

PIXLEY KA SEME DISTRICT MUNICIPALITY

JULY 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. Introduction

The monthly budget statement report seeks to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances and provide any remedial action or corrective steps to be taken.

2. Compliance

This report complies with section 71 of Municipal Finance Management Act no 56 of 2003, and the requirements of Government Gazette no 32141 of 17 April 2009 by the submission of a monthly budget statement to the Executive Mayor, National and Provincial Treasury containing the prescribed financial performance for the month under review.

3. 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 July 2022**, the ten working day reporting limit expires on **15 August 2022**

4. Executive Summary

Description R thousand (R'000)	YTD Budget July 2022	YTD Actual July 2022	%YTD Actual vs % YTD Budget
Total Revenue	R 70 121 150	R 25 883 282	37%
Total Operational Expenditure	R 68 370 729	R 5 043 236	7%
Total Capital Expenditure	R 1 660 000	R 3 061	0.2%

The total revenue received for the month ended 31 July 2022 amounted to **R 25 883 282** which represents 37% of total budgeted revenue, **R 70 121 150**

Revenue by source

Grants received

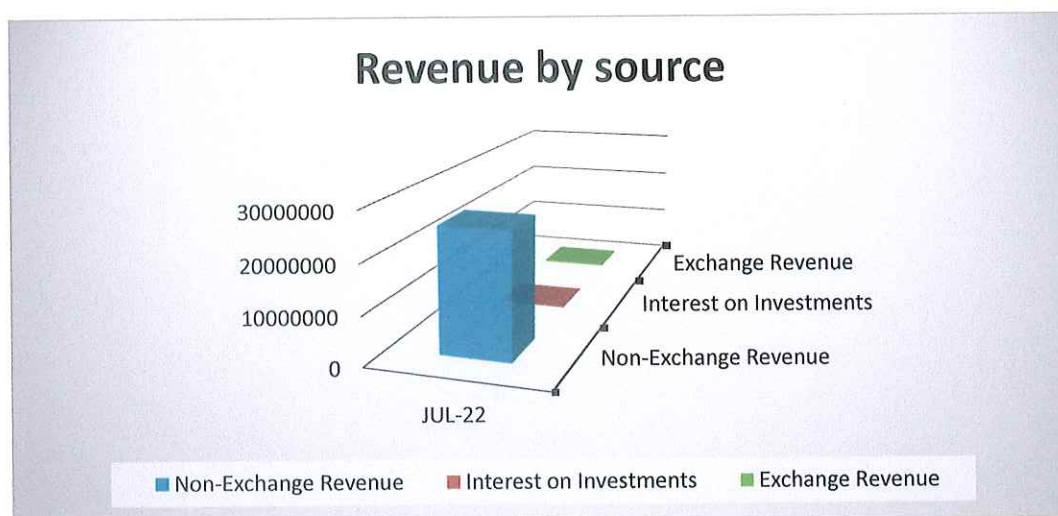
- Equitable share R 23 305 000
- Rural Road Asset Management Grant R 2 254 000

Interest received

- Investments R 85 738

Exchange Revenue

- Administration fees R 112 700
- Commission third party payments R 5 134
- Sale of tender documents R 11 600
- Health certificates R 109 110



Operating Expenditure type

Operating expenditure for the month ended 31 July 2022 amounted to **R 5 043 236** representing 7% of total budgeted expenditure, **R 68 370 729**

