

MAY
2023



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 immovable 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 **31 May 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 **31 May 2023**, the ten-working day reporting limit expires on **14 June 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 May 2023	%YTD Actual vs % YTD Adj Budget
Total Revenue	R 70 121 150	R 71 103 454	R 72 272 708	102%
Total Operational Expenditure	R 68 370 729	R 69 475 051	R 65 241 423	94%
Total Capital Expenditure	R 1 660 000	R 1 573 061	R 555 482	35%

Revenue by source

Non-exchange Revenue

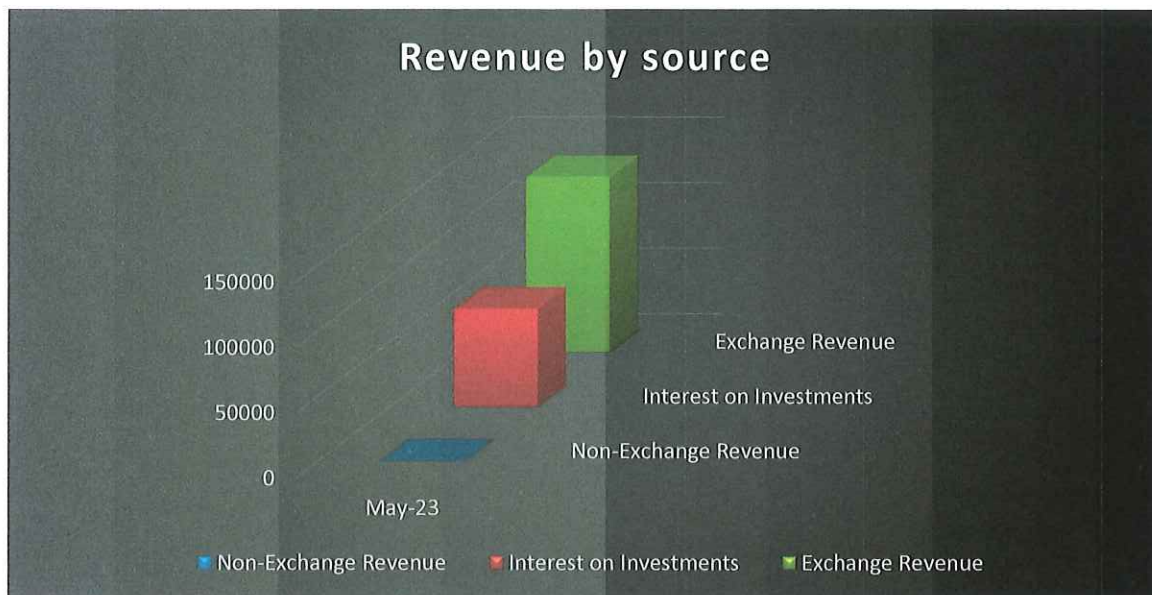
- Transfers and subsidies R 0

Interest received

- Investments R 74 902

Exchange Revenue

- Operational revenue R 3 126
- Licences and permits R 136 876



Operating Expenditure type

Expenditure by type

Employee related expenditure

- Senior Management R 763 087
- Municipal Staff R 3 281 330
- Council Remuneration R 447 875

