PIXLEY KA SEME DISTRICT MUNICIPALITY

MID- YEAR BUDGET & PERFORMANCE ASSESMENT

MFMA SECTION 72 REPORT

31 DECEMBER 2022

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PIXLEY KA SEME DISTRICT MUNICIPALITY

MID- YEAR BUDGET AND PERFORMANCE ASSESMENT

31 December 2022

INDEX

Description	**Page No.**
General Information	2
Glossary	3
Purpose of report	4
Legislative framework	4
Strategic objective	5
Executive Mayor's report	6
Executive summary	7
Statement of Financial Performance	8
Disclosure of Grants	9
Budget analysis	10-12
Recommendation	13
Submission to Mayor	14
Quality certificate	15

The following appendices are attached

Table C1 Monthly Budget Statement Summary	Appendix A
Table C2 Financial Performance Functional Classification	Appendix B
Table C3 Financial Performance Municipal Vote	Appendix C
Table C4 Monthly Budget Statement: Financial Performance	Appendix D
Table C5 Monthly Budget Statement: Capital Expenditure	Appendix E
Table C6 Monthly Budget Statement: Financial Position	Appendix F
Table C7 Monthly Budget Statement: Cash flow	Appendix G
Investment Portfolio	Appendix H
Supporting Table SC3 Debtor analysis	Appendix I
Supporting Table SC4 Creditor analysis	Appendix J

GENERAL INFORMATION

Members of Council:	UR Itumeleng (Executive Mayor) AT Sintu (Speaker) K Gous S Swartling NS Van Wyk H Marais B Viviers A Kwinana PA Olyn MC MacKay SW Makhandula B Swanepoel MA Maloi VP Harmse NS Mlugwana MJ Katz EK Louw LM Zenani F Mans NB Booysen W Horne
Municipal Manager:	I Visser
Chief Financial Officer:	BF James
Grading of Local Authority:	Grade 3
Physical Address:	Culvert Road De Aar 7000
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GLOSSARY

Adjustment Budget – Prescribed in section 28 of the Municipal Finance Management Act, this is the formal means by which a municipality may revise its budget during a financial year.

Allocations – Money received from National and Provincial Treasury.

Budget – Financial plan of a municipality.

Capital Expenditure – Spending on a municipal asset such as land, buildings and vehicles. Any capital expenditure must be reflected as an asset on a municipality's statement of financial position.

Cash Flow Statement – A statement indicative of actual cash received and spent, and month-end cash and short-term investment balances.

CRR – Capital Replacement Reserve. An Internal funding source used for capital projects, which must at all times be cash-backed in line with section 18 of the MFMA

DORA – Division of Revenue Act. Annual legislation which shows the allocations from National to Local Government.

IDP – Integrated Development Plan. The main strategic planning document of a municipality

KPI – Key Performance Indicators. Measure of service output and or outcome

MBRR – Municipal Budget Reporting Regulations

MCCR – Municipal Cost Containment Regulations

MFMA – Municipal Finance Management Act (No 53 of 20003). The principal piece of legislation relating to municipal financial management

MTREF – Medium Term Revenue and Expenditure Framework, as prescribed by the MFMA. It sets out indicative revenue and projected expenditure for the budget year, plus two outer financial years.

Operating Expenditure – The day-to-day expenses of a municipality such as general expenses, salaries & wages and repairs &maintenance.

SBIP – Service Delivery and Budget Implementation Plan.

Vote - One of the main segments into which a budget is divided, usually at directorate level

Section 1 - Introduction

1.1 Purpose

The purpose of this report is to assess the mid-year financial performance and financial position of the municipality. A high-level assessment of the actual results for the period 1 July 2022 -31 December 2022 was conducted. The review was to enable the Accounting Officer to make recommendations as to whether an Adjustment Budget for the 2022/23 financial year is necessary.

1.2 Legislative requirements

The Municipality is required to assess on an ongoing basis whether it generates sufficient revenue to meet its commitments, as paying employees, councillors and creditors. In accordance with Section 71 of the MFMA, the Accounting Officer is required to submit to the National and Provincial Treasuries a monthly statement of the state of the municipality's budget.