Expenditure by type

Employee related expenditure

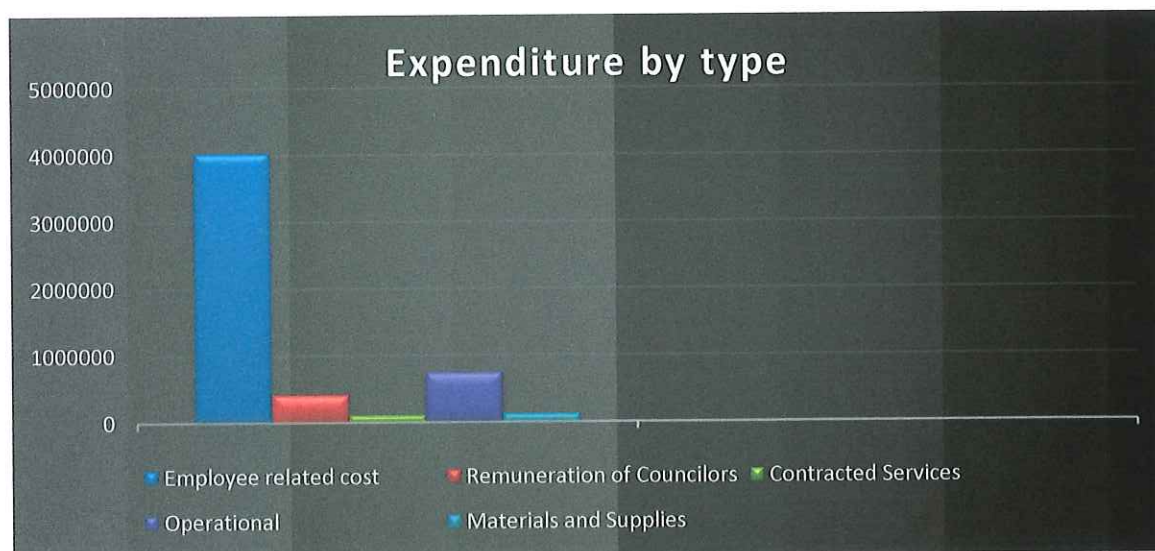
- Senior Management R 370 712
- Municipal Staff R 3 285 556
- Council Remuneration R 410 621

Contracted Services

- Outsourced services R 62 053
- Consultants and Professional Services R 36 973
- Repairs and Maintenance R 7 453

