PIXLEY KA SEME DISTRICT MUNICIPALITY

MFMA SECTION 72 REPORT

MID-YEAR BUDGET AND PERFORMANCE ASSESMENT

Developed and Sustainable District for Future Generations

31 December 2020

PIXLEY KA SEME DISTRICT MUNICIPALITY

MID- YEAR BUDGET AND PERFORMANCE ASSESMENT

31 December 2020

INDEX

The following appendices are attached

GENERAL INFORMATION

Municipal Manager:	Mr RE Pieterse
Chief Financial Officer:	Mr BF James
Grading of Local Authority:	Grade 3
Physical Address:	Culvert Road De Aar 7000
Postal Address:	Private Bag X1012 De Aar 7000
Telephone Number:	(053) 632 0891
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SUBMISSION TO MAYOR

In terms of section 72 (1) (a) and 52 (d) of the Local Government Municipal Finance Management Act 56 of 2003 (MFMA), the Accounting Officer must by 25 January of each year assess the performance of the Municipality during the first half of the financial year.

A report on such assessment must in terms of section 72 (1) (b) of the MFMA be submitted to the Mayor.

Report Submitted by:

Print Name: **Mr RE Pieterse**

Signature__________

Municipal Manager: Pixley Ka Seme District Municipality

Date: 22-01-2021

PIXLEY KA SEME
DISTRICT MUNICIPALITY
22 JAN 2021
PIXLEY KA SEME
DISTRIK MUNISIPALITEIT

Acknowledgment of receipt

Print Name: **Mr GL Nkumbi**

Signature__________

Executive Mayor: Pixley Ka Seme District Municipality

Date: 22-01-2021

QUALITY CERTIFICATE

I, Rodney Eric Pieterse the Municipal Manager of Pixley Ka Seme District Municipality, herewith certify that the mid-year report on the implementation of the budget and financial state affairs for the period of 1 July until 31 December 2020 had been prepared in accordance of the Municipal Finance Management Act and regulations made under this Act.

Mr RE Pieterse

Municipal Manager

1. Introduction

In terms of Section 72 (1) of the Municipal Finance Management Act 2003 (Act 56 of 2003), the Accounting Officer of a municipality must, by 25 January of each financial year, assess the performance of the municipality during the first half of the financial year and submit a report on such an assessment to the Mayor of the municipality, the National Treasury and the relevant Provincial treasury. The Mayor must in turn, comply with the provisions of Section 54, which includes submitting the report to Council by 31 January of each year.

2. Purpose of report

The purpose of this report is to comply with section 72 of the Municipal Finance Management Act no 56 of 2003 and the requirements as promulgated in Government Gazette notice 32141 of 17 April 2002, Municipal budgeting and reporting requirements

2.1 Strategic objective

- To improve financial viability, management and priorities as prescribed by Municipal Finance Management Act no 56 of 2003
- To submit the outcome of the mid-year assessment carried out in terms of MFMA section 72 for the period 1 July 2020 to 31 December 2020
- Make recommendations whether an Adjustment Budget must be compiled

Further, in terms of section 54 of MFMA the Executive Mayor must take action on the receipt of this document, the Mayor must ensure that the approved budget is implemented in accordance with the projections contained in the IDP and SDBIP.

3. Legislative Framework

Section 72 of the MFMA and section 28 of Government notice 32141 Municipal Budget and Reporting Regulations necessitates that specific financial particulars be reported on and in the format prescribed, hence this report must meet legislative compliance.

3.1 The Municipal Finance Management Act 56 of 2003

Section 72 Mid-Year Budget and Performance Assessment

(1) 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; and

(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.

3.2 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

4. 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 2020/21 financial year was approved by Council on 30 September 2020.

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 months for the 2020/21 financial year

Financial Statements for the year ended 30 June 2020

The Annual Financial Statements for the year ended 30 June 2020 was submitted to the Auditor General on 30 October 2020 for Audit purposes.

Pixley Ka Seme DM received an Unqualified Audit opinion with matters for the 2018/19 financial year. The Audit report for 2019/20 financial year is expected by 28 February 2021.

During the 2019/20 financial year the municipality put in extensive effort into implementing the recommendations made by the Auditor General during the 2018/2019 Audit report.

The Annual report of the 2019/20 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 GL Nkumbi

Executive Mayor

5. Executive Summary.

A high-level assessment of the actual results for the period 1 July 2020 – 31 December 2020 was conducted. The purpose of the review was to enable the Accounting Officer to make recommendations as to whether an Adjustment Budget for the 2020/21 financial year is necessary.

To ensure successful outcome only a high-level review of Total Council Summary was undertaken. It should therefore be noted that this report does not provide for an assessment of each individual line item / vote number contained in the approved Budget of Pixley Ka Seme District Municipality for the 2020/21 financial year.