In line with Section 72(1) of the MFMA, the Accounting Officer of a municipality must by 25 January of each year;

(a) assess the performance of the municipality during the first half of the financial year, taking into account-

> (i) the monthly statements referred to in section 71 for the first half of the financial year;
>
> (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
>
> (iii) the past year's annual report, and progress on resolving problems identified in the annual report, and
>
> (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities;

(b) Submit a report on such assessment to;

> (i) the mayor of the municipality;
>
> (ii) the National Treasury; and
>
> (iii) the relevant provincial treasury.

(2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1) (b) of this section.

(3) The accounting officer must, as part of the review;

> (a) make recommendations as to whether an adjustments budget is necessary; and
>
> (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

1.2.1 Thereafter, the mayor must, in terms of Section 54 (1) of the MFMA

(1) On receipt of a statement or report submitted by the Accounting Officer of the Municipality in terms of section 71 or 72, the mayor must

(a) Consider the report

(b) Check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;

(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that the revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustment budget;

(d) Issue any appropriate instructions to the accounting officer to ensure-

(i) That the budget is implemented in accordance with the service delivery and budget implementation plan; and

(ii) That spending of funds and revenue collection proceed in accordance with the budget;

(e) Identify any financial problems facing the municipality, including any emerging or impending financial problems; and

(f) Submit the report to the council by 31 January of each year

This report is aimed at ensuring compliance with the requirements of section 72 and 54 of the Municipal Finance Management Act (56 of 2003)

1.3 Content of this report

With the concurrence of the Chief Financial Officer, it was agreed that

(a) The Finance Department prepared the monthly report in accordance with MFMA section 71. The monthly budget statement for December 2022 was submitted to legislated parties by the 10th working day of January 2023.

(b) The Performance Management section review the SDBIP to determine whether amendments to the current SDBIP is required.

(c) The section 72 report will be submitted to the mayor by no later than the 25th of January 2023, the report will be tabled to council on the 26th of January 2023.

1.4 Strategic objective

- To improve financial viability, management and priorities as prescribed by Municipal Finance Management Act.
- To submit the outcome of the mid-year assessment carried out in terms of MFMA section 72 for the period 1 July 2022 to 31 December 2022
- Make recommendations whether an Adjustment Budget must be compiled

Section 2 - Mayor's Report

2. Executive Mayor's Report

Pixley Ka Seme District Municipality complies with the legislative requirements of MFMA Section 72. The Mid-Year Budget and Performance assessment report is within the prescribed format as per the Municipal Budget and Reporting regulations.

Budget Process:

The Budget process plan in respect of 2022/23 financial year was approved by Council on 30 August 2021.

Although the IDP process plan is submitted as a separate item by Infrastructure, Development, Housing and Planning Directorate, as the council of Pixley Ka Seme District Municipality we believe it is imperative to align IDP and Budget processes.

Monthly and Quarterly reporting:

Monthly and quarterly financial and non-financial reporting as per DORA and MFMA requirements to Council, National, Provincial Treasury and other stakeholders have been adequately adhered to for the various reporting periods for the 2022/23 financial year

Financial Statements for the year ended 30 June 2022

The Annual Financial Statements for the year ended 30 June 2022 was submitted to the Auditor General on 31 August 2022 for Audit purposes.

Pixley Ka Seme DM received an Unqualified Audit opinion with matters for the 2021/22 financial year.

The Annual report of the 2021/22 financial year is covered in a separate report to Council. Any problems and/or corrective actions identified in the Oversight by Council will be monitored and actioned for correction in the current financial year.

Mr UR Itumeleng
Executive Mayor

PIXLEY KA SEME DISTRICT MUNICIPALITY

DISCLOSURE OF GRANTS & SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grants and Subsidies received for six months ending Decemeber 2022

Name of Grant	**Allocation**	**Quarterly receipts**		**Quarterly payments**		**Closing Balance**
	R'000	**Jul – Sept**	**Oct-Dec**	**Jul – Sept**	**Oct-Dec**	**R'000**
Equitable Share	59 758'	23 305 000	19 720 000	13 983 000	14 207 308	14 889 332
Rural Road Asset Management Systems Grant	3 220'	2 254 000	-	574 188	886 541	793 266
Expanded Public Works Programme	1 073'	269 000	483 000	106 971	281 831	363 194
Financial Management Grant	1 650'	1 650 000	-	410 517	478 255	761 225
Human Settlement Development Grant	200'	-	200 000		57 039	142 960
Health programmes	-	-	250 000		41 196	208 805

