

TSWELOPELE LOCAL MUNICIPALITY

FS 183

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

051 853 1111

www.tswelopele.gov.za



IN YEAR REPORT (Schedule C)
September 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 September 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 - M03 September

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	-	2 127	6 306	6 967	(661)	-9%	-
Service charges	-	69 165	-	5 885	19 229	17 291	1 937	11%	-
Investment revenue	-	1 300	-	5	15	325	(310)	-95%	-
Transfers and subsidies	-	94 460	-	-	37 961	37 961	-	-	-
Other own revenue	-	3 784	-	643	1 851	946	905	96%	-
Total Revenue (excluding capital transfers and contributions)	-	196 576	-	8 660	65 363	63 490	1 873	3%	-
Employee costs	-	78 740	-	6 211	19 104	19 685	(581)	-3%	-
Remuneration of Councillors	-	6 569	-	542	1 702	1 642	60	4%	-
Depreciation & asset impairment	-	20 000	-	-	-	5 000	(5 000)	-100%	-
Finance charges	-	1 500	-	0	23	375	(352)	-94%	-
Materials and bulk purchases	-	71 468	-	1 402	3 570	17 867	(14 297)	-80%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	48 443	-	4 133	8 587	12 111	(3 523)	-29%	-
Total Expenditure	-	226 720	-	12 288	32 986	56 680	(23 694)	-42%	-
Surplus/(Deficit)	-	(30 144)	-	(3 628)	32 377	6 810	25 567	375%	-
Transfers and subsidies - capital (monetary allocations)	-	35 532	-	4 521	15 800	15 800	-	-	-
Contributions & Contributed assets	-	100	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	5 488	-	893	48 177	22 610	25 567	113%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	5 488	-	893	48 177	22 610	25 567	113%	-
Capital expenditure & funds sources									
Capital expenditure	-	38 431	-	2 946	9 515	9 608	(92)	-1%	-
Capital transfers recognised	-	34 532	-	2 946	8 954	8 633	321	4%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 898	-	-	748	975	(226)	-23%	-
Total sources of capital funds	-	38 430	-	2 946	9 702	9 608	95	1%	-
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	-	(3 131)	38 291	7 997	(30 294)	-379%	-
Net cash from (used) investing	-	(37 930)	-	(2 946)	(9 702)	(9 483)	220	-2%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	(5 388)	-	-	28 588	(932)	(29 520)	3168%	-
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	7 800	6 453	17 025	3 171	2 214	2 228	10 082	105 705	154 679
Creditors Age Analysis									
Total Creditors	-	4 508	-	87 604	-	-	-	7 931	100 043

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

FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	Budget Year 2020/21								
		2019/20 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	-	7 720	62 204	31 444	30 760	98%	-
Executive and council		-	22 523	-	-	-	5 631	(5 631)	-100%	-
Finance and administration		-	103 253	-	7 720	62 204	25 813	36 391	141%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 104	-	84	221	276	(55)	-20%	-
Community and social services		-	167	-	80	213	42	171	410%	-
Sport and recreation		-	937	-	4	8	234	(226)	-97%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 541	-	6	15	4 635	(4 621)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 541	-	6	15	4 635	(4 621)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	86 787	-	5 888	19 240	21 697	(2 457)	-11%	-
Energy sources		-	59 027	-	4 598	15 231	14 757	474	3%	-
Water management		-	17 609	-	426	1 415	4 402	(2 987)	-68%	-
Waste water management		-	6 408	-	552	1 659	1 602	57	4%	-
Waste management		-	3 743	-	312	934	936	(1)	0%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	232 208	-	13 698	81 679	58 052	23 627	41%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	89 208	-	8 907	25 171	22 302	2 869	13%	-
Executive and council		-	21 113	-	435	1 411	5 278	(3 867)	-73%	-
Finance and administration		-	68 095	-	8 472	23 760	17 024	6 736	40%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	16 735	-	142	163	4 184	(4 021)	-96%	-
Community and social services		-	11 425	-	142	163	2 856	(2 693)	-94%	-
Sport and recreation		-	5 310	-	-	0	1 328	(1 327)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	17 718	-	641	720	4 430	(3 709)	-84%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	17 718	-	641	720	4 430	(3 709)	-84%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	103 059	-	2 598	6 931	25 765	(18 833)	-73%	-
Energy sources		-	61 839	-	806	2 319	15 460	(13 141)	-85%	-
Water management		-	19 590	-	1 335	3 054	4 898	(1 843)	-38%	-
Waste water management		-	12 124	-	261	1 185	3 031	(1 846)	-61%	-
Waste management		-	9 506	-	196	373	2 377	(2 004)	-84%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	226 720	-	12 288	32 986	56 680	(23 694)	-42%	-
Surplus/ (Deficit) for the year		-	5 488	-	1 410	48 694	1 372	47 322	3449%	-

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) - M03 September

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	-	-	-	1 094	(1 094)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	93 293	-	7 720	62 204	23 323	38 881	166.7%	-
Vote 3 - Community and Social Services		-	1 042	-	80	213	261	(47)	-18.2%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	22	-	4	8	6	2	41.1%	-
Vote 6 - Waste Management		-	3 743	-	312	934	936	(1)	-0.1%	-
Vote 7 - Waste Water Management		-	6 408	-	552	1 659	1 602	57	3.6%	-
Vote 8 - Road Transport		-	18 541	-	6	15	4 635	(4 621)	-99.7%	-
Vote 9 - Water		-	17 609	-	426	1 415	4 402	(2 987)	-67.8%	-
Vote 10 - Electricity		-	59 027	-	4 598	15 231	14 757	474	3.2%	-
Vote 11 - Corporate Services		-	28 148	-	-	-	7 037	(7 037)	-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	-	13 698	81 679	58 052	23 627	40.7%	-
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	18 346	-	435	1 411	4 587	(3 176)	-69.2%	-
Vote 2 - Budget and Treasury Office		-	65 150	-	8 150	22 969	16 288	6 681	41.0%	-
Vote 3 - Community and Social Services		-	9 633	-	142	163	2 408	(2 245)	-93.2%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	47	-	-	0	12	(12)	-99.7%	-
Vote 6 - Waste Management		-	9 506	-	196	373	2 377	(2 004)	-84.3%	-
Vote 7 - Waste Water Management		-	12 124	-	261	1 185	3 031	(1 846)	-60.9%	-
Vote 8 - Road Transport		-	17 718	-	641	720	4 430	(3 709)	-83.7%	-
Vote 9 - Water		-	19 592	-	1 335	3 054	4 898	(1 844)	-37.6%	-
Vote 10 - Electricity		-	61 839	-	806	2 319	15 460	(13 141)	-85.0%	-
Vote 11 - Corporate Services		-	12 767	-	322	791	3 192	(2 401)	-75.2%	-
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	-	12 288	32 986	56 681	(23 695)	-41.8%	-
Surplus/ (Deficit) for the year	2	-	5 486	-	1 410	48 694	1 372	47 322	3450.4%	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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		2 127	6 306	6 967	(661)	-9%		
Service charges - electricity revenue			53 681		4 596	15 222	13 420	1 802	13%		
Service charges - water revenue			5 333		425	1 413	1 333	80	6%		
Service charges - sanitation revenue			6 408		552	1 659	1 602	57	4%		
Service charges - refuse revenue			3 743		312	934	936	(1)	0%		
Rental of facilities and equipment			347		19	48	87	(38)	-44%		
Interest earned - external investments			1 300		5	15	325	(310)	-95%		
Interest earned - outstanding debtors			281		517	1 401	70	1 331	1894%		
Dividends received			130			79	33	47	144%		
Fines, penalties and forfeits			596			14	149	(135)	-90%		
Licences and permits			70		4	15	18	(2)	-13%		
Agency services			-					-			
Transfers and subsidies			94 460			37 961	37 961	-			
Other revenue			2 360		620	810	590	220	37%		
Gains on disposal of PPE								-			
Total Revenue (excluding capital transfers and contributions)			-	196 576	-	9 177	65 879	63 490	2 389	4%	-
Expenditure By Type											
Employee related costs			78 740		6 211	19 104	19 685	(581)	-3%		
Remuneration of councillors			6 569		542	1 702	1 642	60	4%		
Debt impairment			13 000				3 250	(3 250)	-100%		
Depreciation & asset impairment			20 000				5 000	(5 000)	-100%		
Finance charges			1 500		0	23	375	(352)	-94%		
Bulk purchases			55 009		462	1 535	13 752	(12 217)	-89%		
Other materials			16 459		940	2 035	4 115	(2 080)	-51%		
Contracted services			26 070				6 518	(6 518)	-100%		
Transfers and subsidies							-	-			
Other expenditure			9 373		4 133	8 587	2 343	6 244	266%		
Loss on disposal of PPE								-			
Total Expenditure			-	226 720	-	12 288	32 986	56 680	(23 694)	-42%	-
Surplus/(Deficit)			-	(30 144)	-	(3 111)	32 894	6 810	26 084	0	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				35 532		4 521	15 800	15 800	-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)				100					-		
Transfers and subsidies - capital (in-kind - all)									-		
Surplus/(Deficit) after capital transfers & contributions			-	5 488	-	1 410	48 694	22 610			-
Taxation									-		
Surplus/(Deficit) after taxation			-	5 488	-	1 410	48 694	22 610			-
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	5 488	-	1 410	48 694	22 610			-
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	5 488	-	1 410	48 694	22 610			-

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) - M03
September

Vote Description	Ref	Budget Year 2020/21								
		2019/20 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	332	369	111%	-
Vote 2 - Budget and Treasury Office		-	550	-	-	14	138	(123)	-90%	-
Vote 3 - Community and Social Services		-	1 075	-	-	-	269	(269)	-100%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	825	-	267	637	206	431	209%	-
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		-	10 669	-	2 417	5 361	2 667	2 694	101%	-
Vote 8 - Road Transport		-	4 243	-	76	873	1 061	(187)	-18%	-
Vote 9 - Water		-	14 683	-	187	1 895	3 671	(1 776)	-48%	-
Vote 10 - Electricity		-	5 000	-	-	-	1 250	(1 250)	-100%	-
Vote 11 - Corporate Services		-	60	-	-	34	15	19	127%	-
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	-	2 946	9 515	9 608	(92)	-1%	-
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	-	2 946	9 515	9 608	(92)	-1%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	1 881	-	-	748	470	278	59%	-
Executive and council		-	1 271	-	-	700	318	382	120%	-
Finance and administration		-	610	-	-	48	153	(104)	-68%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	1 954	-	267	637	489	149	30%	-
Community and social services		-	55	-	-	-	14	(14)	-100%	-
Sport and recreation		-	1 899	-	267	637	475	163	34%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	4 243	-	76	873	1 061	(187)	-18%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	4 243	-	76	873	1 061	(187)	-18%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	30 352	-	2 604	7 443	7 588	(145)	-2%	-
Energy sources		-	5 000	-	-	-	1 250	(1 250)	-100%	-
Water management		-	14 683	-	187	2 082	3 671	(1 589)	-43%	-
Waste water management		-	10 669	-	2 417	5 361	2 667	2 694	101%	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	38 430	-	2 946	9 702	9 608	95	1%	-
Funded by:										
National Government		-	34 532	-	2 946	8 954	8 633	321	4%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	34 532	-	2 946	8 954	8 633	321	4%	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	3 898	-	-	748	975	(226)	-23%	-
Total Capital Funding		-	38 430	-	2 946	9 702	9 608	95	1%	-

2.1.6. In Year Budget Table – C7 – Cash Flow

FS183 Tswelopele - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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		1 573	4 146	7 099	(2 953)	-42%		
Service charges			69 165		6 937	16 908	17 291	(383)	-2%		
Other revenue			2 525		643	888	631	257	41%		
Government - operating			94 560			37 961	23 640	14 321	61%		
Government - capital			35 532			11 279	8 883	2 396	27%		
Interest			1 430		5	15	358	(342)	-96%		
Dividends			100			79	25	54	217%		
Payments											
Suppliers and employees			(198 720)		(12 288)	(32 963)	(49 680)	(16 717)	34%		
Finance charges			(1 000)		(0)	(23)	(250)	(227)	91%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	31 988	-	(3 131)	38 291	7 997	(30 294)	-379%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			500				125	(125)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(38 430)		(2 946)	(9 702)	(9 608)	95	-1%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(37 930)	-	(2 946)	(9 702)	(9 483)	220	-2%	-
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)	-	(6 077)	28 588	(1 486)		-	
Cash/cash equivalents at beginning:			554				554			-	
Cash/cash equivalents at month/year end:			-	(5 388)	-		28 588	(932)		-	

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 September 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 September 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 September 2022 salaries of R 6.7 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 - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Interest earned - outstanding debtors	1 331	The municipality's has a high number of outstanding debtors	
2	Expenditure By Type			
	Debt impairment	(3 250)	Write-offs not yet done	
	Depreciation & asset impairment	(5 000)	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 - M03 September

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%	0.1%	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 - M03 September

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	459	499	321	266	237	241	1 165	11 410	14 597	13 319		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 934	3 175	1 620	1 101	839	679	2 679	2 664	16 693	7 963		
Receivables from Non-exchange Transactions - Property Rates	1400	1 145	868	13 099	349	172	161	703	45 164	61 662	46 549		
Receivables from Exchange Transactions - Waste Water Management	1500	543	477	440	392	492	382	1 828	16 991	21 546	20 085		
Receivables from Exchange Transactions - Waste Management	1600	352	314	292	267	265	264	1 250	11 479	14 483	13 525		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	1 366	1 120	1 253	796	210	501	2 456	17 996	25 699	21 959		
Total By Income Source	2000	7 800	6 453	17 025	3 171	2 214	2 228	10 082	105 705	154 679	123 401	-	-
2019/20 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	846	1 098	2 599	175	(15)	234	832	791	6 560	2 016		
Commercial	2300	3 000	1 825	11 968	1 103	489	450	1 885	53 168	73 887	57 095		
Households	2400	2 847	2 025	1 540	1 043	1 099	900	4 347	40 773	54 574	48 162		
Other	2500	1 107	1 504	919	850	642	644	3 019	10 973	19 658	16 128		
Total By Customer Group	2600	7 800	6 453	17 025	3 171	2 214	2 228	10 082	105 705	154 679	123 401	-	-

Presented above is municipal debtors aging at the end of September 2022. The total outstanding debt on the 3^{1st} of September 2022 is R 154 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

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	–	–	–	72 036	–	–	–	–	72 036
Bulk Water	0200	–	–	–	15 568	–	–	–	–	15 568
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	–	4 508	–	–	–	–	–	–	4 508
Total By Customer Type	1000	–	4 508	–	87 604	–	–	–	7 931	100 043

At the end of September 2022, the Municipality has outstanding debt of R 100 million owed to creditors.

1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

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	-	-	37 961	37 961	-		-
Local Government Equitable Share			91 219		-	35 575	35 575	-		
Finance Management			2 100			2 100	2 100			
EPWP Incentive			1 141			286	286			
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	-	-	37 961	37 961	-		-
Capital Transfers and Grants										
National Government:		-	35 532	-	4 521	15 800	15 800	-		-
Municipal Infrastructure Grant (MIG)			18 256		4 521	9 276	9 276	-		
Energy Efficiency and Demand-side Management Grant			5 000			1 000	1 000	-		
Water Service Grant			12 276		-	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	-	4 521	15 800	15 800	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	129 992	-	4 521	53 761	53 761	-		-

1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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	541	23 615	(23 074)	-97.7%	-
Local Government Equitable Share			91 219				22 805	(22 805)	-100.0%	
Finance Management			2 100		60	104	525	(421)	-80.3%	
EPWP Incentive			1 141		211	438	285	152	53.4%	
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	541	23 615	(23 074)	-97.7%	-
Capital expenditure of Transfers and Grants										
National Government:		-	35 532	-	2 946	8 954	8 883	71	0.8%	-
Municipal Infrastructure Grant (MIG)			18 256		2 759	6 872	4 564	2 308	50.6%	
Energy Efficiency and Demand-side Management Grant			5 000				1 250	(1 250)	-100.0%	
Water Service Grant			12 276		187	2 082	3 069	(987)	-32.2%	
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	35 532	-	2 946	8 954	8 883	71	0.8%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	129 992	-	3 217	9 495	32 498	(23 003)	-70.8%	-