This report merely highlights the status quo of key revenue and expenditure classes that may require the revision of the approved annual budget through an Adjustment Budget as per MFMA section 28

Pixley Ka Seme District Municipality Mid-Year Assesment 2020-2021

Overall Operating Results		**Cash Management**	
Total Income	50 328 802	Bank balance 31 December 2020	773 285
Expenditure	33 079 025	Total Non-Exchange revenue	47 422 508
Operating Surplus / (Deficit)	17 249 777	Total Exchange revenue	2 906 294
		Roll-over application declined (MIG Ubuntu)	3 975 292
		Roll-over application declined (EPWP)	25 843
Debtors			
Total Debtors	**3 402 713**		
Government	3 389 113		
Other	13 599		
Creditors		**Human Resource Management**	
Total Creditors	**534 791**	Staff appoinments - Permanent	4
Auditor - General	534 791	Temporary - Contract	1
		Financial Interns	-
		Staff terminations - Permanent	-
Capital Expenditure		Temporary - Contract	-
Capital Expenditure is at 45% of Total approved capital budget (R 1 500 000)	674 106	Financial Intern	1
		Total Staff Complement	103
		Total overtime paid	320 201
Repairs and Maintenace		Employee cost - Senior Managers and Municipal Staff	20 444 345
Repairs and Maintenace is at 54% of Total approved budget	1 008 672	Rumenration of Councillors	2 109 888
		Capacity Building	393 254

5.1 Municipal Standard Charts of Accounts (MSCOA)

5.1.1 Governance

During the period under review, the municipality continued to implement the circulars issued by National Treasury.

5.1.2 System

The service provider of the core financial system is Business Connexion (BCX), municipality is currently utilising Venus.

Our sub-system for payroll is Payday, we have a seamless integration between the two systems.

The municipality continues to generate various data strings in-house. All submissions on the portal are done by officials.

The municipality had to acquire a new server to operate programming for the desired MSCOA outcomes required by National and Provincial Treasury, on already implemented modules and future modules.

Installation and testing of the new server will be done during February 2021

5.1.3 Total cost

Total payment for the period 1 July 2020 until 31 December 2020 amount to R 573 310.

5.1.4 Challenges

The high reliance on service providers for the technical implementation of programming for the desired output of MSCOA remains concerning.

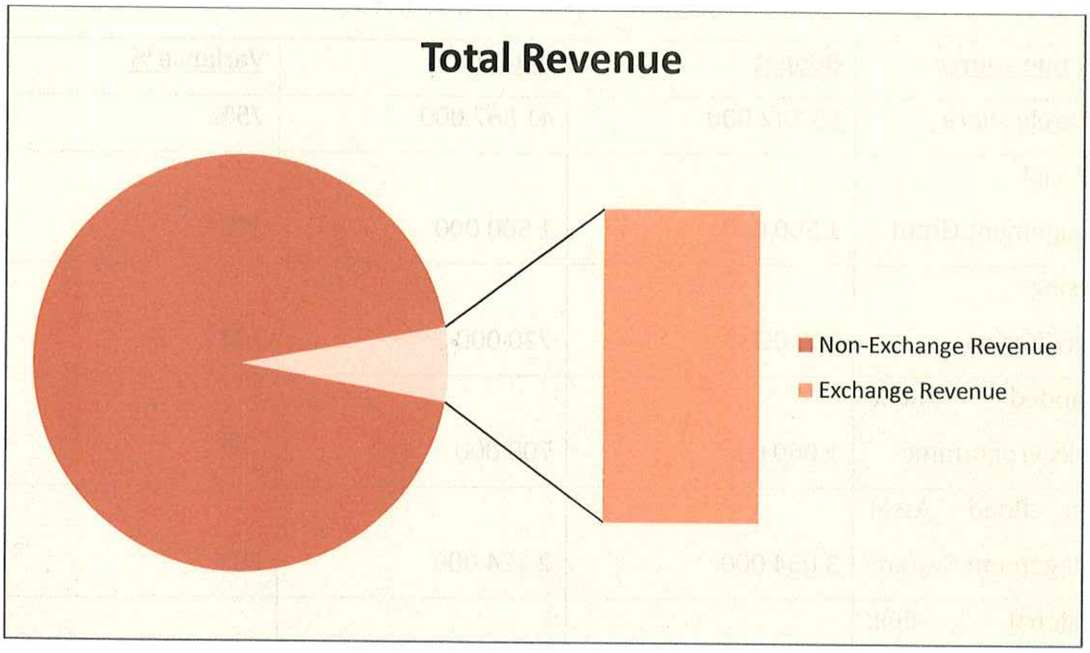
6. Budget Performance Analysis

6.1 Budgeted Revenue vs. Actual Revenue

The following revenue is received from various revenue sources

Revenue source	Budget	Actual	Variance %
Equitable share	55 142 000	41 867 000	75%
Financial Management Grant	1 500 000	1 500 000	100%
Housing Accreditation	720 000	720 000	100%
Expanded Public Works Programme	1 000 000	700 000	70%
Rural Road Asset Management System	3 034 000	2 124 000	70%
*Regional Bulk Infrastructure Grant (Kareeberg LM)	19 649 000	-	0%
Public Works: Medical-aid ex gratia	650 000	561 915	86%
Interest on Investments	500 000	454 008	90%
Commission 3rd Party payments	10 000	27 093	271%
Shared Services	2 000 000	1 864 357	93%
Health certificates	1 250 000	429 827	34%
Admin fee: Grants	201 700	141 200	70%
Seta Refund	50 000	-	0%
Tender documents	2 000	16 900	845%

*The Division of Revenue Second Amendment Bill ,2020 documented an adjusted allocation of R 19 649million to Pixley Ka Seme District Municipality, the main allocation was made to Kareeberg Local Municipality. The RBIG in its main will be utilised for Water Infrastructure projects within the Kareeberg Municipal area.