Equitable share

Scheduled transfer

- 15 March 2023 R 16 733 000

Conditional Grants

All scheduled transfers has been received. Monthly reporting is in compliance to the Division of Revenue Act

Scheduled transfers

- Expanded Public Works
  - 01 February R 321 000
- Rural Road Asset Management Grant
  - 16 February R 966 000

Provincial Grant

The municipality received an allocation of R250 000 for the implementation of HIV/AIDS, TB and health related programmes.

6. Budget Performance Analysis

6.1 Revenue

Revenue for the period ending 31 December 2022 totals to R52 263 689 million of budget revenue R70 121 150, or 74% of budgeted amount. All information recorded at the end of mid-year indicates that overall financial performance is on par.

Transfer& Subsidies

The following transfers and subsidies were received from Provincial Government that was not included in the Original Budget

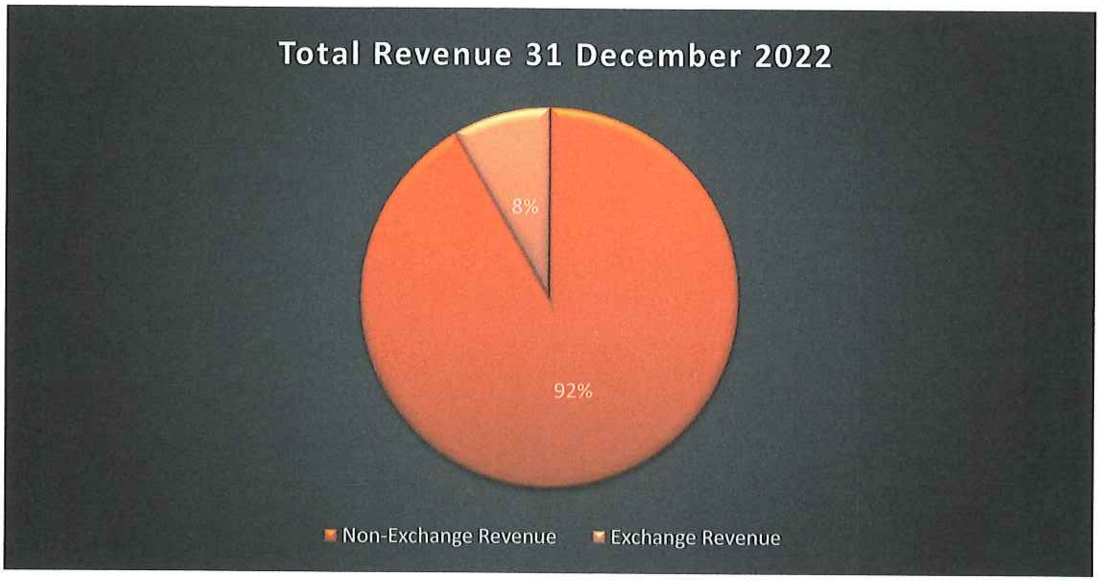
- Human Settlement Grant R200 000
- HIV/AIDS, TB and Health related programmes R250 000

Shared services

An overperformance on Shared services is subjected to municipalities that settled outstanding debt billed for prior years.