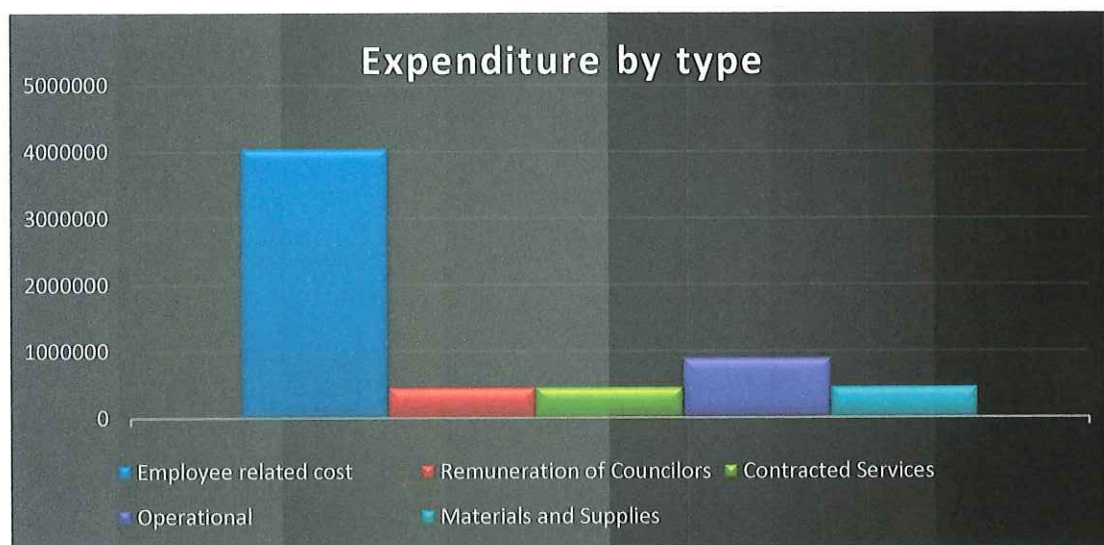
Contracted Services

- Outsourced services R 60 081
- Consultants and Professional Services R 183 777
- Repairs and Maintenance R 208 834

Operational Cost R 892 052

Materials and Supplies R 460 059

Depreciation R 123 343

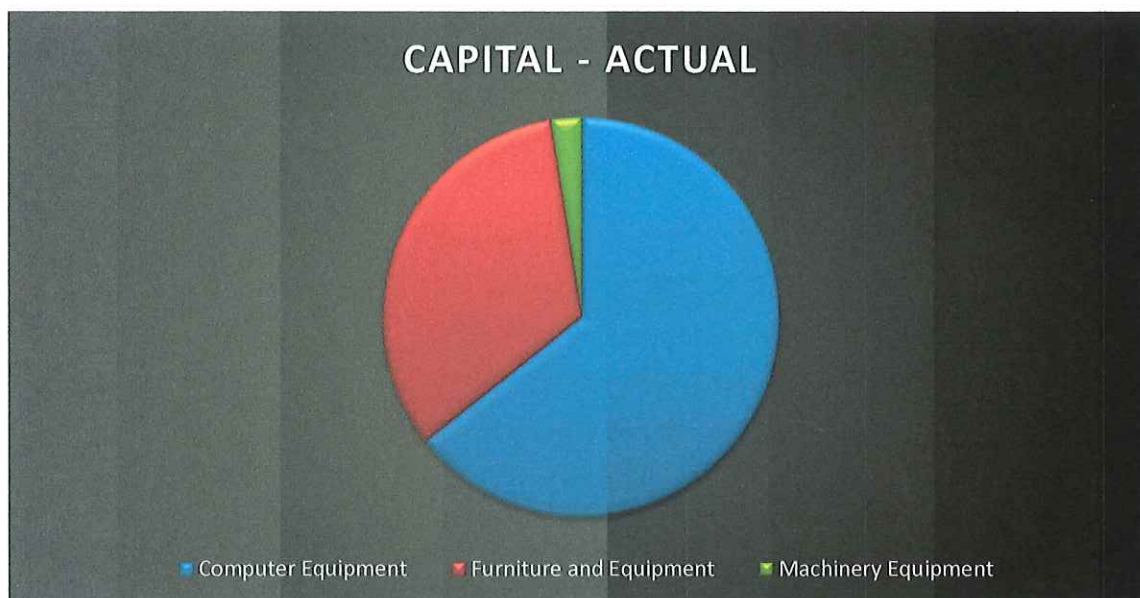
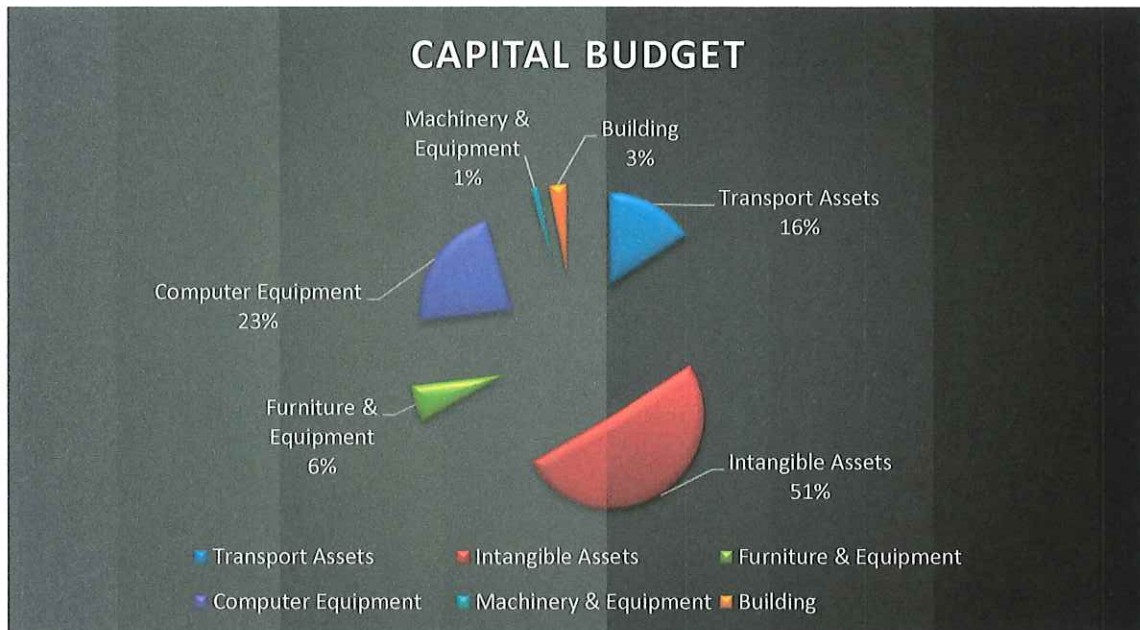