Operational Cost R 744 864

Materials and Supplies R 125 003



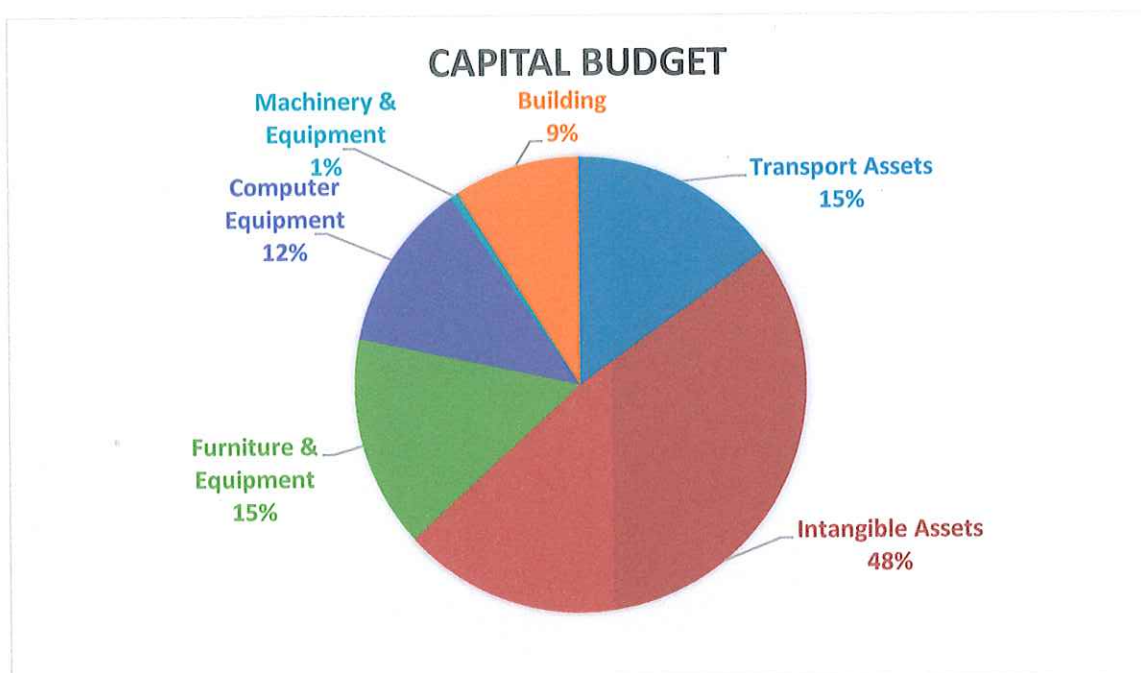
Capital Expenditure

Capital expenditure is currently at 0.2% spend. The Municipality does not have any multi-year projects for the year under review.

The Capital expenditure relates to external hard drives bought, which amounted to R 3 061.

The asset category for computer equipment in the asset register has been updated with the asset bought.

The Asset module is fully functional, the municipality starting next month will run monthly depreciation.



4. In-year budget statement tables

4.1 Table C1: S71 Monthly Budget Statement Summary

DC7 Pixley Ka Seme (Nc) - Table C1 Monthly Budget Statement Summary - M01 July

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	86	86	42	44	106%	500
Transfers and subsidies	62 190	65 701	65 701	25 559	25 559	5 475	20 084	367%	65 701
Other own revenue	4 029	3 920	3 920	239	239	327	(88)	-27%	3 920
Total Revenue (excluding capital transfers and contributions)	66 862	70 121	70 121	25 883	25 883	5 843	20 040	343%	70 121
Employee costs	42 813	47 535	47 535	3 656	3 656	3 961	(305)	-8%	47 535
Remuneration of Councillors	4 612	5 012	5 012	411	411	418	(7)	-2%	5 012
Depreciation & asset impairment	1 425	1 000	1 000	–	–	83	(83)	-100%	1 000
Finance charges	–	–	–	–	–	–	–	–	–
Inventory consumed and bulk purchases	3 335	894	894	125	125	74	51	68%	894
Transfers and subsidies	482	420	420	–	–	35	(35)	-100%	420
Other expenditure	18 456	13 511	13 511	851	851	1 126	(275)	-24%	13 511
Total Expenditure	71 124	68 371	68 371	5 043	5 043	5 698	(654)	-11%	68 371
Surplus/(Deficit)	(4 262)	1 750	1 750	20 840	20 840	146	20 694	14187%	1 750
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	200	–	–	–	–	–	–	–	–
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	(4 062)	1 750	1 750	20 840	20 840	146	20 694	14187%	1 750
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(4 062)	1 750	1 750	20 840	20 840	146	20 694	14187%	1 750
Capital expenditure & funds sources									
Capital expenditure	1 485	1 660	1 660	3	3	138	(135)	-98%	1 660
Capital transfers recognised	1 164	–	–	3	3	–	3	#DIV/0!	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	321	1 660	1 660	–	–	138	(138)	-100%	1 660
Total sources of capital funds	1 485	1 660	1 660	3	3	138	(135)	-98%	1 660
Financial position									
Total current assets	10 879	11 668	11 668	–	23 499	–	–	–	11 668
Total non current assets	1 144	14 309	14 309	–	1 225	–	–	–	14 309
Total current liabilities	30 557	24 226	24 226	–	4 513	–	–	–	24 226
Total non current liabilities	4 157	–	–	–	3 967	–	–	–	–
Community wealth/Equity	(2 558)	1 750	1 750	–	16 243	–	–	–	1 750
Cash flows									
Net cash from (used) operating	–	4 283	4 283	22 677	22 748	357	(22 391)	-6273%	4 283
Net cash from (used) investing	(21)	9 965	(1 660)	(80)	(11 551)	(138)	11 413	-8250%	(1 660)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the month/year end	6 358	20 810	9 184	–	13 397	6 779	(6 618)	-98%	4 824
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	1 985	2	2	1	–	–	–	–	1 990
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