Interest on investment

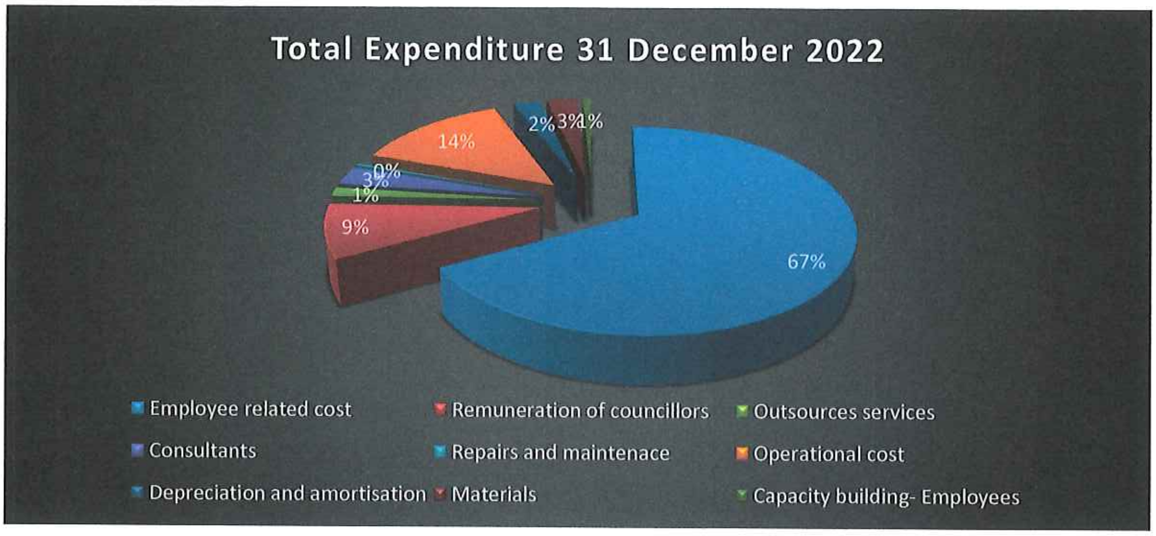
Overperformance on the revenue source is subjected to the higher tranches of Grants received during mid-year.



The ratio relation between non-exchange and exchange revenue is a clear indication on the high grant dependence of the municipality.

6.2 Expenditure

Expenditure for the period ending 31 December 2022 totals to R32 539 965 of budget R68 370 729, at 47% of original budget. Employee related expenditure is the biggest expenditure to date, representing 67% of actual year-to-date expenditure.



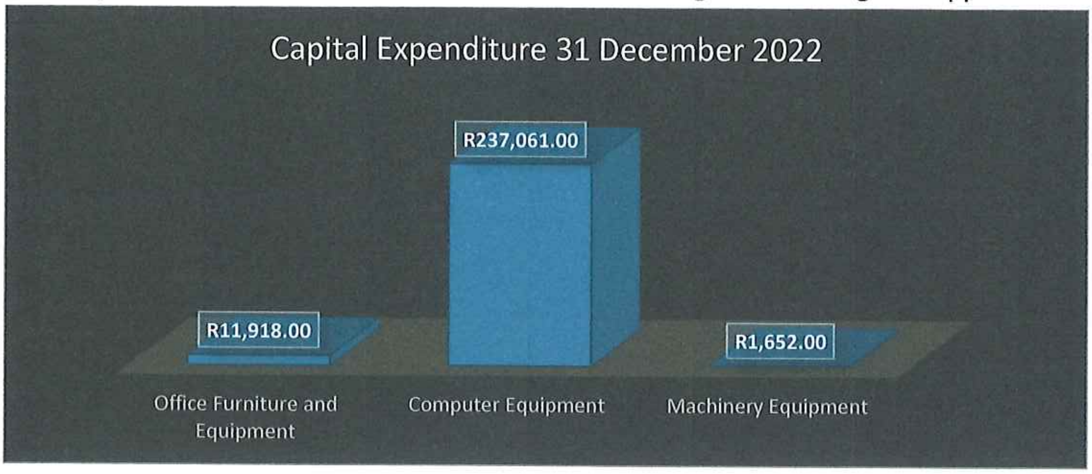
<u>Consultants and Professional services</u>

All Consultants and Professional services are acquired appointed through the Supply Chain Management Regulations.

6.3 Capital Expenditure

Capital expenditure for the period ending 31 December 2022 totals to R250 631 of budget R1660 000 at 15% of budget.

An increase in capital expenditure is expected during the second semester of the current financial year as various tenders advertised will be reaching the final stage for approval.



6.4 Investment portfolio

All investments are held at Standard Bank

Investments register for the period 1 July 2022 until 31 December 2022 **R 18 398 755**

Detailed analysis- Appendix H

6.5 Debtors

Total outstanding debtors at 31 December 2022 amount to **R 845 200**

The municipality has two debtor categories

- Government R 280 851
- Other R 564 349

The decline in outstanding debtors is as a result of the following

- The high collection rate on Agency services is evident that Local Municipalities are honouring their agreements to pay outstanding and current debt.