Total Revenue

Non-Exchange Revenue 94.2%

Exchange Revenue 5.8%

The following allocations will still be transferred to the Municipality as per National Treasury payment schedule:

Equitable Share	16 March 2021	R 13 275 000
RRAMS	11 February 2021	R 910 000
EPWP	02 February 2021	R 300 000

Revenue received not budgeted for include the following:

Revenue description	Actual year-to-date
Economic Development: Cleaning Project	242 500
Housing Accreditation	400 000

6.2 Budgeted Expenditure vs. Actual Expenditure

The following expenditure has been incurred

Expenditure type	Budget	Actual	Variance %
Employee cost			
Senior Management	6 558 929	2 809 733	43%
Municipal Staff	34 391 271	17 634 612	51%
Post-retirement benefits	32000	10 056	31%
Remuneration of councillors	4 833 665	2 109 888	44%
Repairs and Maintenance	1 873 763	1 008 672	54%
Contracted services	21 499 000	4 680 666	22%
Consultants and Professional services	834 600	384 613	46%
General expenditure	10 780 000	4 057 587	38%
Depreciation	2 000 000	Transaction will only be recognised at year-end on 30 June 2021. Depreciation is a non-cash item	

Budgeted Contracted services are inclusive of budgeted expenditure with regards to the RBIG (Kareeberg LM) allocation

Consultants and Professional services

- Ducharme Consulting (Pty)Ltd R 96 108
- Ignite Advisory (Pty)Ltd R 252 087
- Audit committee R 36 418

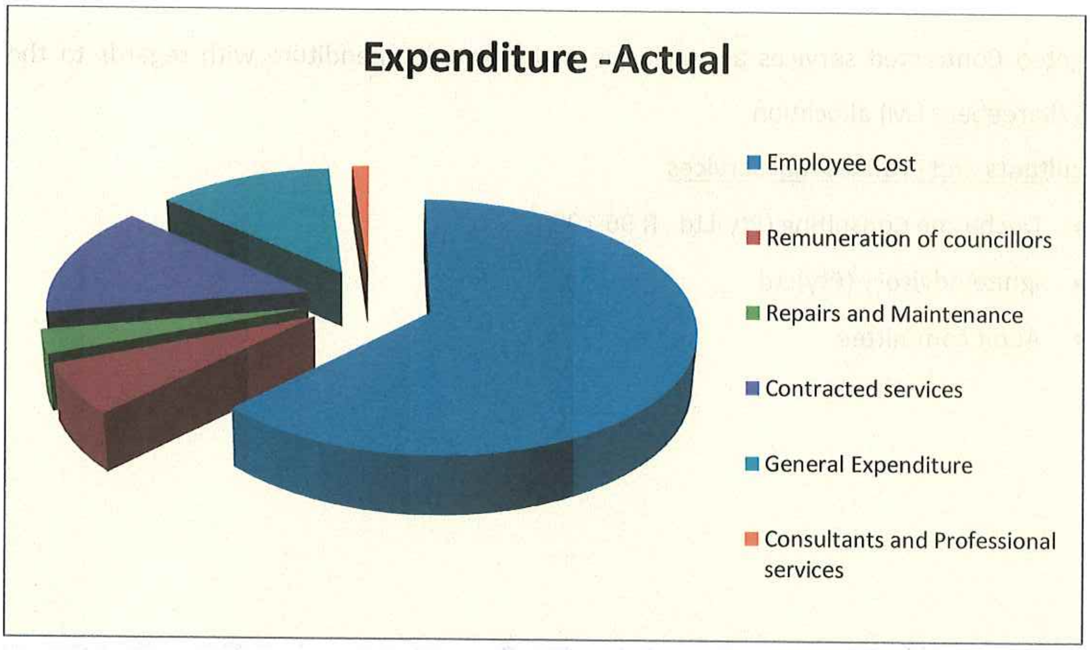
General Expenditure

Included in general expenditure is the following once-off payments / purchases for the financial year

- Stationery bulk purchases
- Insurance premiums

System Access and Information fees is at 32% of general expenditure year to date, listed are the service providers:

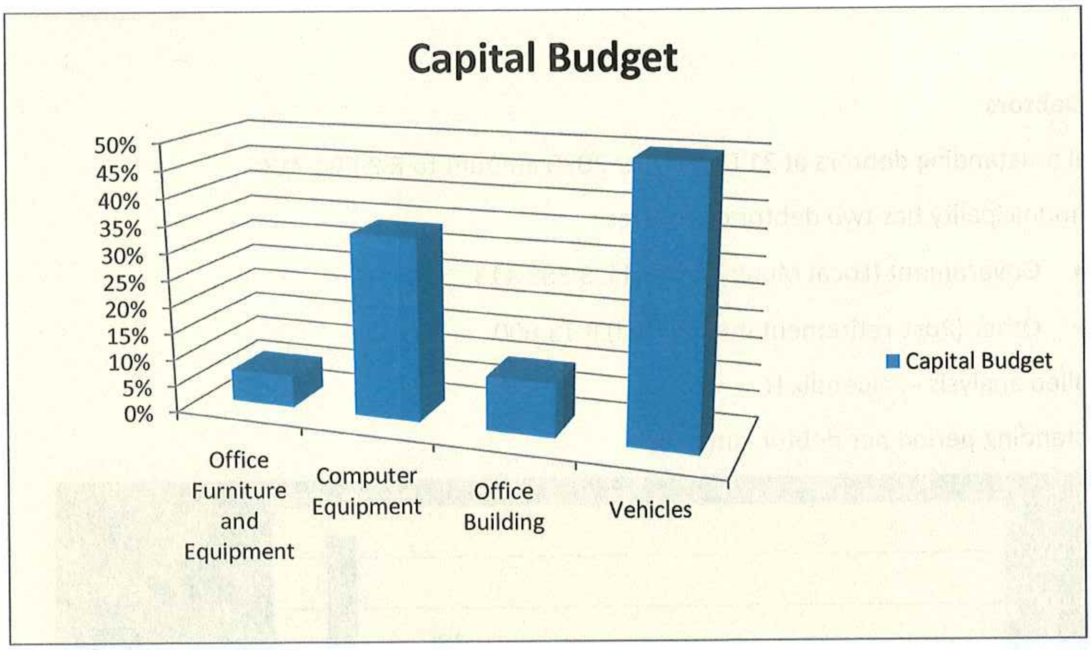
- Business Connexion: Financial system and MSCOA implementation
- Payday software system: Salaries and Human Resources
- Lidwala Consulting Engineers: Technical support RRAMS programme
- Tshepega Civil Engineering: Development and Maintenance of JIS module on IMIS system for RRAMS
- UberTech SA: Zoom conferencing and website
- Albies Wireless Internet services: Internet services
- Wolters Kluwer TeamMate Audit software: Internal Audit



6.3 Budgeted Capital Expenditure vs. Actual Capital Expenditure

The following capital expenditure has been incurred

Capital expenditure by type	Budget	Actual	Variance %
Office Furniture and Equipment	100 000	37 338	37%
Computer Equipment	500 000	472 483	94%
Office Building	150 000	0	0%
Vehicles	750 000	0	0%



6.4 Investment portfolio

All investments are held at Standard Bank

Investments register for the period 1 July 2020 until 31 December 2020

Detailed analysis- Appendix J

Opening Balance	Contribution	Interest	Withdrawal	Closing Balance
R 10 759 704	R 8 161 579	R 260 836	R -9 472 324	R 9 709 795
R 11 320	R 41 867 000	R 226 821	R -26 728 761	R 15 376 380
				R 25 086 175

6.5 Debtors

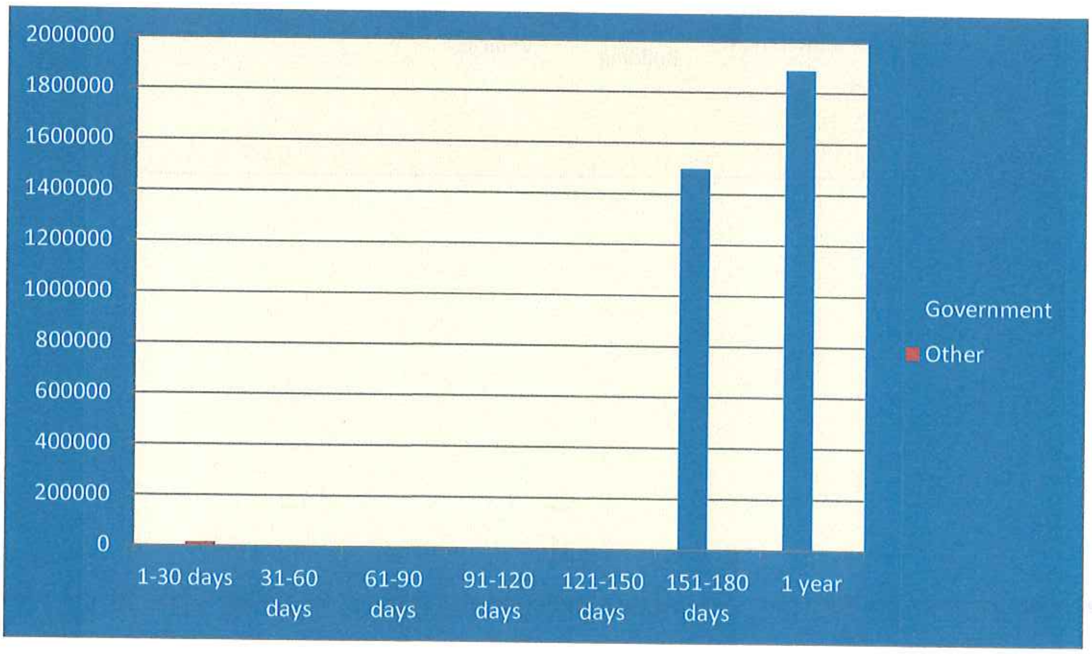
Total outstanding debtors at 31 December 2020 amount to **R 3 402 713**