Capital Expenditure

Capital expenditure is currently at 35% of total capital budget. The Municipality does not have any multi-year projects for the year under review.

Capital expenditure for the current month amounted to R 141 293. Asset class furniture equipment is updated with new asset purchased

Year-to-date capital expenditure amounted to R 555 482



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 - M11 May

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	75	912	658	254	39%	750
Transfers and subsidies	62 190	65 701	66 148	-	66 151	60 583	5 568	9%	66 148
Other own revenue	4 029	3 920	4 206	186	5 210	3 822	1 388	36%	4 206
Total Revenue (excluding capital transfers and contributions)	66 862	70 121	71 103	261	72 273	65 064	7 209	11%	71 103
Employee costs	42 804	47 535	46 715	4 044	41 729	42 917	(1 188)	-3%	46 715
Remuneration of Councillors	4 748	5 012	5 329	448	5 036	4 848	188	4%	5 329
Depreciation & asset impairment	1 425	1 000	1 250	123	1 412	1 117	295	26%	1 250
Finance charges	-	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	3 335	894	1 326	460	1 981	1 165	816	70%	1 326
Transfers and subsidies	462	420	410	138	897	377	520	138%	410
Other expenditure	18 755	13 511	14 445	1 345	14 187	13 133	1 054	8%	14 445
Total Expenditure	71 529	68 371	69 475	6 559	65 241	63 557	1 685	3%	69 475
Surplus/(Deficit)	(4 667)	1 750	1 628	(6 298)	7 031	1 507	5 524	367%	1 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	200	-	3	-	-	2	(2)	-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	(6 298)	7 031	1 509	5 522	366%	1 631
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(4 467)	1 750	1 631	(6 298)	7 031	1 509	5 522	366%	1 631
Capital expenditure & funds sources									
Capital expenditure	1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573
Capital transfers recognised	1 164	-	3	-	31	3	29	1039%	3
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	321	1 660	1 570	141	524	1 449	(925)	-64%	1 570
Total sources of capital funds	1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573
Financial position									
Total current assets	10 898	11 668	6 649		10 078				6 649
Total non current assets	1 156	14 309	14 472		1 078				14 472
Total current liabilities	31 005	24 226	19 490		7 180				19 490
Total non current liabilities	4 157	-	-		1 947				-
Community wealth/Equity	(2 559)	1 750	1 631		6 890				1 631
Cash flows									
Net cash from (used) operating	-	4 283	4 670	(2 277)	53 072	4 281	(48 791)	-1140%	4 670
Net cash from (used) investing	(9)	9 954	(1 573)	(0)	(11 164)	(1 442)	9 722	-674%	(1 573)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	6 369	20 798	3 417	-	44 109	3 159	(40 950)	-1296%	5 298
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	1 047	0	0	-	-	-	7	1 704	2 758
Creditors Age Analysis									
Total Creditors	5 136	-	-	31	66	804	23	-	6 061

