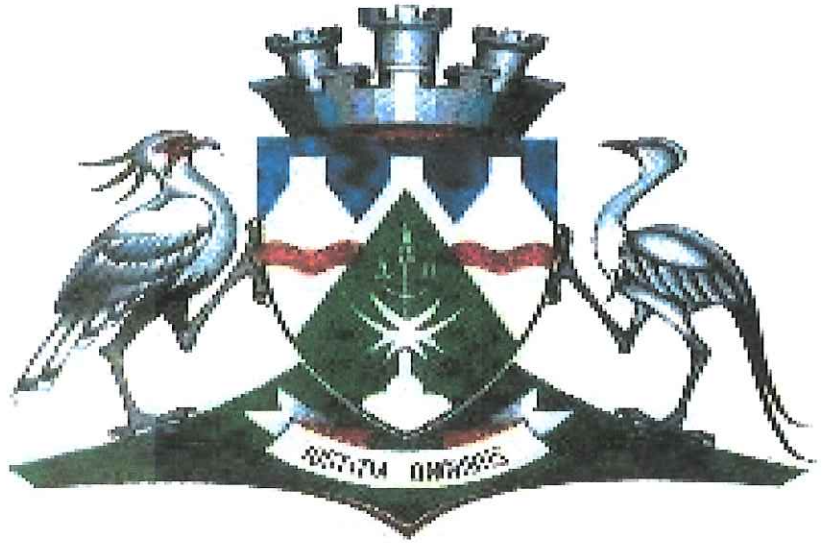


FEBRUARY
2023



MONTHLY BUDGET STATEMENT

Head Office: Culvert Road, De Aar, 7000
Tel: (053)631 0891 Fax: (053)631 2529
www.pksdm.gov.za

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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 **28 February 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 **28 February 2023**, the ten-working day reporting limit expires on **14 March 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 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)	Original Budget	Adjustment Budget	YTD Actual February 2023	%YTD Actual vs % YTD Budget
Total Revenue	R 70 121 150	R 71 106 515	R 52 681 556	74%
Total Operational Expenditure	R 68 370 729	R 69 475 051	R 46 937 776	68%
Total Capital Expenditure	R 1 660 000	R 1 573 061	R 383 035	24%