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) - M01 July

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	23 520	23 520	5 402	18 118	335%	64 828
Executive and council		3 653	-	-	-	-	-	-	-	-
Finance and administration		56 564	64 828	64 828	23 520	23 520	5 402	18 118	335%	64 828
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 499	1 000	1 000	109	109	83	26	31%	1 000
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		219	-	-	-	-	-	-	-	-
Health		1 280	1 000	1 000	109	109	83	26	31%	1 000
<i>Economic and environmental services</i>		5 346	4 293	4 293	2 254	2 254	358	1 896	530%	4 293
Planning and development		5 346	4 293	4 293	2 254	2 254	358	1 896	530%	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	25 883	25 883	5 843	20 040	343%	70 121
Expenditure - Functional										
<i>Governance and administration</i>		47 181	43 987	43 987	3 304	3 304	3 666	(361)	-10%	43 987
Executive and council		12 831	12 947	12 947	914	914	1 079	(165)	-15%	12 947
Finance and administration		27 793	24 168	24 168	1 852	1 852	2 014	(162)	-8%	24 168
Internal audit		6 557	6 872	6 872	538	538	573	(35)	-6%	6 872
<i>Community and public safety</i>		13 105	14 491	14 491	1 073	1 073	1 208	(135)	-11%	14 491
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3 457	3 703	3 703	285	285	309	(24)	-8%	3 703
Housing		2 526	2 515	2 515	183	183	210	(27)	-13%	2 515
Health		7 122	8 274	8 274	606	606	689	(84)	-12%	8 274
<i>Economic and environmental services</i>		10 838	9 892	9 892	666	666	824	(158)	-19%	9 892
Planning and development		10 838	9 892	9 892	666	666	824	(158)	-19%	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	71 124	68 371	68 371	5 043	5 043	5 698	(654)	-11%	68 371
Surplus/ (Deficit) for the year		(4 062)	1 750	1 750	20 840	20 840	146	20 694	14187%	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) - M01 July

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	23 520	23 520	5 402	18 118	335.4%	64 828
Vote 04 - Administration		-	-	-	-	-	-	-	-	-
Vote 05 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 06 - Planning Development & Infrastructure		5 346	4 293	4 293	2 254	2 254	358	1 896	530.0%	4 293
Vote 07 - Municipal Health Services		1 280	1 000	1 000	109	109	83	26	30.9%	1 000
Vote 08 - Housing		219	-	-	-	-	-	-	-	-
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	25 883	25 883	5 843	20 040	342.9%	70 121
Expenditure by Vote	1									
Vote 01 - Office Of The Mayor		10 811	10 656	10 656	859	859	888	(29)	-3.2%	10 656
Vote 02 - Municipal Manager		2 020	2 291	2 291	55	55	191	(136)	-71.4%	2 291
Vote 03 - Budget & Treasury Office		14 520	12 396	12 396	668	668	1 033	(365)	-35.4%	12 396
Vote 04 - Administration		13 274	11 773	11 773	1 185	1 185	981	203	20.7%	11 773
Vote 05 - Internal Audit		6 557	6 872	6 872	538	538	573	(35)	-6.1%	6 872
Vote 06 - Planning Development & Infrastructure		10 838	9 892	9 892	666	666	824	(158)	-19.2%	9 892
Vote 07 - Municipal Health Services		7 122	8 274	8 274	606	606	689	(84)	-12.2%	8 274
Vote 08 - Housing		2 526	2 515	2 515	183	183	210	(27)	-12.8%	2 515
Vote 09 - Public Safety		3 457	3 703	3 703	285	285	309	(24)	-7.8%	3 703
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - . .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - ..		-	-	-	-	-	-	-	-	-
Vote 14 - . . .		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	71 124	68 371	68 371	5 043	5 043	5 698	(654)	-11.5%	68 371
Surplus/ (Deficit) for the year	2	(4 062)	1 750	1 750	20 840	20 840	146	20 694	14187.2%	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) - M01 July