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) - M11 May

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										
Governance and administration		60 217	64 828	65 514	124	66 807	59 974	6 833	11%	65 514
Executive and council		3 653	-	250	-	250	200	50	25%	250
Finance and administration		56 564	64 828	65 264	124	66 557	59 774	6 783	11%	65 264
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 499	1 000	1 300	137	1 172	1 157	16	1%	1 300
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		219	-	200	-	200	160	40	25%	200
Health		1 280	1 000	1 100	137	972	997	(24)	-2%	1 100
Economic and environmental services		5 346	4 293	4 293	-	4 293	3 935	358	9%	4 293
Planning and development		5 346	4 293	4 293	-	4 293	3 935	358	9%	4 293
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	67 062	70 121	71 107	261	72 273	65 066	7 207	11%	71 107
Expenditure - Functional										
Governance and administration		47 529	43 987	45 631	4 109	43 418	41 637	1 781	4%	45 631
Executive and council		12 861	12 947	13 084	1 177	12 294	11 978	316	3%	13 084
Finance and administration		28 111	24 168	25 695	2 320	24 909	23 376	1 533	7%	25 695
Internal audit		6 557	6 872	6 852	612	6 215	6 283	(68)	-1%	6 852
Community and public safety		13 151	14 491	14 081	1 264	12 516	12 955	(439)	-3%	14 081
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 479	3 703	3 616	360	3 385	3 325	60	2%	3 616
Housing		2 530	2 515	2 404	231	2 130	2 216	(86)	-4%	2 404
Health		7 142	8 274	8 061	672	7 001	7 414	(413)	-6%	8 061
Economic and environmental services		10 849	9 892	9 763	1 186	9 307	8 965	343	4%	9 763
Planning and development		10 849	9 892	9 763	1 186	9 307	8 965	343	4%	9 763
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	71 529	68 371	69 475	6 559	65 241	63 557	1 685	3%	69 475
Surplus/ (Deficit) for the year		(4 467)	1 750	1 631	(6 298)	7 031	1 509	5 522	366%	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) - M11 May

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	200	50	25.0%	250
Vote 02 - Municipal Manager			-	-	-	-	-	-	-	-	-
Vote 03 - Budget & Treasury Office			56 564	64 828	65 264	124	66 557	59 774	6 783	11.3%	65 264
Vote 04 - Administration			-	-	-	-	-	-	-	-	-
Vote 05 - Internal Audit			-	-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure			5 346	4 293	4 293	-	4 293	3 935	358	9.1%	4 293
Vote 07 - Municipal Health Services			1 280	1 000	1 100	137	972	997	(24)	-2.4%	1 100
Vote 08 - Housing			219	-	200	-	200	160	40	25.0%	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	261	72 273	65 066	7 207	11.1%	71 107
Expenditure by Vote		1									
Vote 01 - Office Of The Mayor			10 841	10 656	11 234	997	10 680	10 230	450	4.4%	11 234
Vote 02 - Municipal Manager			2 020	2 291	1 850	180	1 613	1 748	(134)	-7.7%	1 850
Vote 03 - Budget & Treasury Office			14 822	12 396	12 887	1 282	12 995	11 756	1 239	10.5%	12 887
Vote 04 - Administration			13 289	11 773	12 808	1 038	11 913	11 620	293	2.5%	12 808
Vote 05 - Internal Audit			6 557	6 872	6 852	612	6 215	6 283	(68)	-1.1%	6 852
Vote 06 - Planning Development & Infrastructure			10 849	9 892	9 763	1 186	9 307	8 965	343	3.8%	9 763
Vote 07 - Municipal Health Services			7 142	8 274	8 061	672	7 001	7 414	(413)	-5.6%	8 061
Vote 08 - Housing			2 530	2 515	2 404	231	2 130	2 216	(86)	-3.9%	2 404
Vote 09 - Public Safety			3 479	3 703	3 616	360	3 385	3 325	60	1.8%	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	6 559	65 241	63 557	1 685	2.7%	69 475
Surplus/ (Deficit) for the year		2	(4 467)	1 750	1 631	(6 298)	7 031	1 509	5 522	365.9%	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) - M11 May

DC7 Pixley Ka Seme (NC) - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - m11 may										
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	75	912	658	254	39%	750
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		2	-	-	-	-	-	-		-
Licences and permits		1 280	1 000	1 100	137	972	997	(24)	-2%	1 100
Agency services		1 592	1 831	1 966	-	3 244	1 786	1 458	82%	1 966
Transfers and subsidies		62 190	65 701	66 148	-	66 151	60 583	5 568	9%	66 148
Other revenue		1 156	1 090	1 140	49	994	1 039	(45)	-4%	1 140
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		66 862	70 121	71 103	261	72 273	65 064	7 209	11%	71 103
<u>Expenditure By Type</u>										
Employee related costs		42 804	47 535	46 715	4 044	41 729	42 917	(1 188)	-3%	46 715
Remuneration of councillors		4 748	5 012	5 329	448	5 036	4 848	188	4%	5 329
Debt impairment		140	-	-	-	-	-	-		-
Depreciation & asset impairment		1 425	1 000	1 250	123	1 412	1 117	295	26%	1 250
Finance charges		-	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		3 335	894	1 326	460	1 981	1 165	816	70%	1 326
Contracted services		3 981	3 797	3 361	453	2 978	3 130	(152)	-5%	3 361
Transfers and subsidies		462	420	410	138	897	377	520	138%	410
Other expenditure		14 634	9 714	11 084	892	11 155	10 004	1 151	12%	11 084
Losses		0	-	-	-	54	-	54	#DIV/0!	-
Total Expenditure		71 529	68 371	69 475	6 559	65 241	63 557	1 685	3%	69 475
Surplus/(Deficit)		(4 667)	1 750	1 628	(6 298)	7 031	1 507	5 524	0	1 628
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		200	-	3	-	-	2	(2)	(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	(6 298)	7 031	1 509			1 631
Taxation								-		
Surplus/(Deficit) after taxation		(4 467)	1 750	1 631	(6 298)	7 031	1 509			1 631
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(4 467)	1 750	1 631	(6 298)	7 031	1 509			1 631
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(4 467)	1 750	1 631	(6 298)	7 031	1 509			1 631

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) - M11 May

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	141	555	1 452	(897)	-62%	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	141	555	1 452	(897)	-62%	1 573
Total Capital Expenditure		1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573
Capital Expenditure - Functional Classification										
Governance and administration		1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		1 485	1 660	1 573	141	555	1 452	(897)	-62%	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 sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573
Funded by:										
National Government		1 164	-	3	-	3	3	0	11%	3
Provincial Government		-	-	-	-	28	-	28	#DIV/0!	-
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	-	31	3	29	1039%	3
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds		321	1 660	1 570	141	524	1 449	(925)	-64%	1 570
Total Capital Funding		1 485	1 660	1 573	141	555	1 452	(897)	-62%	1 573

4.6 Table C6: Statement of Financial Position

DC7 Pixley Ka Seme (Nc) - Table C6 Monthly Budget Statement - Financial Position - M11 May

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	107	2 643
Call investment deposits		5 982	-	-	7 213	-
Consumer debtors		(31)	3 447	4 006	1 704	4 006
Other debtors		765	-	-	1 054	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		-	-	-	-	-
Total current assets		10 898	11 668	6 649	10 078	6 649
Non current assets						
Long-term receivables		(11 614)	-	-	(10 781)	-
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		12 769	8 900	9 064	11 859	9 064
Biological		-	-	-	-	-
Intangible		0	5 408	5 408	-	5 408
Other non-current assets		-	-	-	-	-
Total non current assets		1 156	14 309	14 472	1 078	14 472
TOTAL ASSETS		12 054	25 976	21 121	11 157	21 121
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables		29 906	6 702	7 940	6 081	7 940
Provisions		1 099	17 524	11 550	1 099	11 550
Total current liabilities		31 005	24 226	19 490	7 180	19 490
Non current liabilities						
Borrowing		380	-	-	(1 829)	-
Provisions		3 777	-	-	3 777	-
Total non current liabilities		4 157	-	-	1 947	-
TOTAL LIABILITIES		35 162	24 226	19 490	9 127	19 490
NET ASSETS	2	(23 108)	1 750	1 631	2 030	1 631
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(2 558)	1 750	1 631	6 890	1 631
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(2 558)	1 750	1 631	6 890	1 631