Detailed analysis - Appendix I

6.6 Creditors

Total outstanding debtors at 31 December 2022 amount to **R 938 952**

Included in the total outstanding creditors are provisions in lieu of employee benefits.

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

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

Detailed analysis - Appendix J

7. Recommendation

In terms of section 28 of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA)

(1) A municipality may revise an approved Annual Budget through an Adjustment budget.

(2) An Adjustment Budget

a. Must adjust revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year

b. May appropriate additional revenues that have become available over and above those anticipated in the Annual budget, but only to revise or accelerate spending programmes already budgeted for;

c. May, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia for the following:

- An Adjustment Budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance assessment has been tabled in the Council, but not later than 28 February of each year.

It is recommended that:

- Council take cognizance of the Mid-Year and Performance Assessment as tabled in terms of Section 72 of the Municipal Finance Management Act.
- Council takes note that an Adjustment budget will be tabled for consideration before 28 February 2023.

Mr I Visser

Municipal Manager

SUBMISSION OF THE SECTION 72 REPORT

To the Executive Mayor

In accordance with section 72(1)(b)(i) of the Municipal Finance Management Act, I submit the Mid-year Budget & Performance Assessment statement on the state of Pixley Ka Seme District Municipality' budget implementation and the financial state of the municipality's affairs reflecting the particulars for the period ended December 2022.

Report Submitted by:

Print Name: Mr I Visser

Signature________________

Municipal Manager: Pixley Ka Seme District Municipality

Date: 16.01.2023

Acknowledgment of receipt

Print Name: Mr UR Itumeleng

Signature________________

Executive Mayor: Pixley Ka Seme District Municipality

Date: 16 January 2023

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 **December 2022** 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: 16.01.2023

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

Description	2021/22	Budget Year 2022/23							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	643	500	500	75	448	250	198	79%	500
Transfers and subsidies	62 190	65 701	65 701	19 720	47 881	32 850	15 031	46%	65 701
Other own revenue	4 029	3 920	3 920	1 381	3 935	1 960	1 975	101%	3 920
Total Revenue (excluding capital transfers and contributions)	**66 862**	**70 121**	**70 121**	**21 176**	**52 264**	**35 061**	**17 203**	**49%**	**70 121**
Employee costs	42 804	47 535	47 526	3 513	21 766	23 763	(1 997)	-8%	47 526
Remuneration of Councillors	4 748	5 012	5 012	423	2 797	2 506	291	12%	5 012
Depreciation & asset impairment	1 425	1 000	1 000	129	782	500	282	56%	1 000
Finance charges	–	–	–	–	–	–	–		–
Inventory consumed and bulk purchases	3 335	894	894	170	899	447	452	101%	894
Transfers and subsidies	462	420	420	13	57	210	(153)	-73%	420
Other expenditure	18 755	13 511	13 520	727	6 267	6 759	(492)	-7%	13 520
Total Expenditure	**71 529**	**68 371**	**68 371**	**4 975**	**32 568**	**34 185**	**(1 617)**	**-5%**	**68 371**
Surplus/(Deficit)	**(4 667)**	**1 750**	**1 750**	**16 201**	**19 696**	**875**	**18 820**	**2150%**	**1 750**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	200	–	–	(3)	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**	**18 820**	**2150%**	**1 750**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**	**18 820**	**2150%**	**1 750**
Capital expenditure & funds sources									
Capital expenditure	**1 485**	**1 660**	**1 660**	**–**	**251**	**830**	**(579)**	**-70%**	**1 660**
Capital transfers recognised	1 164	–	4	–	3	1	2	206%	4
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	321	1 660	1 656	–	248	829	(581)	-70%	1 656
Total sources of capital funds	**1 485**	**1 660**	**1 660**	**–**	**251**	**830**	**(579)**	**-70%**	**1 660**
Financial position									
Total current assets	10 898	11 668	11 668		20 920				11 668
Total non current assets	1 156	14 309	14 309		1 060				14 309
Total current liabilities	31 005	24 226	24 226		4 284				24 226
Total non current liabilities	4 157	–	–		3 002				–
Community wealth/Equity	(2 558)	1 750	1 750		19 555				1 750
Cash flows									
Net cash from (used) operating	–	4 283	4 283	19 338	41 144	2 142	(39 002)	-1821%	4 283
Net cash from (used) investing	(9)	9 954	(1 660)	–	(11 401)	(830)	10 571	-1274%	(1 660)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**6 369**	**20 798**	**9 184**	**–**	**33 414**	**7 873**	**(25 541)**	**-324%**	**6 295**

Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	603	48	47	49	49	49	1	–	845
Creditors Age Analysis									
Total Creditors	915	–	–	–	–	–	–	24	939

DC7 Pixley Ka Seme (Nc) - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**60 217**	**64 828**	**64 828**	**21 142**	**48 507**	**32 414**	16 093	50%	**64 828**
Executive and council		3 653	–	–	–	–	–	–		–
Finance and administration		56 564	64 828	64 828	21 142	48 507	32 414	16 093	50%	64 828
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**1 499**	**1 000**	**1 000**	**34**	**750**	**500**	250	50%	**1 000**
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		219	–	–	–	200	–	200	#DIV/0!	–
Health		1 280	1 000	1 000	34	550	500	50	10%	1 000
Economic and environmental services		**5 346**	**4 293**	**4 293**	**(3)**	**3 006**	**2 147**	860	40%	**4 293**
Planning and development		5 346	4 293	4 293	(3)	3 006	2 147	860	40%	4 293
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	–	–	–	–	–	–		–
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**67 062**	**70 121**	**70 121**	**21 173**	**52 264**	**35 061**	**17 203**	**49%**	**70 121**
Expenditure - Functional										
Governance and administration		**47 529**	**43 987**	**43 987**	**3 170**	**21 565**	**21 994**	(429)	-2%	**43 987**
Executive and council		12 861	12 947	12 947	986	6 174	6 473	(300)	-5%	12 947
Finance and administration		28 111	24 168	24 168	1 677	12 039	12 084	(45)	0%	24 168
Internal audit		6 557	6 872	6 872	506	3 352	3 436	(84)	-2%	6 872
Community and public safety		**13 151**	**14 491**	**14 491**	**1 052**	**6 502**	**7 246**	(744)	-10%	**14 491**
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		3 479	3 703	3 703	271	1 702	1 851	(150)	-8%	3 703
Housing		2 530	2 515	2 515	185	1 217	1 257	(41)	-3%	2 515
Health		7 142	8 274	8 274	596	3 584	4 137	(553)	-13%	8 274
Economic and environmental services		**10 849**	**9 892**	**9 892**	**753**	**4 501**	**4 946**	(445)	-9%	**9 892**
Planning and development		10 849	9 892	9 892	753	4 501	4 946	(445)	-9%	9 892
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	–	–	–	–	–	–		–
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	**71 529**	**68 371**	**68 371**	**4 975**	**32 568**	**34 185**	**(1 617)**	**-5%**	**68 371**
Surplus/ (Deficit) for the year		**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**	**18 820**	**2150%**	**1 750**