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	86	86	42	44	106%	500
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		2	-	-	-	-	-	-		-
Licences and permits		1 280	1 000	1 000	109	109	83	26	31%	1 000
Agency services		1 592	1 831	1 831	-	-	153	(153)	-100%	1 831
Transfers and subsidies		62 190	65 701	65 701	25 559	25 559	5 475	20 084	367%	65 701
Other revenue		1 156	1 090	1 090	129	129	91	39	43%	1 090
Gains		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		66 862	70 121	70 121	25 883	25 883	5 843	20 040	343%	70 121
Expenditure By Type										
Employee related costs		42 813	47 535	47 535	3 656	3 656	3 961	(305)	-8%	47 535
Remuneration of councillors		4 612	5 012	5 012	411	411	418	(7)	-2%	5 012
Debt impairment		140	-	-	-	-	-	-		-
Depreciation & asset impairment		1 425	1 000	1 000	-	-	83	(83)	-100%	1 000
Finance charges		-	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		3 335	894	894	125	125	74	51	68%	894
Contracted services		3 925	3 797	3 797	106	106	316	(210)	-66%	3 797
Transfers and subsidies		482	420	420	-	-	35	(35)	-100%	420
Other expenditure		14 391	9 714	9 714	745	745	809	(65)	-8%	9 714
Losses		0	-	-	-	-	-	-		-
Total Expenditure		71 124	68 371	68 371	5 043	5 043	5 698	(654)	-11%	68 371
Surplus/(Deficit)		(4 262)	1 750	1 750	20 840	20 840	146	20 694	0	1 750
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		200	-	-	-	-	-	-		-
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		(4 062)	1 750	1 750	20 840	20 840	146			1 750
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(4 062)	1 750	1 750	20 840	20 840	146			1 750
Attributable to minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		(4 062)	1 750	1 750	20 840	20 840	146			1 750
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		(4 062)	1 750	1 750	20 840	20 840	146			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) - M01 July

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	1 660	3	3	138	(135)	-98%	1 660
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	1 660	3	3	138	(135)	-98%	1 660
Total Capital Expenditure		1 485	1 660	1 660	3	3	138	(135)	-98%	1 660
Capital Expenditure - Functional Classification										
Governance and administration		1 485	1 660	1 660	3	3	138	(135)	-98%	1 660
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		1 485	1 660	1 660	3	3	138	(135)	-98%	1 660
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	1 660	3	3	138	(135)	-98%	1 660
Funded by:										
National Government		1 164	-	-	3	3	-	3	#DIV/0!	-
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	-	3	#DIV/0!	-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		321	1 660	1 660	-	-	138	(138)	-100%	1 660
Total Capital Funding		1 485	1 660	1 660	3	3	138	(135)	-98%	1 660

4.6 Table C6: Statement of Financial Position

DC7 Pixley Ka Seme (Nc) - Table C6 Monthly Budget Statement - Financial Position - M01 July

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		4 194	8 221	8 221	329	8 221
Call investment deposits		5 982	-	-	22 659	-
Consumer debtors		(31)	3 447	3 447	(31)	3 447
Other debtors		733	-	-	543	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		-	-	-	-	-
Total current assets		10 879	11 668	11 668	23 499	11 668
Non current assets						
Long-term receivables		(11 625)	-	-	(11 548)	-
Investments		-	-	-	-	-
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		12 769	8 900	8 900	12 773	8 900
Biological		-	-	-	-	-
Intangible		0	5 408	5 408	0	5 408
Other non-current assets		-	-	-	-	-
Total non current assets		1 144	14 309	14 309	1 225	14 309
TOTAL ASSETS		12 023	25 976	25 976	24 724	25 976
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables		29 458	6 702	6 702	3 413	6 702
Provisions		1 099	17 524	17 524	1 099	17 524
Total current liabilities		30 557	24 226	24 226	4 513	24 226
Non current liabilities						
Borrowing		380	-	-	191	-
Provisions		3 777	-	-	3 777	-
Total non current liabilities		4 157	-	-	3 967	-
TOTAL LIABILITIES		34 714	24 226	24 226	8 480	24 226
NET ASSETS	2	(22 691)	1 750	1 750	16 243	1 750
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(2 558)	1 750	1 750	16 243	1 750
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	(2 558)	1 750	1 750	16 243	1 750