The municipality has two debtor categories

- Government (Local Municipalities) R 3 389 113
- Other (Post-retirement medical aid) R 13 600

Detailed analysis - Appendix H

Outstanding period per debtor category



6.6 Creditors

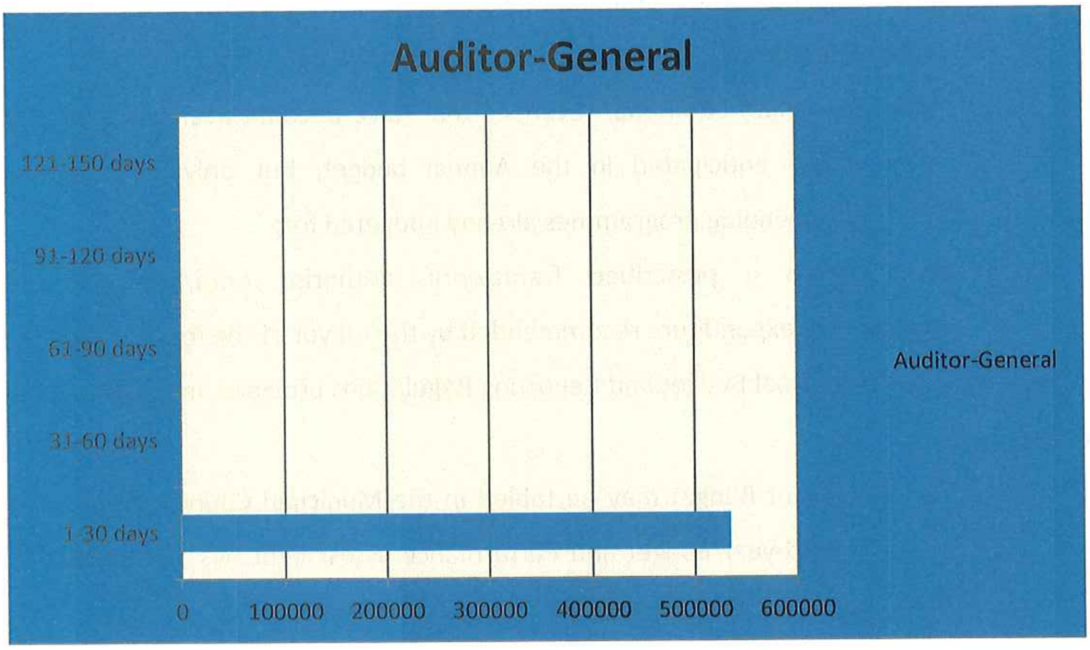
The municipality as far as possible tried to comply with sec 65(e) of the MFMA. All creditors are paid within 30 days with and exception of the Auditor General account.

Sound financial management enabled the municipality to pay outstanding Auditor-General Account.

Total outstanding creditors at 31 December 2020 amount to **R 534 791**

Detailed analysis - Appendix H

Outstanding creditor days



6. 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 2021.

