

TSWELOPELE LOCAL MUNICIPALITY

FS 183

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

051 853 1111

www.tswelopele.gov.za



IN YEAR REPORT (Schedule C)
July 2022

PREPARED IN ACCORDANCE WITH BUDGET REGULATIONS IN TERMS OF
GOVERNMENT GAZETTE OF 17 APRIL 2009

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PART 1

1. Executive summary

Council of the Municipality approved the Budget in terms of the Municipal Finance Management Act (MFMA), Act 56 of 2003 MFMA Circulars and Municipal Budget and Reporting Regulations (MBRR) as promulgated in 2009. The Budget document was submitted to both National and Provincial Treasury in soft copies by uploading it on the Treasury prescribed Gomuni portal.

In terms of section 28 of the MBRR, the municipality must prepare the in-year reports in terms of Schedule C of the regulations.

The Schedule C states that the Municipality must report on its overall performance with specific reference to financial and Non-Financial information.

Section 71(1) of the Municipal Finance Management Act (MFMA) requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month.

Mentioned below are some of the key issues that happened in July 2022:

- Revenue that accrued to the Municipality is presented in table C4.
- The following are the main revenue contributors:
 - Revenue from Property rates & Electricity service charges.
 - Revenue from unconditional Grants
 - In terms of GRAP 23 – Revenue from non-exchange transaction, whenever, the conditions of the grants are met, such revenue must be recognised as income in the income statement of the Municipality.
- Total Expenditure for the month is presented in the expenditure section in table C4.

2. In Year Budget Statements Tables

In terms of Municipal Budget and Reporting Regulations as per government gazette No. 32141 of 2009, the municipality is required to report on the following Tables:

- Table C1 MFMA s 71 Monthly budget statement summary
- Table C2 Monthly budget statement – Financial performance (revenue and expenditure by municipal vote)
- Table C3 Monthly budget statement – Financial Performance (Revenue and expenditure by municipal vote)
- Table C4 Monthly budget statement – Financial Performance (Revenue and expenditure)
- Table C5 Monthly budget statement – Capital Expenditure (Municipal Vote, standard classification and funding)
- Table C7 Monthly budget statement – Cash Flow

In the following pages the above tables are disclosed with summaries of what these tables mean:

2.1.1. In Year Budget Statement – Table C1 – Budget Summary

FS183 Tswelopele - Table C1 Monthly Budget Statement Summary - M01 July

Description	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									
Financial Performance									
Property rates	-	27 867	-	1 357	1 357	2 322	(965)	-42%	-
Service charges	-	69 165	-	6 425	6 425	5 764	661	11%	-
Investment revenue	-	1 300	-	4	4	108	(105)	-97%	-
Transfers and subsidies	-	94 460	-	35 575	35 575	35 575	-	-	-
Other own revenue	-	3 784	-	524	524	315	208	66%	-
Total Revenue (excluding capital transfers and contributions)	-	196 576	-	43 884	43 884	44 085	(200)	-0%	-
Employee costs	-	78 740	-	6 288	6 288	6 562	(274)	-4%	-
Remuneration of Councillors	-	6 569	-	516	516	547	(32)	-6%	-
Depreciation & asset impairment	-	20 000	-	-	-	1 667	(1 667)	-100%	-
Finance charges	-	1 500	-	0	0	125	(125)	-100%	-
Materials and bulk purchases	-	71 468	-	777	777	5 956	(5 179)	-87%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	48 443	-	1 649	1 649	4 037	(2 388)	-59%	-
Total Expenditure	-	226 720	-	9 230	9 230	18 893	(9 664)	-51%	-
Surplus/(Deficit)	-	(30 144)	-	34 655	34 655	25 191	9 463	38%	-
Transfers and subsidies - capital (monetary allocations)	-	35 532	-	10 279	10 279	10 279	-	-	-
Contributions & Contributed assets	-	100	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	5 488	-	44 934	44 934	35 470	9 463	27%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	5 488	-	44 934	44 934	35 470	9 463	27%	-
Capital expenditure & funds sources									
Capital expenditure	-	38 431	-	3 687	3 687	3 203	485	15%	-
Capital transfers recognised	-	34 532	-	2 939	2 939	2 878	61	2%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 898	-	748	748	325	424	130%	-
Total sources of capital funds	-	38 430	-	3 687	3 687	3 203	485	15%	-
Financial position									
Total current assets	-	118 798	-	-	-	-	-	-	-
Total non current assets	-	680 331	-	-	-	-	-	-	-
Total current liabilities	-	98 792	-	-	-	-	-	-	-
Total non current liabilities	-	54 455	-	-	-	-	-	-	-
Community wealth/Equity	-	645 882	-	-	-	-	-	-	-
Cash flows									
Net cash from (used) operating	-	31 988	-	42 393	42 393	2 666	(39 728)	-1490%	-
Net cash from (used) investing	-	(37 930)	-	(3 687)	(3 687)	(3 161)	526	-17%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	(5 388)	-	-	38 706	59	(38 648)	-65961%	-
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	23 845	4 132	2 580	2 424	1 916	2 228	10 673	105 393	153 190
Creditors Age Analysis									
Total Creditors	-	3 355	-	80 698	-	-	-	7 931	91 983

2.1.2. In Year Budget Statement – Table C2 – Fin Performance (STD Classification)

FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

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										
<i>Governance and administration</i>		-	125 776	-	47 669	47 669	10 481	37 187	355%	-
Executive and council		-	22 523	-	-	-	1 877	(1 877)	-100%	-
Finance and administration		-	103 253	-	47 669	47 669	8 604	39 064	454%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 104	-	65	65	92	(27)	-29%	-
Community and social services		-	167	-	64	64	14	50	359%	-
Sport and recreation		-	937	-	1	1	78	(77)	-98%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 541	-	0	0	1 545	(1 545)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 541	-	0	0	1 545	(1 545)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	86 787	-	6 429	6 429	7 232	(803)	-11%	-
Energy sources		-	59 027	-	5 136	5 136	4 919	217	4%	-
Water management		-	17 609	-	429	429	1 467	(1 038)	-71%	-
Waste water management		-	6 408	-	553	553	534	19	4%	-
Waste management		-	3 743	-	311	311	312	(1)	0%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	232 208	-	54 163	54 163	19 351	34 813	180%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	89 208	-	7 543	7 543	7 434	109	1%	-
Executive and council		-	21 113	-	592	592	1 759	(1 167)	-66%	-
Finance and administration		-	68 095	-	6 951	6 951	5 675	1 277	22%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	16 735	-	0	0	1 395	(1 394)	-100%	-
Community and social services		-	11 425	-	0	0	952	(952)	-100%	-
Sport and recreation		-	5 310	-	0	0	443	(442)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	17 718	-	3	3	1 477	(1 474)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	17 718	-	3	3	1 477	(1 474)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	103 059	-	1 684	1 684	8 588	(6 905)	-80%	-
Energy sources		-	61 839	-	145	145	5 153	(5 008)	-97%	-
Water management		-	19 590	-	911	911	1 633	(721)	-44%	-
Waste water management		-	12 124	-	504	504	1 010	(506)	-50%	-
Waste management		-	9 506	-	123	123	792	(670)	-85%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	226 720	-	9 230	9 230	18 893	(9 664)	-51%	-
Surplus/ (Deficit) for the year		-	5 488	-	44 934	44 934	457	44 476	9725%	-

2.1.3. In Year Budget Tables – Table C3 – Fin Performance (Rev and Exp – Municipal Vote)

FS183 Tswelopele - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

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										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	4 375	-	-	-	365	(365)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	93 293	-	47 669	47 669	7 774	39 894	513.1%	-
Vote 3 - Community and Social Services		-	1 042	-	64	64	87	(23)	-26.4%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	22	-	1	1	2	(1)	-34.2%	-
Vote 6 - Waste Management		-	3 743	-	311	311	312	(1)	-0.4%	-
Vote 7 - Waste Water Management		-	6 408	-	553	553	534	19	3.6%	-
Vote 8 - Road Transport		-	18 541	-	0	0	1 545	(1 545)	-100.0%	-
Vote 9 - Water		-	17 609	-	429	429	1 467	(1 038)	-70.7%	-
Vote 10 - Electricity		-	59 027	-	5 136	5 136	4 919	217	4.4%	-
Vote 11 - Corporate Services		-	28 148	-	-	-	2 346	(2 346)	-100.0%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	232 208	-	54 163	54 163	19 351	34 813	179.9%	-
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	18 346	-	592	592	1 529	(937)	-61.3%	-
Vote 2 - Budget and Treasury Office		-	65 150	-	6 879	6 879	5 429	1 449	26.7%	-
Vote 3 - Community and Social Services		-	9 633	-	0	0	803	(802)	-99.9%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	47	-	0	0	4	(4)	-99.1%	-
Vote 6 - Waste Management		-	9 506	-	123	123	792	(670)	-84.5%	-
Vote 7 - Waste Water Management		-	12 124	-	504	504	1 010	(506)	-50.1%	-
Vote 8 - Road Transport		-	17 718	-	3	3	1 477	(1 474)	-99.8%	-
Vote 9 - Water		-	19 592	-	911	911	1 633	(721)	-44.2%	-
Vote 10 - Electricity		-	61 839	-	145	145	5 153	(5 008)	-97.2%	-
Vote 11 - Corporate Services		-	12 767	-	73	73	1 064	(991)	-93.2%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	226 722	-	9 230	9 230	18 894	(9 664)	-51.1%	-
Surplus/ (Deficit) for the year	2	-	5 486	-	44 934	44 934	457	44 477	9728.8%	-

2.1.4. In Year Budget Tables – Table C4 – (Rev& Exp)

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

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											
Revenue By Source											
Property rates			27 867		1 357	1 357	2 322	(965)	-42%		
Service charges - electricity revenue			53 681		5 132	5 132	4 473	659	15%		
Service charges - water revenue			5 333		429	429	444	(16)	-4%		
Service charges - sanitation revenue			6 408		553	553	534	19	4%		
Service charges - refuse revenue			3 743		311	311	312	(1)	0%		
Rental of facilities and equipment			347		8	8	29	(20)	-71%		
Interest earned - external investments			1 300		4	4	108	(105)	-97%		
Interest earned - outstanding debtors			281		393	393	23	369	1576%		
Dividends received			130				11	(11)	-100%		
Fines, penalties and forfeits			596		14	14	50	(35)	-71%		
Licences and permits			70		4	4	6	(2)	-29%		
Agency services			-				-	-			
Transfers and subsidies			94 460		35 575	35 575	35 575	-			
Other revenue			2 360		104	104	197	(92)	-47%		
Gains on disposal of PPE							-	-			
Total Revenue (excluding capital transfers and contributions)			-	196 576	-	43 884	43 884	44 085	(200)	0%	-
Expenditure By Type											
Employee related costs			78 740		6 288	6 288	6 562	(274)	-4%		
Remuneration of councillors			6 569		516	516	547	(32)	-6%		
Debt impairment			13 000				1 083	(1 083)	-100%		
Depreciation & asset impairment			20 000				1 667	(1 667)	-100%		
Finance charges			1 500		0	0	125	(125)	-100%		
Bulk purchases			55 009		145	145	4 584	(4 439)	-97%		
Other materials			16 459		631	631	1 372	(740)	-54%		
Contracted services			26 070				2 173	(2 173)	-100%		
Transfers and subsidies							-	-			
Other expenditure			9 373		1 649	1 649	781	868	111%		
Loss on disposal of PPE							-	-			
Total Expenditure			-	226 720	-	9 230	9 230	18 893	(9 664)	-51%	-
Surplus/(Deficit)			-	(30 144)	-	34 655	34 655	25 191	9 463	0	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				35 532		10 279	10 279	10 279	-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)				100					-		
Transfers and subsidies - capital (in-kind - all)									-		
Surplus/(Deficit) after capital transfers & contributions			-	5 488	-	44 934	44 934	35 470			-
Taxation									-		
Surplus/(Deficit) after taxation			-	5 488	-	44 934	44 934	35 470			-
Atributable to minorities											
Surplus/(Deficit) attributable to municipality			-	5 488	-	44 934	44 934	35 470			-
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	5 488	-	44 934	44 934	35 470			-

2.1.5. In Year Budget Table – C5 – Capital Expenditure (Mun Vote)

FS183 Tswelopele - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

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 1 - Executive and Council		–	1 326	–	700	700	111	590	533%	–
Vote 2 - Budget and Treasury Office		–	550	–	14	14	46	(31)	-69%	–
Vote 3 - Community and Social Services		–	1 075	–	–	–	90	(90)	-100%	–
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	825	–	371	371	69	302	439%	–
Vote 6 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 7 - Waste Water Management		–	10 669	–	784	784	889	(105)	-12%	–
Vote 8 - Road Transport		–	4 243	–	76	76	354	(278)	-79%	–
Vote 9 - Water		–	14 683	–	1 708	1 708	1 224	485	40%	–
Vote 10 - Electricity		–	5 000	–	–	–	417	(417)	-100%	–
Vote 11 - Corporate Services		–	60	–	34	34	5	29	582%	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Capital Multi-year expenditure	4,7	–	38 431	–	3 687	3 687	3 203	485	15%	–
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		–	–	–	–	–	–	–	–	–
Vote 3 - Community and Social Services		–	–	–	–	–	–	–	–	–
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–
Vote 6 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 7 - Waste Water Management		–	–	–	–	–	–	–	–	–
Vote 8 - Road Transport		–	–	–	–	–	–	–	–	–
Vote 9 - Water		–	–	–	–	–	–	–	–	–
Vote 10 - Electricity		–	–	–	–	–	–	–	–	–
Vote 11 - Corporate Services		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Capital single-year expenditure	4	–	–	–	–	–	–	–	–	–
Total Capital Expenditure		–	38 431	–	3 687	3 687	3 203	485	15%	–
Capital Expenditure - Functional Classification										
Governance and administration		–	1 881	–	748	748	157	592	377%	–
Executive and council		–	1 271	–	700	700	106	594	561%	–
Finance and administration		–	610	–	48	48	51	(2)	-5%	–
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		–	1 954	–	371	371	163	208	128%	–
Community and social services		–	55	–	–	–	5	(5)	-100%	–
Sport and recreation		–	1 899	–	371	371	158	212	134%	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	4 243	–	76	76	354	(278)	-79%	–
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		–	4 243	–	76	76	354	(278)	-79%	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	30 352	–	2 492	2 492	2 529	(37)	-1%	–
Energy sources		–	5 000	–	–	–	417	(417)	-100%	–
Water management		–	14 683	–	1 708	1 708	1 224	485	40%	–
Waste water management		–	10 669	–	784	784	889	(105)	-12%	–
Waste management		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional Classification	3	–	38 430	–	3 687	3 687	3 203	485	15%	–
Funded by:										
National Government		–	34 532	–	2 939	2 939	2 878	61	2%	–
Provincial Government		–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	34 532	–	2 939	2 939	2 878	61	2%	–
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		–	3 898	–	748	748	325	424	130%	–
Total Capital Funding		–	38 430	–	3 687	3 687	3 203	485	15%	–

2.1.6. In Year Budget Table – C7 – Cash Flow

FS183 Tswelopele - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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			28 396		695	695	2 366	(1 671)	-71%		
Service charges			69 165		4 939	4 939	5 764	(825)	-14%		
Other revenue			2 525		131	131	210	(79)	-38%		
Government - operating			94 560		35 575	35 575	7 880	27 695	351%		
Government - capital			35 532		10 279	10 279	2 961	7 318	247%		
Interest			1 430		4	4	119	(116)	-97%		
Dividends			100				8	(8)	-100%		
Payments											
Suppliers and employees			(198 720)		(9 230)	(9 230)	(16 560)	(7 330)	44%		
Finance charges			(1 000)		(0)	(0)	(83)	(83)	100%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	31 988	-	42 393	42 393	2 666	(39 728)	-1490%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			500				42	(42)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(38 430)		(3 687)	(3 687)	(3 203)	485	-15%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(37 930)	-	(3 687)	(3 687)	(3 161)	526	-17%	-
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			-	(5 942)	-	38 706	38 706	(495)			-
Cash/cash equivalents at beginning:			554				554				-
Cash/cash equivalents at month/year end:			(5 388)			38 706	59				-

3. Explanatory note on in year budget tables

Explanatory Notes to Table C1

Table C1 gives a summary of the overall performance of Tswelopele Local Municipality for the Month of July 2022 as well as YTD performance for the financial year; the following key aspects are included

Financial Performance: This is a summary of income statement of the Municipality

Capital Expenditure and funding sources: This gives a brief overview of the capital expenditure and its funding sources

Cash Flow: This gives a brief overview of the Cash flow of the Municipality

Creditors and Debtors analysis: This section gives the summary of creditors and debtors aging analysis.

This is the most important table as it gives users of the financial information a “snapshot” of what happened in the month of July 2022.

Explanatory Notes to Table C2

1. Table C2 is a view of the financial performance per standard classification.
2. Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4 as Table A4 exclude capital transfers

Explanatory Note to Table C3

1. Table C3 is an overview of the financial performance in relation to the revenue and expenditure per municipal vote.
2. Profits made on trading services are used to subsidise non-trading services

Explanatory note on table C4

1. This table gives the total revenue and total expenditure of the municipality (financial performance) according to revenue and expenditure classification.

Explanatory note on Table C5

1. Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Explanatory note on Table C7

1. Table C7 is the budgeted cash flow statement. It is the first measurement in determining if the municipality has enough cash and cash equivalents to fund its operations.
2. The total amount shown for suppliers and employees consist of amounts for the July 2022 salaries of R 6.8 Million.
3. Due to financial constraints the municipality is currently struggling to keep up with the payment plans agreed upon with Eskom and Sandvet.
4. The line item for other expenditure includes amounts that were paid for the chemicals to purify water, payment made to the security company that is guarding our offices and payments to our financial system service provider.

PART 2

1. Supporting Documentation

Over and above the information as disclosed above Municipal Budget and Reporting Regulations (MBRR) requires the Municipality to disclose the following information:

- Material Variances Explanations
- Debtors age analysis
- Creditors age analysis
- Allocations and Grant Receipts and Expenditure
- Other Supporting Documents

Mentioned on the following pages are all the supporting tables as required by MBRR:

1.1. Supporting Table SC1 – Material Variances Explanations

FS183 Tswelopele - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Interest earned - outstanding debtors	(106)	The municipality's has a high number of outstanding debtors	
2	Expenditure By Type			
	Debt impairment	(1 083)	Write-offs not yet done	
	Depreciation & asset impairment	(1 667)	Depreciation gets to be calculated only at the end of the financial year	

1.2. Supporting Table SC2 – Performance Indicators

FS183 Tswelopele - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 July

Description of financial indicator	Basis of calculation	Ref	2019/20	Budget Year 2020/21			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	9.5%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	15.8%	0.0%	0.0%	0.0%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	0.0%	120.3%	0.0%	0.0%	0.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	16.8%	0.0%	0.0%	0.0%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	51.6%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%

1.3. Supporting Table SC3 – Debtors age analysis

FS183 Tswelopele - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2020/21										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	456	315	252	249	260	243	1 209	11 094	14 079	13 056		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 975	1 776	1 096	832	716	705	2 673	3 624	16 398	8 551		
Receivables from Non-exchange Transactions - Property Rates	1400	15 836	478	287	202	167	160	719	45 910	63 759	47 158		
Receivables from Exchange Transactions - Waste Water Management	1500	536	431	506	391	38	374	1 972	16 361	20 609	19 136		
Receivables from Exchange Transactions - Waste Management	1600	347	292	272	269	259	256	1 245	11 149	14 090	13 178		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	1 695	839	167	480	475	488	2 855	17 256	24 255	21 554		
Total By Income Source	2000	23 845	4 132	2 580	2 424	1 916	2 228	10 673	105 393	153 190	122 633	-	-
2019/20 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 834	139	(14)	236	257	214	734	827	5 228	2 269		
Commercial	2300	16 711	2 025	1 027	957	900	813	4 087	55 172	81 693	61 930		
Households	2400	3 623	1 706	1 442	1 112	1 058	1 053	5 262	46 015	61 271	54 500		
Other	2500	677	262	125	118	(300)	147	590	3 380	4 999	3 935		
Total By Customer Group	2600	23 845	4 132	2 580	2 424	1 916	2 228	10 673	105 393	153 190	122 633	-	-

Presented above is municipal debtors aging at the end of July 2022. The total outstanding debt on the 30th of July 2022 is R 153 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description	NT Code	Budget Year 2020/21								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	66 282	-	-	-	-	66 282
Bulk Water	0200	-	-	-	14 416	-	-	-	-	14 416
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	7 931	7 931
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	3 355	-	-	-	-	-	-	3 355
Total By Customer Type	1000	-	3 355	-	80 698	-	-	-	7 931	91 983

At the end of July 2022, the Municipality has outstanding debt of R 91 million owed to creditors.

1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	94 460	-	35 575	35 575	35 575	-		-
Local Government Equitable Share			91 219		35 575	35 575	35 575	-		
Finance Management			2 100		-	-	-			
EPWP Incentive			1 141		-	-	-			
Other transfers and grants [insert description]	3							-		
Provincial Government:		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	4							-		
District Municipality:		-	-	-	-	-	-	-		-
Lejweleputswa								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Operating Transfers and Grants	5	-	94 460	-	35 575	35 575	35 575	-		-
Capital Transfers and Grants										
National Government:		-	35 532	-	10 279	10 279	10 279	-		-
Municipal Infrastructure Grant (MIG)			18 256		4 755	4 755	4 755	-		
Energy Efficiency and Demand-side Management Grant			5 000					-		
Water Service Grant			12 276		5 524	5 524	5 524	-		
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Capital Transfers and Grants	5	-	35 532	-	10 279	10 279	10 279	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	129 992	-	45 854	45 854	45 854	-		-

1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	94 460	-	271	271	7 872	(7 601)	-96.6%	-
Local Government Equitable Share			91 219				7 602	(7 602)	-100.0%	
Finance Management			2 100		43	43	175	(132)	-75.2%	
EPWP Incentive			1 141		227	227	95	132	138.8%	
Other transfers and grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Lejweleputswa										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		-	94 460	-	271	271	7 872	(7 601)	-96.6%	-
Capital expenditure of Transfers and Grants										
National Government:		-	35 532	-	2 939	2 939	2 961	(22)	-0.8%	-
Municipal Infrastructure Grant (MIG)			18 256		1 231	1 231	1 521	(291)	-19.1%	
Energy Efficiency and Demand-side Management Grant			5 000				417	(417)	-100.0%	
Water Service Grant			12 276		1 708	1 708	1 023	685	67.0%	
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	35 532	-	2 939	2 939	2 961	(22)	-0.8%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	129 992	-	3 209	3 209	10 833	(7 623)	-70.4%	-