4.7 Table C7: Monthly Budget Statement Cash Flow

DC7 Pixley Ka Seme (Nc) - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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	212	212	327	(115)	-35%	3 920
Transfers and Subsidies - Operational		-	65 701	65 701	23 305	23 305	5 475	17 830	326%	65 701
Transfers and Subsidies - Capital		-	-	-	-	-	-	-		-
Interest		-	500	500	-	-	42	(42)	-100%	500
Dividends								-		
Payments										
Suppliers and employees		-	(65 838)	(65 838)	(840)	(769)	(5 486)	(4 717)	86%	(65 838)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	4 283	4 283	22 677	22 748	357	(22 391)	-6273%	4 283
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		(21)	11 625	-	(77)	(11 548)	-	(11 548)	#DIV/0!	-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		-	(1 660)	(1 660)	(3)	(3)	(138)	(135)	98%	(1 660)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(21)	9 965	(1 660)	(80)	(11 551)	(138)	11 413	-8250%	(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		(21)	14 249	2 623	22 596	11 196	219			2 623
Cash/cash equivalents at beginning:		6 378	6 561	6 561	20 786	2 201	6 561			2 201
Cash/cash equivalents at month/year end:		6 358	20 810	9 184		13 397	6 779			4 824

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

The Municipality has billed all 7 Local Municipalities for Shared Services. As per the service level agreements signed, annual increase is equal to CPIX, billed on the start of the Financial Year. Renosterberg Local Municipality does not partake in the Shared Service offered by Pixley Ka Seme District Municipality.

DC7 Pixley Ka Seme (Nc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2022/23												Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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	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	1 985	2	2	1	-	-	-	-	1990	1	-	-		
Total By Income Source	2000	1 985	2	2	1	-	-	-	-	1990	1	-	-		
2021/22 - totals only										-	-				
Debtors Age Analysis By Customer Group															
Organs of State	2200	1 966	-	-	-	-	-	-	-	1966	-	-	-		
Commercial	2300									-	-				
Households	2400									-	-				
Other	2500	19	2	2	1	-	-	-	-	24	1	-	-		
Total By Customer Group	2600	1 985	2	2	1	-	-	-	-	1990	1	-	-		

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

Sound financial management has insured that the municipality has no outstanding creditors for July 2022

DC7 Pixley Ka Seme (Nc) - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

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	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

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 July 2022 amounted to R 328 632

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 month of July 2022, only the first tranche of Rural Road Asset Management Grant has been received.

Closing balance – Conditional Grant

Rural Road Asset Management Grant	R 2 035 882
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All balances on Conditional Grants are recorded as per 31 July 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
- Conduct their cash management and investments; and
 - 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 - M01 July

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	1 885	12	(453)	2 512	3 956
Municipality sub-total										1 885		(453)	2 512	3 956
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									1 885		(453)	2 512	3 956

Municipal Manager's quality certification**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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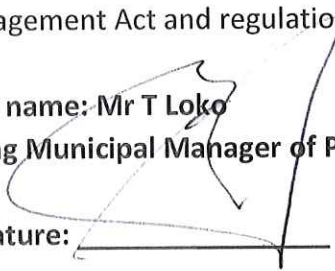
	Quarterly Report of the implementation of the budget and financial state affairs of the municipality
--	--

	Mid-year Budget and Performance Assessment
--	--

For the month of **July 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: 10-08-2022

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

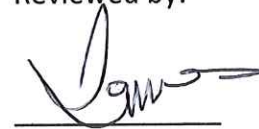
Compiled by



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: 10-08-2022

Report Submitted to:

Print Name: **Mr UR Itumeleng**

Executive Mayor: Pixley Ka Seme District Municipality

Signature _____

Date: 10 August 2022