Mr RE Pieterse

Municipal Manager

APPENDIX A

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

Description	2019/20	Budget Year 2020/21							
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	1 350	500	500	64	454	250	204	82%	500
Transfers and subsidies	59 611	56 307	78 001	18 089	44 899	36 831	8 067	22%	78 001
Other own revenue	7 310	3 454	3 454	424	2 452	1 727	725	42%	3 454
Total Revenue (excluding capital transfers and contributions)	**68 271**	**60 261**	**81 955**	**18 577**	**47 805**	**38 808**	**8 997**	**23%**	**81 955**
Employee costs	37 524	41 140	40 950	3 418	20 444	20 495	(51)	-0%	40 950
Remuneration of Councillors	4 529	4 834	4 834	381	2 110	2 417	(307)	-13%	4 834
Depreciation & asset impairment	2 141	2 000	2 000	–	–	1 000	(1 000)	-100%	2 000
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	2 187	1 824	1 874	78	1 009	929	80	9%	1 874
Transfers and subsidies	510	750	750	29	393	375	18	5%	750
Other expenditure	14 582	13 325	33 114	817	9 123	14 580	(5 457)	-37%	33 114
Total Expenditure	**61 473**	**63 872**	**83 521**	**4 723**	**33 079**	**39 796**	**(6 717)**	**-17%**	**83 521**
Surplus/(Deficit)	**6 798**	**(3 611)**	**(1 566)**	**13 854**	**14 726**	**(988)**	**15 714**	**-1591%**	**(1 566)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	3 735	3 034	3 034	–	2 524	1 517	1 007	66%	3 034
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)	335	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**	**16 721**	**3160%**	**1 468**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**	**16 721**	**3160%**	**1 468**
Capital expenditure & funds sources									
Capital expenditure	**595**	**1 500**	**1 500**	**21**	**674**	**750**	**(76)**	**-10%**	**1 500**
Capital transfers recognised	430	600	600	21	510	300	210	70%	600
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**164**	**900**	**900**	**-**	**164**	**450**	**(286)**	**-63%**	**900**
Total sources of capital funds	**595**	**1 500**	**1 500**	**21**	**674**	**750**	**(76)**	**-10%**	**1 500**
Financial position									
Total current assets	15 813	2 481	2 481		29 897				2 481
Total non current assets	5 781	16 368	16 368		17 369				16 368
Total current liabilities	9 390	31 474	29 429		22 536				29 429
Total non current liabilities	5 319	–	–		597				–
Community wealth/Equity	**7 701**	**(577)**	**1 468**		**24 134**				**1 468**
Cash flows									
Net cash from (used) operating	6 172	1 433	2 045	749	–	–	–		–
Net cash from (used) investing	(1 465)	(1 500)	–	(21)	–	–	–		–
Net cash from (used) financing	(4 697)	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	**12 058**	**102**	**2 045**	**-**	**728**	**-**	**(728)**	**#DIV/0!**	**-**

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	14	0	–	–	–	1 500	–	1 889	3 403
Creditors Age Analysis									
Total Creditors	535	–	–	–	–	–	–	–	535

APPENDIX B

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

Description	Ref	2019/20	Budget Year 2020/21							
		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		61 224	58 011	60 056	18 533	46 432	29 823	16 609	56%	60 056
Executive and council		3 485	3 484	3 484	–	1 567	1 742	(175)	-10%	3 484
Finance and administration		57 739	54 527	56 572	18 533	44 865	28 081	16 784	60%	56 572
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		1 862	1 250	1 250	44	830	625	205	33%	1 250
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		246	–	–	–	–	–	–		–
Housing		297	–	–	–	400	–	400	#DIV/0!	–
Health		1 318	1 250	1 250	44	430	625	(195)	-31%	1 250
Economic and environmental services		9 255	4 034	23 683	–	3 067	9 877	(6 810)	-69%	23 683
Planning and development		9 255	4 034	23 683	–	3 067	9 877	(6 810)	-69%	23 683
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	–	–	–	–	–	–		–
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	72 341	63 295	84 989	18 577	50 329	40 325	10 004	25%	84 989
Expenditure - Functional										
Governance and administration		38 490	41 525	41 525	3 138	19 465	20 763	(1 298)	-6%	41 525
Executive and council		11 117	12 366	12 366	1 112	5 429	6 183	(755)	-12%	12 366
Finance and administration		21 851	23 256	23 256	1 613	11 227	11 628	(401)	-3%	23 256
Internal audit		5 523	5 903	5 903	414	2 809	2 951	(142)	-5%	5 903
Community and public safety		12 830	13 573	13 573	958	5 685	6 787	(1 101)	-16%	13 573
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		3 621	3 572	3 572	286	1 534	1 786	(252)	-14%	3 572
Housing		2 377	2 508	2 508	225	1 187	1 254	(68)	-5%	2 508
Health		6 832	7 492	7 492	447	2 965	3 746	(781)	-21%	7 492
Economic and environmental services		10 152	8 774	28 423	626	7 929	12 247	(4 318)	-35%	28 423
Planning and development		10 152	8 774	28 423	626	7 929	12 247	(4 318)	-35%	28 423
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		–	–	–	–	–	–	–		–
Energy sources		–	–	–	–	–	–	–		–
Water management		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Expenditure - Functional	3	61 473	63 872	83 521	4 723	33 079	39 796	(6 717)	-17%	83 521
Surplus/ (Deficit) for the year		10 868	(577)	1 468	13 854	17 250	529	16 721	3160%	1 468