4.7 Table C7: Monthly Budget Statement Cash Flow

DC7 Pixley Ka Seme (Nc) - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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	150	2 042	3 855	(1 814)	-47%	4 206
Transfers and Subsidies - Operational		-	65 701	66 148	119	64 813	60 636	4 177	7%	66 148
Transfers and Subsidies - Capital		-	-	3	-	-	3	(3)	-100%	3
Interest		-	500	750	-	-	688	(688)	-100%	750
Dividends								-		
Payments										
Suppliers and employees		-	(65 838)	(66 436)	(2 546)	(13 783)	(60 900)	(47 117)	77%	(66 436)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	4 283	4 670	(2 277)	53 072	4 281	(48 791)	-1140%	4 670
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		(9)	11 614	-	(0)	(10 781)	-	(10 781)	#DIV/0!	-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		-	(1 660)	(1 573)	-	(383)	(1 442)	(1 059)	73%	(1 573)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9)	9 954	(1 573)	(0)	(11 164)	(1 442)	9 722	-674%	(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	(2 277)	41 908	2 839			3 097
Cash/cash equivalents at beginning:		6 378	6 561	320	(6 840)	2 201	320			2 201
Cash/cash equivalents at month/year end:		6 369	20 798	3 417		44 109	3 159			5 298

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 1 704 167:
- R 230 851
 - Thembelihle Local Municipality
- The R 655 310 is the debt from the previous financial year
- Other R 1 871 878

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 (Nc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description		NT Code	Budget Year 2022/23										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debt L10 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				
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	1 047	0	0	-	-	-	7	1 704	2 758	1 711	-	-	
Total By Income Source		2000	1 047	0	0	-	-	-	7	1 704	2 758	1 711	-	-	
2021/22 - totals only			13294	2072 219	1568 517	1568 517	78 517	0	0	0	19	2	0	0	
Debtors Age Analysis By Customer Group															
Organs of State		2200	-	-	-	-	-	-	-	1 704	1 704	1 704	-	-	
Commercial		2300	-	-	-	-	-	-	-	-	-	-	-	-	
Households		2400	-	-	-	-	-	-	-	-	-	-	-	-	
Other		2500	1 047	0	0	-	-	-	7	-	1 054	7	-	-	
Total By Customer Group		2600	1 047	0	0	-	-	-	7	1 704	2 758	1 711	-	-	

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 2 092 657
- Other R3 987 864
 - 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 - M11 May

Budget Year 2022/23										
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	2 093	-	-	-	-	-	-	-	2 093
Other	0900	3 044	-	-	31	66	804	23	-	3 968
Total By Customer Type	1000	5 136	-	-	31	66	804	23	-	6 061

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 May 2023 amounted to R 119 632

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 May 2023, only the following allocations has been received:

Conditional Grant	Total received	Closing balance
Rural Road Asset Management Grant	R 3 220 000	R 263 852
Expanded Public Works Programme	R 1 073 000	R 19 161
Financial Management Grant	R 1 650 000	R -
Human settlement Grant	R 200 000	R 32 417
Department of Health	R 500 000	R 203 521

All balances on Conditional Grants are recorded as per 31 May 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 - M11 May

Investments by maturity Name of institution & investment ID R thousands	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
		Yrs/Months												
Municipality														
Standard Bank Call Deposit Accounts		12	Deposits	No	Fixed	5.50%	0	0	2022/06/30	14 108	75	(6 765)	122	7 540
Municipality sub-total										14 108		(6 765)	122	7 540
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									14 108		(6 765)	122	7 540

References

- List investments in expiry date order
- If 'variable' is selected in column F, input interest rate range
- Withdrawals to be entered as negative

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

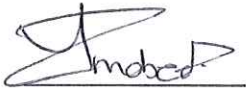
In compliance to section 75 of the MFMA, this document is provided to all stakeholders by publishing it on the Pixley Ka Seme's municipal website at www.pksgdm.gov.za

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 May 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

Quality Certificate

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

√	The Monthly Budget Statement
---	------------------------------

	Quarterly Report of the implementation of the budget and financial state affairs of the municipality
--	--

	Mid-year Budget and Performance Assessment
--	--

For the month of **May 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: _____

I Visser
09.06.2023

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: _____