Revenue by source

Non-exchange Revenue

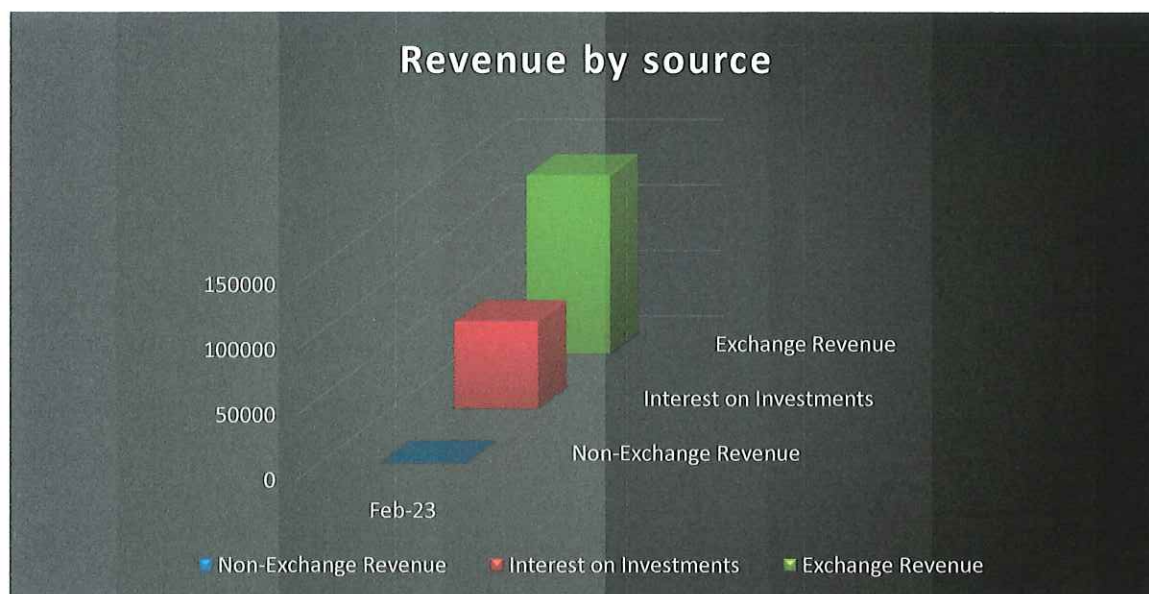
- Transfers and subsidies R 0

Interest received

- Investments R 66 808

Exchange Revenue

- Operational revenue R 21 195
- Licences and permits R 115 350



Operating Expenditure type

Expenditure by type

Employee related expenditure

- Senior Management R 465 826
- Municipal Staff R 3 477 866
- Council Remuneration R 447 875

Contracted Services

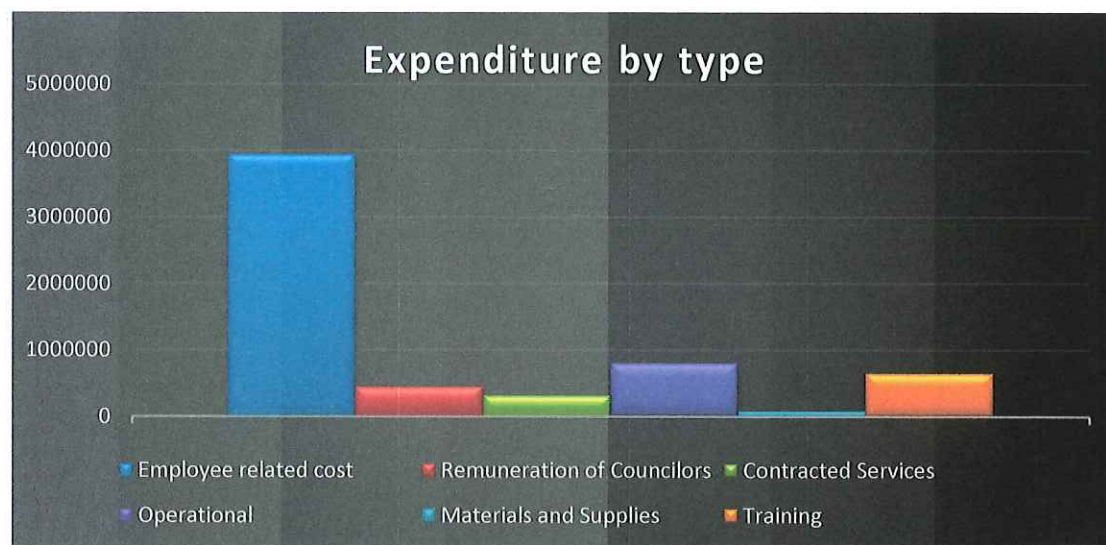
- Outsourced services R 40 917
- Consultants and Professional Services R 162 172
- Repairs and Maintenance R 117 056