APPENDIX C

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

Vote Description	Ref	2019/20	Budget Year 2020/21							
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 - Mayor & Council		3 485	3 484	3 484	–	1 567	1 742	(175)	-10,0%	3 484
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Budget & Treasury Office		57 739	54 527	56 572	18 533	44 865	28 081	16 784	59,8%	56 572
Vote 04 - Human Resources		–	–	–	–	–	–	–		–
Vote 05 - Internal Audit		–	–	–	–	–	–	–		–
Vote 06 - Planning & Development		9 255	4 034	23 683	–	3 067	9 877	(6 810)	-69,0%	23 683
Vote 07 - Municipal Health		1 318	1 250	1 250	44	430	625	(195)	-31,2%	1 250
Vote 08 - Housing		297	–	–	–	400	–	400	#DIV/0!	–
Vote 09 - Public Safety		246	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - . .		–	–	–	–	–	–	–		–
Vote 12 - .		–	–	–	–	–	–	–		–
Vote 13 - ..		–	–	–	–	–	–	–		–
Vote 14 - . . .		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**72 341**	**63 295**	**84 989**	**18 577**	**50 329**	**40 325**	**10 004**	**24,8%**	**84 989**
Expenditure by Vote	1									
Vote 01 - Mayor & Council		9 314	10 144	10 144	874	4 475	5 072	(597)	-11,8%	10 144
Vote 02 - Municipal Manager		1 803	2 223	2 223	238	953	1 111	(158)	-14,2%	2 223
Vote 03 - Budget & Treasury Office		11 560	12 688	12 688	873	5 682	6 344	(662)	-10,4%	12 688
Vote 04 - Human Resources		–	–	–	–	–	–	–		–
Vote 05 - Internal Audit		5 523	5 903	5 903	414	2 809	2 951	(142)	-4,8%	5 903
Vote 06 - Planning & Development		20 444	19 342	38 991	1 365	13 474	17 531	(4 057)	-23,1%	38 991
Vote 07 - Municipal Health		6 832	7 492	7 492	447	2 965	3 746	(781)	-20,9%	7 492
Vote 08 - Housing		2 377	2 508	2 508	225	1 187	1 254	(68)	-5,4%	2 508
Vote 09 - Public Safety		3 621	3 572	3 572	286	1 534	1 786	(252)	-14,1%	3 572
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - . .		–	–	–	–	–	–	–		–
Vote 12 - .		–	–	–	–	–	–	–		–
Vote 13 - ..		–	–	–	–	–	–	–		–
Vote 14 - . . .		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**61 473**	**63 872**	**83 521**	**4 723**	**33 079**	**39 796**	**(6 717)**	**-16,9%**	**83 521**
Surplus/ (Deficit) for the year	2	**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**	**16 721**	**3159,5%**	**1 468**

APPENDIX D

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

Description	Ref	2019/20	Budget Year 2020/21							
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		1 350	500	500	64	454	250	204	82%	500
Interest earned - outstanding debtors								–		
Dividends received								–		
Fines, penalties and forfeits		–	–	–	–	–	–	–		–
Licences and permits		1 318	1 250	1 250	44	430	625	(195)	-31%	1 250
Agency services		4 195	2 000	2 000	381	1 864	1 000	864	86%	2 000
Transfers and subsidies		59 611	56 307	78 001	18 089	44 899	36 831	8 067	22%	78 001
Other revenue		1 796	204	204	(0)	158	102	56	55%	204
Gains		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**68 271**	**60 261**	**81 955**	**18 577**	**47 805**	**38 808**	**8 997**	**23%**	**81 955**
Expenditure By Type										
Employee related costs		37 524	41 140	40 950	3 418	20 444	20 495	(51)	0%	40 950
Remuneration of councillors		4 529	4 834	4 834	381	2 110	2 417	(307)	-13%	4 834
Debt impairment		(15)	–	–	–	–	–	–		–
Depreciation & asset impairment		2 141	2 000	2 000	–	–	1 000	(1 000)	-100%	2 000
Finance charges								–		
Bulk purchases								–		
Other materials		2 187	1 824	1 874	78	1 009	929	80	9%	1 874
Contracted services		2 207	2 605	22 334	308	5 065	9 198	(4 133)	-45%	22 334
Transfers and subsidies		510	750	750	29	393	375	18	5%	750
Other expenditure		12 389	10 720	10 780	509	4 058	5 382	(1 324)	-25%	10 780
Losses		–	–	–	–	–	–	–		–
Total Expenditure		**61 473**	**63 872**	**83 521**	**4 723**	**33 079**	**39 796**	**(6 717)**	**-17%**	**83 521**
Surplus/(Deficit)		**6 798**	**(3 611)**	**(1 566)**	**13 854**	**14 726**	**(988)**	**15 714**	**(0)**	**(1 566)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		3 735	3 034	3 034	–	2 524	1 517	1 007	0	3 034
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		335	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**			**1 468**
Taxation								–		
Surplus/(Deficit) after taxation		**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**			**1 468**
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**			**1 468**
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		**10 868**	**(577)**	**1 468**	**13 854**	**17 250**	**529**			**1 468**

APPENDIX E

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

Vote Description	Ref	2019/20	Budget Year 2020/21							
		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 - Mayor & Council		–	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Budget & Treasury Office		–	–	–	–	–	–	–		–
Vote 04 - Human Resources		–	–	–	–	–	–	–		–
Vote 05 - Internal Audit		–	–	–	–	–	–	–		–
Vote 06 - Planning & Development		–	–	–	–	–	–	–		–
Vote 07 - Municipal Health		–	–	–	–	–	–	–		–
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 - Mayor & Council		–	–	–	–	–	–	–		–
Vote 02 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 03 - Budget & Treasury Office		595	1 500	1 500	21	674	750	(76)	-10%	1 500
Vote 04 - Human Resources		–	–	–	–	–	–	–		–
Vote 05 - Internal Audit		–	–	–	–	–	–	–		–
Vote 06 - Planning & Development		–	–	–	–	–	–	–		–
Vote 07 - Municipal Health		–	–	–	–	–	–	–		–
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	595	1 500	1 500	21	674	750	(76)	-10%	1 500
Total Capital Expenditure		595	1 500	1 500	21	674	750	(76)	-10%	1 500
Capital Expenditure - Functional Classification										
Governance and administration		595	1 500	1 500	21	674	750	(76)	-10%	1 500
Executive and council								–		
Finance and administration		595	1 500	1 500	21	674	750	(76)	-10%	1 500
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	595	1 500	1 500	21	674	750	(76)	-10%	1 500
Funded by:										
National Government		430	600	600	21	510	300	210	70%	600
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		430	600	600	21	510	300	210	70%	600
Borrowing	6							–		
Internally generated funds		164	900	900	–	164	450	(286)	-63%	900
Total Capital Funding		595	1 500	1 500	21	674	750	(76)	-10%	1 500