DC7 Pixley Ka Seme (Nc) - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2021/22	Budget Year 2022/23							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Office Of The Mayor		3 653	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Budget & Treasury Office		56 564	64 828	64 828	21 142	48 507	32 414	16 093	49.6%	64 828
Vote 04 - Administration		–	–	–	–	–	–	–		–
Vote 05 - Internal Audit		–	–	–	–	–	–	–		–
Vote 06 - Planning Development & Infrastructure		5 346	4 293	4 293	(3)	3 006	2 147	860	40.0%	4 293
Vote 07 - Municipal Health Services		1 280	1 000	1 000	34	550	500	50	10.0%	1 000
Vote 08 - Housing		219	–	–	–	200	–	200	#DIV/0!	–
Vote 09 - Public Safety		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - . .		–	–	–	–	–	–	–		–
Vote 12 - .		–	–	–	–	–	–	–		–
Vote 13 - ..		–	–	–	–	–	–	–		–
Vote 14 - . . .		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**67 062**	**70 121**	**70 121**	**21 173**	**52 264**	**35 061**	**17 203**	**49.1%**	**70 121**
Expenditure by Vote	1									
Vote 01 - Office Of The Mayor		10 841	10 656	10 656	926	5 753	5 328	425	8.0%	10 656
Vote 02 - Municipal Manager		2 020	2 291	2 291	61	421	1 145	(725)	-63.3%	2 291
Vote 03 - Budget & Treasury Office		14 822	12 396	12 396	863	5 394	6 198	(804)	-13.0%	12 396
Vote 04 - Administration		13 289	11 773	11 773	815	6 645	5 886	759	12.9%	11 773
Vote 05 - Internal Audit		6 557	6 872	6 872	506	3 352	3 436	(84)	-2.4%	6 872
Vote 06 - Planning Development & Infrastructure		10 849	9 892	9 892	753	4 501	4 946	(445)	-9.0%	9 892
Vote 07 - Municipal Health Services		7 142	8 274	8 274	596	3 584	4 137	(553)	-13.4%	8 274
Vote 08 - Housing		2 530	2 515	2 515	185	1 217	1 257	(41)	-3.2%	2 515
Vote 09 - Public Safety		3 479	3 703	3 703	271	1 702	1 851	(150)	-8.1%	3 703
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - . .		–	–	–	–	–	–	–		–
Vote 12 - .		–	–	–	–	–	–	–		–
Vote 13 - ..		–	–	–	–	–	–	–		–
Vote 14 - . . .		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**71 529**	**68 371**	**68 371**	**4 975**	**32 568**	**34 185**	**(1 617)**	**-4.7%**	**68 371**
Surplus/ (Deficit) for the year	2	**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**	**18 820**	**2150.5%**	**1 750**

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

Description	Ref	2021/22	Budget Year 2022/23							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates								–		
Service charges - electricity revenue								–		
Service charges - water revenue								–		
Service charges - sanitation revenue								–		
Service charges - refuse revenue								–		
Rental of facilities and equipment		–	–	–	–	–	–	–		–
Interest earned - external investments		643	500	500	75	448	250	198	79%	500
Interest earned - outstanding debtors		–	–	–	–	–	–	–		–
Dividends received								–		
Fines, penalties and forfeits		2	–	–	–	–	–	–		–
Licences and permits		1 280	1 000	1 000	34	550	500	50	10%	1 000
Agency services		1 592	1 831	1 831	1 050	2 625	915	1 710	187%	1 831
Transfers and subsidies		62 190	65 701	65 701	19 720	47 881	32 850	15 031	46%	65 701
Other revenue		1 156	1 090	1 090	297	759	545	214	39%	1 090
Gains		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**66 862**	**70 121**	**70 121**	**21 176**	**52 264**	**35 061**	**17 203**	**49%**	**70 121**
Expenditure By Type										
Employee related costs		42 804	47 535	47 526	3 513	21 766	23 763	(1 997)	-8%	47 526
Remuneration of councillors		4 748	5 012	5 012	423	2 797	2 506	291	12%	5 012
Debt impairment		140	–	–	–	–	–	–		–
Depreciation & asset impairment		1 425	1 000	1 000	129	782	500	282	56%	1 000
Finance charges								–		
Bulk purchases - electricity								–		
Inventory consumed		3 335	894	894	170	899	447	452	101%	894
Contracted services		3 981	3 797	3 777	283	1 567	1 892	(325)	-17%	3 777
Transfers and subsidies		462	420	420	13	57	210	(153)	-73%	420
Other expenditure		14 634	9 714	9 743	444	4 673	4 868	(195)	-4%	9 743
Losses		0	–	–	–	28	–	28	#DIV/0!	–
Total Expenditure		**71 529**	**68 371**	**68 371**	**4 975**	**32 568**	**34 185**	**(1 617)**	**-5%**	**68 371**
Surplus/(Deficit)		**(4 667)**	**1 750**	**1 750**	**16 201**	**19 696**	**875**	**18 820**	**0**	**1 750**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		200	–	–	(3)	–	–	–		–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)								–		
Surplus/(Deficit) after capital transfers & contributions		**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**			**1 750**
Taxation								–		
Surplus/(Deficit) after taxation		**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**			**1 750**
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**			**1 750**
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		**(4 467)**	**1 750**	**1 750**	**16 198**	**19 696**	**875**			**1 750**

DC7 Pixley Ka Seme (Nc) - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	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	–	251	830	(579)	-70%	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	–	251	830	(579)	-70%	1 660
Total Capital Expenditure		1 485	1 660	1 660	–	251	830	(579)	-70%	1 660
Capital Expenditure - Functional Classification										
Governance and administration		1 485	1 660	1 660	–	251	830	(579)	-70%	1 660
Executive and council								–		
Finance and administration		1 485	1 660	1 660	–	251	830	(579)	-70%	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	–	251	830	(579)	-70%	1 660
Funded by:										
National Government		1 164	–	4	–	3	1	2	206%	4
Provincial Government								–		
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers recognised - capital		1 164	–	4	–	3	1	2	206%	4
Borrowing	6							–		
Internally generated funds		321	1 660	1 656	–	248	829	(581)	-70%	1 656
Total Capital Funding		1 485	1 660	1 660	–	251	830	(579)	-70%	1 660

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment

3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations

4. Include expenditure on investment property, intangible and biological assets

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

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

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

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

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								–		
Service charges								–		
Other revenue		–	3 920	3 920	403	2 507	1 960	547	28%	3 920
Transfers and Subsidies - Operational		–	65 701	65 701	20 194	45 844	32 850	12 994	40%	65 701
Transfers and Subsidies - Capital		–	–	–	3	–	–	–		–
Interest		–	500	500	–	–	250	(250)	-100%	500
Dividends								–		
Payments										
Suppliers and employees		–	(65 838)	(65 838)	(1 261)	(7 208)	(32 919)	(25 711)	78%	(65 838)
Finance charges								–		
Transfers and Grants								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	4 283	4 283	19 338	41 144	2 142	(39 002)	-1821%	4 283
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables		(9)	11 614	–	–	(11 150)	–	(11 150)	#DIV/0!	–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		–	(1 660)	(1 660)	–	(251)	(830)	(579)	70%	(1 660)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9)	9 954	(1 660)	–	(11 401)	(830)	10 571	-1274%	(1 660)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing								–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		(9)	14 237	2 623	19 338	29 743	1 312			2 623
Cash/cash equivalents at beginning:		6 378	6 561	6 561	15 186	3 671	6 561			3 671
Cash/cash equivalents at month/year end:		6 369	20 798	9 184		33 414	7 873			6 295

DC7 Pixley Ka Seme (Nc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2022/23											
R thousands		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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
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	603	48	47	49	49	49	1	–	845	147	–	–
Total By Income Source	**2000**	**603**	**48**	**47**	**49**	**49**	**49**	**1**	**–**	**845**	**147**	**–**	**–**
2021/22 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	47	47	47	47	47	47	–	–	281	140	–	–
Commercial	2300									–	–		
Households	2400									–	–		
Other	2500	557	1	–	2	2	2	1	–	564	6	–	–
Total By Customer Group	**2600**	**603**	**48**	**47**	**49**	**49**	**49**	**1**	**–**	**845**	**147**	**–**	**–**

DC7 Pixley Ka Seme (Nc) - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2022/23											
R thousands		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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
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	603	48	47	49	49	49	1	–	845	147	–	–
Total By Income Source	**2000**	**603**	**48**	**47**	**49**	**49**	**49**	**1**	**–**	**845**	**147**	**–**	**–**
2021/22 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	47	47	47	47	47	47	–	–	281	140	–	–
Commercial	2300									–	–		
Households	2400									–	–		
Other	2500	557	1	–	2	2	2	1	–	564	6	–	–
Total By Customer Group	**2600**	**603**	**48**	**47**	**49**	**49**	**49**	**1**	**–**	**845**	**147**	**–**	**–**

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

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

DC7 Pixley Ka Seme (Nc) - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate [3]	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	6/30/2022	3,548	75	(5,444)	20,220	18,399
Municipality sub-total										3,548		(5,444)	20,220	18,399
Entities														
														–
														–
														–
														–
														–
														–
														–
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2									3,548		(5,444)	20,220	18,399