Operational Cost R 808 127

Materials and Supplies R 82 648

Training R 652 689

Depreciation R 128 495

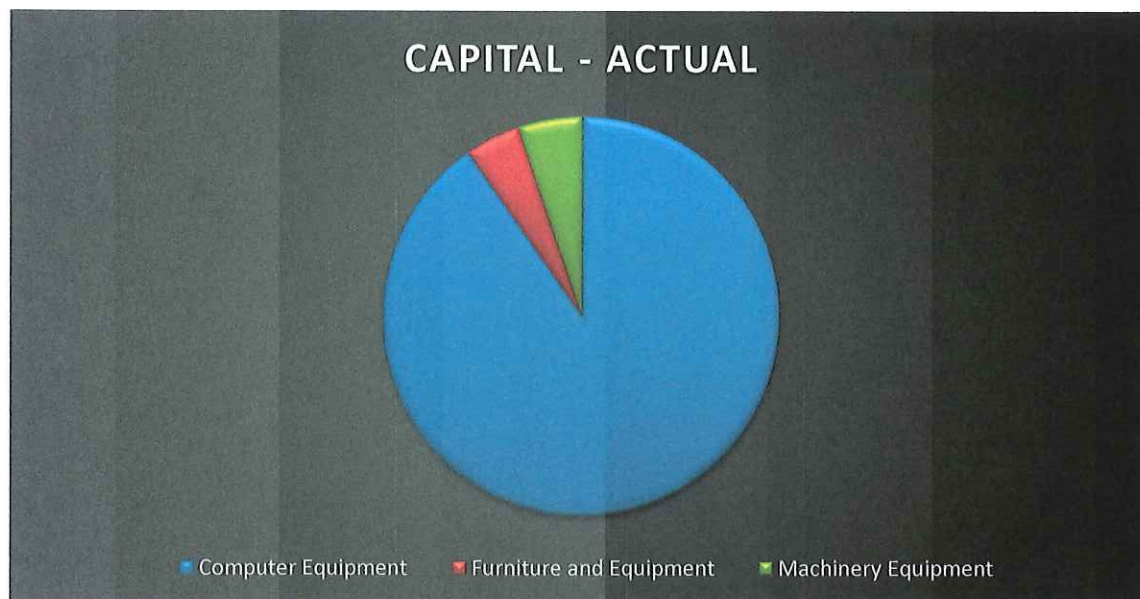
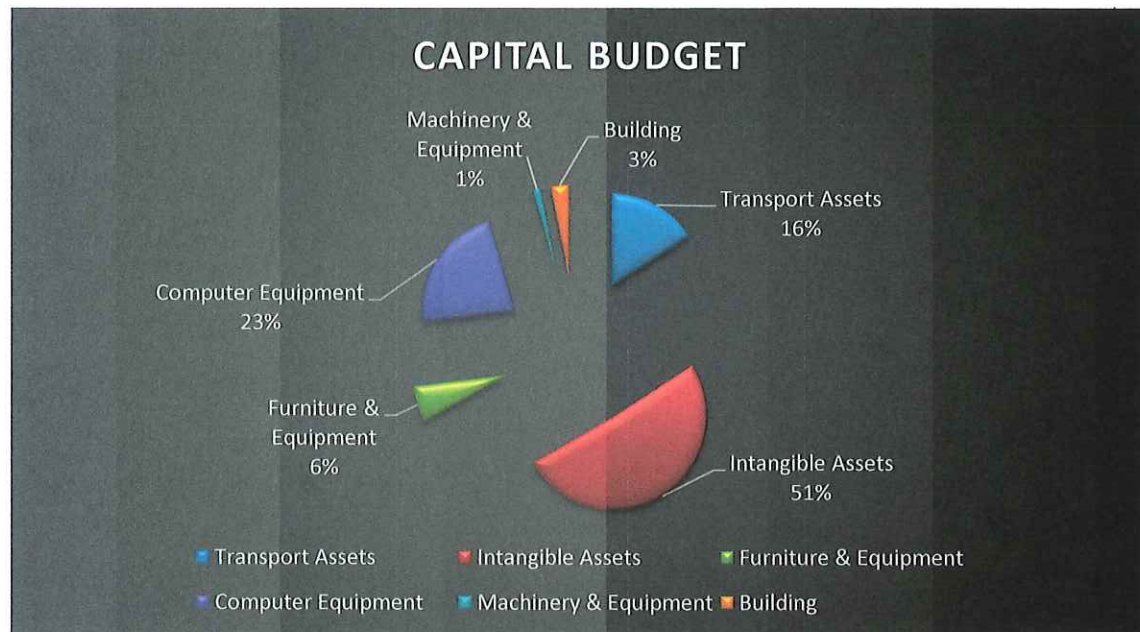


Capital Expenditure

Capital expenditure is currently at 24% of total capital budget. The Municipality does not have any multi-year projects for the year under review.

Capital expenditure for the current moth amounted to R 120 230. Asset class computer equipment is updated with new asset purchased

Year-to-date capital expenditure amounted to R 383 035



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 - M08 February

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	750	67	618	383	234	61%	750
Transfers and subsidies	62 190	65 701	66 148	-	48 131	43 890	4 241	10%	66 148
Other own revenue	4 029	3 920	4 206	264	3 933	2 671	1 262	47%	4 206
Total Revenue (excluding capital transfers and contributions)	66 862	70 121	71 103	331	62 682	46 944	5 738	12%	71 103
Employee costs	42 804	47 535	46 715	3 944	29 489	31 522	(2 033)	-6%	46 715
Remuneration of Councillors	4 748	5 012	5 329	448	3 692	3 405	288	8%	5 329
Depreciation & asset impairment	1 425	1 000	1 250	128	1 039	717	322	45%	1 250
Finance charges	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	3 335	894	1 326	83	1 134	682	452	66%	1 326
Transfers and subsidies	462	420	410	653	758	278	480	173%	410
Other expenditure	18 755	13 511	14 445	1 128	10 853	9 198	1 655	18%	14 445
Total Expenditure	71 529	68 371	69 475	6 384	46 966	45 801	1 164	3%	69 475
Surplus/(Deficit)	(4 667)	1 750	1 628	(6 052)	5 716	1 143	4 573	400%	1 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	200	-	3	-	-	1	(1)	-100%	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	1 631	(6 052)	5 716	1 143	4 573	400%	1 631
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(4 467)	1 750	1 631	(6 052)	5 716	1 143	4 573	400%	1 631
Capital expenditure & funds sources									
Capital expenditure	1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Capital transfers recognised	1 164	-	3	-	3	2	1	69%	3
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	321	1 660	1 570	120	380	1 087	(707)	-65%	1 570
Total sources of capital funds	1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Financial position									
Total current assets	10 898	11 668	6 649	-	9 431	-	-	-	6 649
Total non current assets	1 156	14 309	14 472	-	1 096	-	-	-	14 472
Total current liabilities	31 005	24 226	19 490	-	7 215	-	-	-	19 490
Total non current liabilities	4 157	-	-	-	2 598	-	-	-	-
Community wealth/Equity	(2 558)	1 750	1 631	-	5 910	-	-	-	1 631
Cash flows									
Net cash from (used) operating	-	4 283	4 670	(1 803)	38 423	3 113	(35 310)	-1134%	4 670
Net cash from (used) investing	(9)	9 954	(1 573)	(116)	(11 373)	(1 049)	10 325	-984%	(1 573)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	6 369	20 798	3 417	-	40 653	2 385	(38 269)	-1605%	16 701
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dya	151-180 Dya	181 Dya-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	855	2	-	-	2	2	3	1 373	2 237
Creditors Age Analysis									
Total Creditors	2 163	2 433	889	609	-	-	-	22	6 116

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) - M08 February

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	65 514	216	48 834	43 356	5 478	13%	65 514
Executive and council		3 653	-	250	-	250	50	200	400%	250
Finance and administration		56 564	64 828	65 264	216	48 584	43 306	5 278	12%	65 264
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 499	1 000	1 300	115	842	727	115	16%	1 300
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		219	-	200	-	200	40	160	400%	200
Health		1 280	1 000	1 100	115	642	687	(45)	-7%	1 100
<i>Economic and environmental services</i>		5 346	4 293	4 293	-	3 006	2 862	144	5%	4 293
Planning and development		5 346	4 293	4 293	-	3 006	2 862	144	5%	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	71 107	331	52 682	46 945	5 737	12%	71 107
Expenditure - Functional										
<i>Governance and administration</i>		47 529	43 987	45 631	3 947	31 651	29 654	1 997	7%	45 631
Executive and council		12 861	12 947	13 084	1 234	8 484	8 659	(174)	-2%	13 084
Finance and administration		28 111	24 168	25 695	2 165	18 743	16 418	2 326	14%	25 695
Internal audit		6 557	6 872	6 852	548	4 423	4 577	(154)	-3%	6 852
<i>Community and public safety</i>		13 151	14 491	14 081	1 221	8 859	9 579	(719)	-8%	14 081
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 479	3 703	3 616	335	2 372	2 451	(79)	-3%	3 616
Housing		2 530	2 515	2 404	193	1 577	1 654	(78)	-5%	2 404
Health		7 142	8 274	8 061	692	4 911	5 473	(562)	-10%	8 061
<i>Economic and environmental services</i>		10 849	9 892	9 763	1 216	6 456	6 569	(113)	-2%	9 763
Planning and development		10 849	9 892	9 763	1 216	6 456	6 569	(113)	-2%	9 763
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	69 475	6 384	46 966	45 801	1 164	3%	69 475
Surplus/ (Deficit) for the year		(4 467)	1 750	1 631	(6 052)	5 716	1 143	4 573	400%	1 631

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) - M08 February

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	-	250	-	250	50	200	400.0%	250
Vote 02 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office		56 564	64 828	65 264	216	48 584	43 306	5 278	12.2%	65 264
Vote 04 - Administration		-	-	-	-	-	-	-	-	-
Vote 05 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure		5 346	4 293	4 293	-	3 006	2 862	144	5.0%	4 293
Vote 07 - Municipal Health Services		1 280	1 000	1 100	115	642	687	(45)	-6.5%	1 100
Vote 08 - Housing		219	-	200	-	200	40	160	400.0%	200
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	71 107	331	52 682	46 945	5 737	12.2%	71 107
Expenditure by Vote	1									
Vote 01 - Office Of The Mayor		10 841	10 656	11 234	1 037	7 702	7 220	483	6.7%	11 234
Vote 02 - Municipal Manager		2 020	2 291	1 850	197	782	1 439	(657)	-45.7%	1 850
Vote 03 - Budget & Treasury Office		14 822	12 396	12 887	1 040	9 944	8 362	1 582	18.9%	12 887
Vote 04 - Administration		13 289	11 773	12 808	1 125	8 800	8 056	744	9.2%	12 808
Vote 05 - Internal Audit		6 557	6 872	6 852	548	4 423	4 577	(154)	-3.4%	6 852
Vote 06 - Planning Development & Infrastructure		10 849	9 892	9 763	1 216	6 456	6 569	(113)	-1.7%	9 763
Vote 07 - Municipal Health Services		7 142	8 274	8 061	692	4 911	5 473	(562)	-10.3%	8 061
Vote 08 - Housing		2 530	2 515	2 404	193	1 577	1 654	(78)	-4.7%	2 404
Vote 09 - Public Safety		3 479	3 703	3 616	335	2 372	2 451	(79)	-3.2%	3 616
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - . .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - ..		-	-	-	-	-	-	-	-	-
Vote 14 - ...		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	71 529	68 371	69 475	6 384	46 966	45 801	1 164	2.5%	69 475
Surplus/ (Deficit) for the year	2	(4 467)	1 750	1 631	(6 052)	5 716	1 143	4 573	400.0%	1 631

4.4 Table C4: Monthly Budget Statement- Financial Performance

DC7 Pixley Ka Seme (Nc) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

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										
<u>Revenue By Source</u>										
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	750	67	618	383	234	61%	750
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received								-		
Fines, penalties and forfeits		2	-	-	-	-	-	-		-
Licences and permits		1 280	1 000	1 100	115	642	687	(45)	-7%	1 100
Agency services		1 592	1 831	1 966	-	2 625	1 247	1 378	110%	1 966
Transfers and subsidies		62 190	65 701	66 148	-	48 131	43 890	4 241	10%	66 148
Other revenue		1 156	1 090	1 140	149	665	736	(71)	-10%	1 140
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		66 862	70 121	71 103	331	52 682	46 944	5 738	12%	71 103
<u>Expenditure By Type</u>										
Employee related costs		42 804	47 535	46 715	3 944	29 489	31 522	(2 033)	-6%	46 715
Remuneration of councillors		4 748	5 012	5 329	448	3 692	3 405	288	8%	5 329
Debt impairment		140	-	-	-	-	-	-		-
Depreciation & asset impairment		1 425	1 000	1 250	128	1 039	717	322	45%	1 250
Finance charges								-		
Bulk purchases - electricity								-		
Inventory consumed		3 335	894	1 326	83	1 134	682	452	66%	1 326
Contracted services		3 981	3 797	3 361	320	2 022	2 437	(415)	-17%	3 361
Transfers and subsidies		462	420	410	653	758	278	480	173%	410
Other expenditure		14 634	9 714	11 084	808	8 804	6 761	2 043	30%	11 084
Losses		0	-	-	-	28	-	28	#DIV/0!	-
Total Expenditure		71 529	68 371	69 475	6 384	46 966	45 801	1 164	3%	69 475
Surplus/(Deficit)		(4 667)	1 750	1 628	(6 052)	5 716	1 143	4 573	0	1 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		200	-	3	-	-	1	(1)	(0)	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	1 631	(6 052)	5 716	1 143			1 631
Taxation								-		
Surplus/(Deficit) after taxation		(4 467)	1 750	1 631	(6 052)	5 716	1 143			1 631
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(4 467)	1 750	1 631	(6 052)	5 716	1 143			1 631
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(4 467)	1 750	1 631	(6 052)	5 716	1 143			1 631

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

BC7 Pixley Ka Seme (Nc) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
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		1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
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	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Total Capital Expenditure		1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Capital Expenditure - Functional Classification										
Governance and administration		1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573
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	1 660	1 573	120	383	1 089	(706)	-65%	1 573
Funded by:										
National Government		1 164	-	3	-	3	2	1	69%	3
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	-	3	-	3	2	1	69%	3
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		321	1 660	1 570	120	380	1 087	(707)	-65%	1 570
Total Capital Funding		1 485	1 660	1 573	120	383	1 089	(706)	-65%	1 573

Reference:

4.6 Table C6: Statement of Financial Position

DC7 Pixley Ka Seme (Nc) - Table C6 Monthly Budget Statement - Financial Position - M08 February

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	2 643	222	2 643
Call investment deposits		5 982	-	-	6 972	-
Consumer debtors		(31)	3 447	4 006	1 373	4 006
Other debtors		765	-	-	864	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		-	-	-	-	-
Total current assets		10 898	11 668	6 649	9 431	6 649
Non current assets						
Long-term receivables		(11 614)	-	-	(10 990)	-
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		12 769	8 900	9 064	12 086	9 064
Biological		-	-	-	-	-
Intangible		0	5 408	5 408	0	5 408
Other non-current assets		-	-	-	-	-
Total non current assets		1 156	14 309	14 472	1 096	14 472
TOTAL ASSETS		12 054	25 976	21 121	10 527	21 121
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables		29 906	6 702	7 940	6 116	7 940
Provisions		1 099	17 524	11 550	1 099	11 550
Total current liabilities		31 005	24 226	19 490	7 215	19 490
Non current liabilities						
Borrowing		380	-	-	(1 179)	-
Provisions		3 777	-	-	3 777	-
Total non current liabilities		4 157	-	-	2 598	-
TOTAL LIABILITIES		35 162	24 226	19 490	9 813	19 490
NET ASSETS	2	(23 108)	1 750	1 631	714	1 631
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(2 558)	1 750	1 631	5 910	1 631
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(2 558)	1 750	1 631	5 910	1 631