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

APPENDIX F

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

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 254	–	–	728	–
Call investment deposits		10 805	–	–	24 525	–
Consumer debtors		3 430	2 481	2 481	–	2 481
Other debtors		324	–	–	4 643	–
Current portion of long-term receivables		–	–	–	–	–
Inventory		–	–	–	–	–
Total current assets		15 813	2 481	2 481	29 897	2 481
Non current assets						
Long-term receivables		(10 914)	–	–	–	–
Investments						
Investment property		1 210	1 210	1 210	1 210	1 210
Investments in Associate						
Property, plant and equipment		15 484	15 158	15 158	16 158	15 158
Biological						
Intangible		1	–	–	1	–
Other non-current assets						
Total non current assets		5 781	16 368	16 368	17 369	16 368
TOTAL ASSETS		21 594	18 849	18 849	47 266	18 849
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		–	–	–	–	–
Trade and other payables		8 356	311	311	7 964	311
Provisions		1 034	31 164	29 119	14 571	29 119
Total current liabilities		9 390	31 474	29 429	22 536	29 429
Non current liabilities						
Borrowing		1 904	–	–	597	–
Provisions		3 416	–	–	–	–
Total non current liabilities		5 319	–	–	597	–
TOTAL LIABILITIES		14 710	31 474	29 429	23 132	29 429
NET ASSETS	2	6 884	(12 626)	(10 581)	24 134	(10 581)
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		7 701	(577)	1 468	24 134	1 468
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	7 701	(577)	1 468	24 134	1 468

APPENDIX G

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

Description	Ref	2019/20	Budget Year 2020/21							
		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		4 481	3 454	–	425	–	–	–		–
Transfers and Subsidies - Operational		60 002	56 307	21 694	18 473			–		
Transfers and Subsidies - Capital			3 034	–				–		
Interest		1 350	500	–	64			–		
Dividends								–		
Payments										
Suppliers and employees		(59 480)	(61 112)	(19 649)	(4 694)	–	–	–		–
Finance charges		(181)	–	–		–		–		
Transfers and Grants			(750)	–	(13 518)			–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		6 172	1 433	2 045	749	–	–	–		–
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(1 465)						–		
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		–	(1 500)	–	(21)	–	–	–		–
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1 465)	(1 500)	–	(21)	–	–	–		–
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		731						–		
Borrowing long term/refinancing		(4 823)						–		
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–		–
Payments										
Repayment of borrowing		(606)	–	–	–	–	–	–		–
NET CASH FROM/(USED) FINANCING ACTIVITIES		(4 697)	–	–	–	–	–	–		–
NET INCREASE/ (DECREASE) IN CASH HELD		10	(67)	2 045	728	–	–			–
Cash/cash equivalents at beginning:		12 048	169	–		728				
Cash/cash equivalents at month/year end:		12 058	102	2 045		728	–			–

APPENDIX H

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

Description	NT Code	Budget Year 2020/21											
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	14	0				1 500		1 889	3 403	3 389		
Total By Income Source	**2000**	**14**	**0**	**–**	**–**	**–**	**1 500**	**–**	**1 889**	**3 403**	**3 389**	**–**	**–**
2019/20 - totals only										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200						1 500	–	1 889	3 389	3 389		
Commercial	2300									–	–		
Households	2400									–	–		
Other	2500	14	0							14	–		
Total By Customer Group	**2600**	**14**	**0**	**–**	**–**	**–**	**1 500**	**–**	**1 889**	**3 403**	**3 389**	**–**	**–**

APPENDIX I

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

Description R thousands	NT Code	Budget Year 2020/21								
		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	535								535
Other	0900									–
Total By Customer Type	1000	535	–	–	–	–	–	–	–	535

APPENDIX J

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														
PIXLEY KA SEME DISTRICT MUNICIPALITY		1 Year	Deposit - Bank	No	Fixed	5,5	Rands	Municipality	30 June 2021	10 771	488	(36 201)	50 029	25 086
Municipality sub-total										10 771		(36 201)	50 029	25 086
Entities														
														–
														–
														–
														–
														–
														–
														–
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2									10 771		(36 201)	50 029	25 086

References

2. List investments in expiry date order

3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative