treasury Office		14 822	12 396	12 396	863	5 394	6 198	(804)	-13.0%	12 396
Vote 04 - Administration		13 289	11 773	11 773	815	6 645	5 886	759	12.9%	11 773
Vote 05 - Internal Audit		6 557	6 872	6 872	506	3 352	3 436	(84)	-2.4%	6 872
Vote 06 - Planning Development & Infrastructure		10 849	9 892	9 892	753	4 501	4 946	(445)	-9.0%	9 892
Vote 07 - Municipal Health Services		7 142	8 274	8 274	596	3 584	4 137	(553)	-13.4%	8 274
Vote 08 - Housing		2 530	2 515	2 515	185	1 217	1 257	(41)	-3.2%	2 515
Vote 09 - Public Safety		3 479	3 703	3 703	271	1 702	1 851	(150)	-8.1%	3 703
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - . .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - ..		-	-	-	-	-	-	-	-	-
Vote 14 - . . .		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	71 529	68 371	68 371	4 975	32 568	34 185	(1 617)	-4.7%	68 371
Surplus/ (Deficit) for the year	2	(4 467)	1 750	1 750	16 198	19 696	875	18 820	2150.5%	1 750

4.4 Table C4: Monthly Budget Statement- Financial Performance

DC7 Pixley Ka Seme (Nc) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Rental of facilities and equipment		-	-	-	-	-	-	-		-
Interest earned - external investments		643	500	500	75	448	250	198	79%	500
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		2	-	-	-	-	-	-		-
Licences and permits		1 280	1 000	1 000	34	550	500	50	10%	1 000
Agency services		1 592	1 831	1 831	1 050	2 625	915	1 710	187%	1 831
Transfers and subsidies		62 190	65 701	65 701	19 720	47 881	32 850	15 031	46%	65 701
Other revenue		1 156	1 090	1 090	297	759	545	214	39%	1 090
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		68 882	70 121	70 121	21 176	52 264	35 061	17 203	49%	70 121
Expenditure By Type										
Employee related costs		42 804	47 535	47 526	3 513	21 766	23 763	(1 997)	-8%	47 526
Remuneration of councillors		4 748	5 012	5 012	423	2 797	2 506	291	12%	5 012
Debt impairment		140	-	-	-	-	-	-		-
Depreciation & asset impairment		1 425	1 000	1 000	129	782	500	282	56%	1 000
Finance charges		-	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		3 335	894	894	170	899	447	452	101%	894
Contracted services		3 981	3 797	3 777	283	1 567	1 892	(325)	-17%	3 777
Transfers and subsidies		462	420	420	13	57	210	(153)	-73%	420
Other expenditure		14 634	9 714	9 743	444	4 673	4 868	(195)	-4%	9 743
Losses		0	-	-	-	28	-	28	#DIV/0!	-
Total Expenditure		71 529	68 371	68 371	4 975	32 568	34 185	(1 617)	-5%	68 371
Surplus/(Deficit)		(4 667)	1 750	1 750	16 201	19 696	875	18 820	0	1 750
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		200	-	-	(3)	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(4 467)	1 750	1 750	16 198	19 696	875			1 750
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(4 467)	1 750	1 750	16 198	19 696	875			1 750
Attributable to minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		(4 467)	1 750	1 750	16 198	19 696	875			1 750
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		(4 467)	1 750	1 750	16 198	19 696	875			1 750

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) - M06
December

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										
Multi-Year expenditure appropriation	1									
Vote 01 - Office Of The Mayor	2	-	-	-	-	-	-	-	-	-
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		1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
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	1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
Total Capital Expenditure		1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
Capital Expenditure - Functional Classification										
Governance and administration		1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
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	1 485	1 600	1 600	-	251	830	(579)	-70%	1 600
Funded by:										
National Government		1 164	-	4	-	3	1	2	200%	4
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-	-	-
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		1 164	-	4	-	3	1	2	200%	4
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	321	1 600	1 600	-	248	829	(581)	-70%	1 600
Total Capital Funding		1 485	1 600	1 600	-	251	830	(579)	-70%	1 600

4.6 Table C6: Statement of Financial Position

DC7 Pixley Ka Seme (Nc) - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		4 183	8 221	8 221	503	8 221
Call investment deposits		5 982	–	–	18 355	–
Consumer debtors		(31)	3 447	3 447	1 373	3 447
Other debtors		765	–	–	689	–
Current portion of long-term receivables		–	–	–	–	–
Inventory		–	–	–	–	–
Total current assets		10 898	11 668	11 668	20 920	11 668
Non current assets						
Long-term receivables		(11 614)	–	–	(11 150)	–
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		12 769	8 900	8 900	12 210	8 900
Biological		–	–	–	–	–
Intangible		0	5 408	5 408	0	5 408
Other non-current assets		–	–	–	–	–
Total non current assets		1 156	14 309	14 309	1 060	14 309
TOTAL ASSETS		12 054	25 976	25 976	21 980	25 976
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		–	–	–	–	–
Trade and other payables		29 906	6 702	6 702	3 185	6 702
Provisions		1 099	17 524	17 524	1 099	17 524
Total current liabilities		31 005	24 226	24 226	4 284	24 226
Non current liabilities						
Borrowing		380	–	–	(775)	–
Provisions		3 777	–	–	3 777	–
Total non current liabilities		4 157	–	–	3 002	–
TOTAL LIABILITIES		35 162	24 226	24 226	7 286	24 226
NET ASSETS	2	(23 108)	1 750	1 750	14 694	1 750
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(2 558)	1 750	1 750	19 555	1 750
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	(2 558)	1 750	1 750	19 555	1 750

4.7 Table C7: Monthly Budget Statement Cash Flow

DC7 Pixley Ka Seme (Nc) - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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								-		
Service charges								-		
Other revenue		-	3 920	3 920	403	2 507	1 960	547	28%	3 920
Transfers and Subsidies - Operational		-	65 701	65 701	20 194	45 844	32 650	12 994	40%	65 701
Transfers and Subsidies - Capital		-	-	-	3	-	-	-		-
Interest		-	500	500	-	-	250	(250)	-100%	500
Dividends								-		
Payments										
Suppliers and employees		-	(65 838)	(65 838)	(1 261)	(7 208)	(32 919)	(25 711)	78%	(65 838)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	4 283	4 283	19 338	41 144	2 142	(39 002)	-1821%	4 283
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		(9)	11 614	-	-	(11 150)	-	(11 150)	#DIV/0!	-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		-	(1 660)	(1 660)	-	(251)	(830)	(579)	70%	(1 660)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9)	9 954	(1 660)	-	(11 401)	(830)	10 571	-1274%	(1 660)
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		(9)	14 237	2 623	19 338	29 743	1 312			2 623
Cash/cash equivalents at beginning:		6 378	6 561	6 561	15 186	3 671	6 561			3 671
Cash/cash equivalents at month/year end:		6 369	20 798	9 184		33 414	7 873			6 295

The population of the cash flow remains a challenge for the municipality. System vendors are yet to improve on this during Adjustment Budget.

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 280 851
- Other R 564 349

DC7 Pixley Ka Seme (Nc) - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2022/23									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
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									-	
Other	0900	915	-	-	-	-	-	-	24	939	-
Total By Customer Type	1000	915	-	-	-	-	-	-	24	939	-

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

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

All other creditors between, 0-30 days, are orders issued, awaiting the delivery of goods and services. The municipality ensures that all invoices received are paid within 30 days.

DC7 Pixley Ka Seme (Nc) - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Budget Year 2022/23												Prior year totals for chart (same period)
Description	NT Code	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100									-		
Bulk Water	0200									-		
PAYE deductions	0300									-		
VAT (output less input)	0400									-		
Pensions / Retirement deductions	0500									-		
Loan repayments	0600									-		
Trade Creditors	0700									-		
Auditor General	0800									-		
Other	0900	915	-	-	-	-	-	-	24	939	-	
Total By Customer Type	1000	915	-	-	-	-	-	-	24	939	-	

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 31 December 2022 amounted to R 531 725

Conditional Grants

The following conditional grants have been published in DORA

Financial Management Grant	R 1 650 000
Expanded Public Works Programme	R 1 073 000
Rural Road Asset Management Grant	R 3 220 000

For the period July to December 2022, only the following allocations has been received:

Conditional Grant	Total received	Closing balance
Rural Road Asset Management Grant	R 2 254 000	R 793 266
Expanded Public Works Programme	R 752 000	R 363 194
Financial Management Grant	R 1 650 000	R 761 225
Human settlement Grant	R 200 000	R 142 960
Department of Health	R 250 000	R 205 805

All balances on Conditional Grants are recorded as per 31 December 2022

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 - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	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		Yrs/Months												
Municipality														
Standard Bank Call Deposit Accounts		12	Deposits	No	Fixed	5.50%	0	0	2022/06/30	3548	75	(5 467)	20 220	18 377
Municipality sub-total										3548		(5 467)	20 220	18 377
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									3548		(5 467)	20 220	18 377

Quality Certificate

I, Thembilizwe Loko Acting 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
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	Mid-year Budget and Performance Assessment
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For the month of **December 2022** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr T Loko

Acting Municipal Manager of Pixley Ka Seme District Municipality (DC7)

Signature: 

Date: _____

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 31 December 2022
2. The Accounting Officer ensure that this report be submitted to National and Provincial Treasury, in both signed and electronic format.

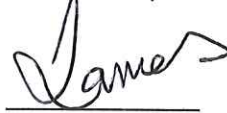
Compiled by



Ms SG Antonie

Accountant Budget and Treasury

Reviewed by:



Mr BF James

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 T Loko**

Acting Municipal Manager: Pixley Ka Seme District Municipality

Signature _____

Date: _____

Report Submitted to:

Print Name: **Mr UR Itumeleng**

Executive Mayor: Pixley Ka Seme District Municipality

Signature _____

Date: _____