4.7 Table C7: Monthly Budget Statement Cash Flow

DC7 Pixley Ka Seme (Nc) - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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	4 206	(409)	1 810	2 804	(994)	-35%	4 206
Transfers and Subsidies - Operational		-	65 701	66 148	701	46 924	44 099	2 826	6%	66 148
Transfers and Subsidies - Capital		-	-	3	-	-	2	(2)	-100%	3
Interest		-	500	750	-	-	500	(500)	-100%	750
Dividends								-		
Payments										
Suppliers and employees		-	(65 838)	(66 436)	(2 095)	(10 311)	(44 291)	(33 979)	77%	(66 436)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	4 283	4 670	(1 803)	38 423	3 113	(35 310)	-1134%	4 670
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		(9)	11 614	-	4	(10 990)	-	(10 990)	#DIV/0!	-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		-	(1 660)	(1 573)	(120)	(383)	(1 049)	(666)	63%	(1 573)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9)	9 954	(1 573)	(116)	(11 373)	(1 049)	10 325	-984%	(1 573)
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	3 097	(1 919)	27 050	2 065			3 097
Cash/cash equivalents at beginning:		6 378	6 561	320	(6 409)	13 603	320			13 603
Cash/cash equivalents at month/year end:		6 369	20 798	3 417		40 653	2 385			16 701

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 1 373 316 :
 - R 561 702
 - Ubuntu Local Municipality
 - Thembelihle Local Municipality
 - The R 811 614 is the debt from the previous financial year
- Other R 863 830

Other debtors comprise of the medica aid ex-gratia members, staff recoveries and medical aid reimbursement due from Department of Public Work

DC7 Pixley Ka Seme (Hc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2022/23										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts L.L.o Council Policy
		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		
R 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	855	2	-	-	2	2	3	1 373	2 237	1 380	-	-
Total By Income Source	2000	855	2	-	-	2	2	3	1 373	2 237	1 380	-	-
2021/22 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	-	-	-	-	-	-	-	1 373	1 373	1 373	-	-
Commercial	2300									-	-		
Households	2400									-	-		
Other	2500	855	2	-	-	2	2	3	-	864	7	-	-
Total By Customer Group	2600	855	2	-	-	2	2	3	1 373	2 237	1 380	-	-

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 2 433 342
- Other R3 682 783
 - 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 - M08 February

Description R thousands	NT Code	Budget Year 2022/23								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	
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	-	2 433	-	-	-	-	-	-	2 433
Other	0900	2 163	-	889	609	-	-	-	22	3 683
Total By Customer Type	1000	2 163	2 433	889	609	-	-	-	22	6 116

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 28 February 2023 amounted to R 230 729

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 February 2023, only the following allocations has been received:

Conditional Grant	Total received	Closing balance
Rural Road Asset Management Grant	R 2 254 000	R 190 730
Expanded Public Works Programme	R 752 000	R 208 998
Financial Management Grant	R 1 650 000	R 396 051
Human settlement Grant	R 200 000	R 94 726
Department of Health	R 250 000	R 178 750

All balances on Conditional Grants are recorded as per 28 February 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 - M08 February

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
		Yrs/Months							
R thousands									
Municipality									
Standard Bank Call Deposit Accounts		12	Deposits	No	Fixed	5.50%	0	0	2022/06/30
Municipality sub-total									
Entities									
Entities sub-total									
TOTAL INVESTMENTS AND INTEREST	2								

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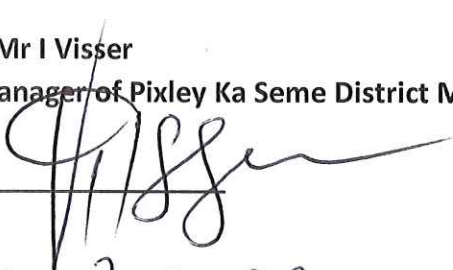
For the month of **February 2023** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr I Visser

Municipal Manager of Pixley Ka Seme District Municipality (DC7)

Signature: _____

Date: _____


14.3.2023

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

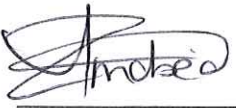
In compliance to section 75 of the MFMA, this document is provided to all stakeholders by publishing it on the Pixley Ka Seme's municipal website at www.pksgdm.gov.za

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 28 February 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

Assistant 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 I Visser**

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: