

**TSWELOPELE LOCAL MUNICIPALITY**

**FS 183**

**CIVIC CENTRE, BOSMAN STREET**

**BULTFONTEIN, 9670**

**051 853 1111**

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**IN YEAR REPORT (Schedule C)**  
**October 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 October 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 - M04 October

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	27 867	-	2 605	8 911	9 289	(378)	-4%	-
Service charges	-	69 165	-	4 301	23 529	23 055	474	2%	-
Investment revenue	-	1 300	-	5	20	433	(413)	-95%	-
Transfers and subsidies	-	94 460	-	-	37 961	37 961	-	-	-
Other own revenue	-	3 784	-	1 191	3 559	1 261	2 298	182%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>196 576</b>	-	<b>8 102</b>	<b>73 981</b>	<b>72 000</b>	<b>1 981</b>	<b>3%</b>	-
Employee costs	-	78 740	-	6 391	25 495	26 247	(752)	-3%	-
Remuneration of Councillors	-	6 569	-	543	2 245	2 190	55	3%	-
Depreciation & asset impairment	-	20 000	-	-	-	6 667	(6 667)	-100%	-
Finance charges	-	1 500	-	1 640	1 662	500	1 162	232%	-
Materials and bulk purchases	-	71 468	-	16 068	19 637	23 823	(4 185)	-18%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	48 443	-	4 732	13 319	16 148	(2 828)	-18%	-
<b>Total Expenditure</b>	-	<b>226 720</b>	-	<b>29 373</b>	<b>62 359</b>	<b>75 573</b>	<b>(13 214)</b>	<b>-17%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>(30 144)</b>	-	<b>(21 272)</b>	<b>11 622</b>	<b>(3 574)</b>	<b>15 196</b>	<b>-425%</b>	-
Transfers and subsidies - capital (monetary allocations)	-	35 532	-	3 928	19 728	19 728	-	-	-
Contributions & Contributed assets	-	100	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>5 488</b>	-	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>	<b>15 196</b>	<b>94%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>5 488</b>	-	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>	<b>15 196</b>	<b>94%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>38 431</b>	-	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	-
Capital transfers recognised	-	34 532	-	1 590	10 544	11 511	(967)	-8%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 898	-	-	748	1 299	(551)	-42%	-
<b>Total sources of capital funds</b>	-	<b>38 430</b>	-	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	-
<b>Financial position</b>									
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	-	-	-	-	-	-	-
<b>Cash flows</b>									
Net cash from (used) operating	-	31 988	-	(2 650)	40 162	10 663	(29 499)	-277%	-
Net cash from (used) investing	-	(37 930)	-	(1 590)	(11 292)	(12 643)	(1 351)	11%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>(5 388)</b>	-	-	<b>28 869</b>	<b>(1 427)</b>	<b>(30 296)</b>	<b>2123%</b>	-
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 253	5 222	5 301	15 192	3 295	2 422	10 224	106 690	155 599
<b>Creditors Age Analysis</b>									
Total Creditors	2 905	-	100 066	-	-	-	-	7 931	110 902

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

### FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

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
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<b>Governance and administration</b>		-	125 776	-	7 657	69 861	41 925	27 936	67%	-
Executive and council		-	22 523	-	-	-	7 508	(7 508)	-100%	-
Finance and administration		-	103 253	-	7 657	69 861	34 418	35 444	103%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	1 104	-	45	266	368	(102)	-28%	-
Community and social services		-	167	-	44	257	56	201	361%	-
Sport and recreation		-	937	-	1	9	312	(303)	-97%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	18 541	-	6	20	6 180	(6 160)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 541	-	6	20	6 180	(6 160)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	86 787	-	4 322	23 562	28 929	(5 367)	-19%	-
Energy sources		-	59 027	-	2 881	18 112	19 676	(1 564)	-8%	-
Water management		-	17 609	-	576	1 992	5 870	(3 878)	-66%	-
Waste water management		-	6 408	-	552	2 212	2 136	76	4%	-
Waste management		-	3 743	-	312	1 246	1 248	(1)	0%	-
<b>Other</b>	<b>4</b>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	-	<b>232 208</b>	-	<b>12 030</b>	<b>93 709</b>	<b>77 403</b>	<b>16 306</b>	<b>21%</b>	-
<b>Expenditure - Functional</b>										
<b>Governance and administration</b>		-	89 208	-	12 019	37 190	29 736	7 454	25%	-
Executive and council		-	21 113	-	1 153	2 564	7 038	(4 473)	-64%	-
Finance and administration		-	68 095	-	10 866	34 626	22 698	11 928	53%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	16 735	-	45	208	5 578	(5 371)	-96%	-
Community and social services		-	11 425	-	41	204	3 808	(3 604)	-95%	-
Sport and recreation		-	5 310	-	4	4	1 770	(1 766)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	17 718	-	88	808	5 906	(5 098)	-86%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	17 718	-	88	808	5 906	(5 098)	-86%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	103 059	-	17 221	24 153	34 353	(10 200)	-30%	-
Energy sources		-	61 839	-	15 485	17 804	20 613	(2 809)	-14%	-
Water management		-	19 590	-	1 225	4 279	6 530	(2 251)	-34%	-
Waste water management		-	12 124	-	452	1 637	4 041	(2 405)	-60%	-
Waste management		-	9 506	-	60	432	3 169	(2 736)	-86%	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	<b>3</b>	-	<b>226 720</b>	-	<b>29 373</b>	<b>62 359</b>	<b>75 573</b>	<b>(13 214)</b>	<b>-17%</b>	-
<b>Surplus/ (Deficit) for the year</b>		-	<b>5 488</b>	-	<b>(17 344)</b>	<b>31 350</b>	<b>1 829</b>	<b>29 521</b>	<b>1614%</b>	-

## 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) - M04 October

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		-	4 375	-	-	-	1 458	(1 458)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	93 293	-	7 657	69 861	31 098	38 764	124.7%	-
Vote 3 - Community and Social Services		-	1 042	-	44	257	347	(91)	-26.1%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	22	-	1	9	7	2	22.3%	-
Vote 6 - Waste Management		-	3 743	-	312	1 246	1 248	(1)	-0.1%	-
Vote 7 - Waste Water Management		-	6 408	-	552	2 212	2 136	76	3.5%	-
Vote 8 - Road Transport		-	18 541	-	6	20	6 180	(6 160)	-99.7%	-
Vote 9 - Water		-	17 609	-	576	1 992	5 870	(3 878)	-66.1%	-
Vote 10 - Electricity		-	59 027	-	2 881	18 112	19 676	(1 564)	-7.9%	-
Vote 11 - Corporate Services		-	28 148	-	-	-	9 383	(9 383)	-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]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>232 208</b>	-	<b>12 030</b>	<b>93 709</b>	<b>77 403</b>	<b>16 306</b>	<b>21.1%</b>	-
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		-	18 346	-	1 153	2 564	6 115	(3 551)	-58.1%	-
Vote 2 - Budget and Treasury Office		-	65 150	-	9 876	32 845	21 717	11 128	51.2%	-
Vote 3 - Community and Social Services		-	9 633	-	41	204	3 211	(3 007)	-93.6%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	47	-	4	4	16	(12)	-76.9%	-
Vote 6 - Waste Management		-	9 506	-	60	432	3 169	(2 736)	-86.4%	-
Vote 7 - Waste Water Management		-	12 124	-	452	1 637	4 041	(2 405)	-59.5%	-
Vote 8 - Road Transport		-	17 718	-	88	808	5 906	(5 098)	-86.3%	-
Vote 9 - Water		-	19 592	-	1 225	4 279	6 531	(2 252)	-34.5%	-
Vote 10 - Electricity		-	61 839	-	15 485	17 804	20 613	(2 809)	-13.6%	-
Vote 11 - Corporate Services		-	12 767	-	990	1 782	4 256	(2 474)	-58.1%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>226 722</b>	-	<b>29 373</b>	<b>62 359</b>	<b>75 574</b>	<b>(13 215)</b>	<b>-17.5%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>5 486</b>	-	<b>(17 344)</b>	<b>31 350</b>	<b>1 829</b>	<b>29 521</b>	<b>1614.4%</b>	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

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	
<b>R thousands</b>											
<b>Revenue By Source</b>											
Property rates			27 867			2 605	8 911	9 289	(378)	-4%	
Service charges - electricity revenue			53 681			2 861	18 083	17 894	189	1%	
Service charges - water revenue			5 333			576	1 989	1 778	211	12%	
Service charges - sanitation revenue			6 408			552	2 212	2 136	76	4%	
Service charges - refuse revenue			3 743			312	1 246	1 248	(1)	0%	
Rental of facilities and equipment			347			3	52	116	(64)	-55%	
Interest earned - external investments			1 300			5	20	433	(413)	-95%	
Interest earned - outstanding debtors			281			510	1 910	94	1 817	1940%	
Dividends received			130				79	43	36	83%	
Fines, penalties and forfeits			596				14	199	(184)	-93%	
Licences and permits			70			8	23	23	(0)	-1%	
Agency services			-						-		
Transfers and subsidies			94 460				37 961	37 961	-		
Other revenue			2 360			670	1 480	787	694	88%	
Gains on disposal of PPE									-		
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>-</b>	<b>196 576</b>	<b>-</b>	<b>8 102</b>	<b>73 981</b>	<b>72 000</b>	<b>1 981</b>	<b>3%</b>	<b>-</b>
<b>Expenditure By Type</b>											
Employee related costs			78 740			6 391	25 495	26 247	(752)	-3%	
Remuneration of councillors			6 569			543	2 245	2 190	55	3%	
Debt impairment			13 000					4 333	(4 333)	-100%	
Depreciation & asset impairment			20 000					6 667	(6 667)	-100%	
Finance charges			1 500			1 640	1 662	500	1 162	232%	
Bulk purchases			55 009			15 137	16 672	18 336	(1 664)	-9%	
Other materials			16 459			931	2 966	5 486	(2 521)	-46%	
Contracted services			26 070					8 690	(8 690)	-100%	
Transfers and subsidies								-	-		
Other expenditure			9 373			4 732	13 319	3 124	10 195	326%	
Loss on disposal of PPE									-		
<b>Total Expenditure</b>			<b>-</b>	<b>226 720</b>	<b>-</b>	<b>29 373</b>	<b>62 359</b>	<b>75 573</b>	<b>(13 214)</b>	<b>-17%</b>	<b>-</b>
<b>Surplus/(Deficit)</b>			<b>-</b>	<b>(30 144)</b>	<b>-</b>	<b>(21 272)</b>	<b>11 622</b>	<b>(3 574)</b>	<b>15 196</b>	<b>(0)</b>	<b>-</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				35 532		3 928	19 728	19 728	-		
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)									-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>	<b>5 488</b>	<b>-</b>	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>			<b>-</b>
Taxation									-		
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>	<b>5 488</b>	<b>-</b>	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>			<b>-</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>	<b>5 488</b>	<b>-</b>	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>			<b>-</b>
Share of surplus/ (deficit) of associate											
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>	<b>5 488</b>	<b>-</b>	<b>(17 344)</b>	<b>31 350</b>	<b>16 154</b>			<b>-</b>



## 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) - M04  
October

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		–	1 326	–	–	700	442	258	58%	–
Vote 2 - Budget and Treasury Office		–	550	–	–	14	183	(169)	-92%	–
Vote 3 - Community and Social Services		–	1 075	–	–	–	358	(358)	-100%	–
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	825	–	–	637	275	362	132%	–
Vote 6 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 7 - Waste Water Management		–	10 669	–	1 514	6 875	3 556	3 319	93%	–
Vote 8 - Road Transport		–	4 243	–	76	949	1 414	(465)	-33%	–
Vote 9 - Water		–	14 683	–	–	2 082	4 894	(2 812)	-57%	–
Vote 10 - Electricity		–	5 000	–	–	–	1 667	(1 667)	-100%	–
Vote 11 - Corporate Services		–	60	–	–	34	20	14	70%	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
<b>Total Capital Multi-year expenditure</b>	4,7	–	<b>38 431</b>	–	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	–
<b>Single Year expenditure appropriation</b>	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]		–	–	–	–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	4	–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure</b>		–	<b>38 431</b>	–	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	–
<b>Capital Expenditure - Functional Classification</b>										
<b>Government and administration</b>		–	<b>1 881</b>	–	–	<b>748</b>	<b>627</b>	121	19%	–
Executive and council		–	1 271	–	–	700	424	276	65%	–
Finance and administration		–	610	–	–	48	203	(155)	-76%	–
Internal audit		–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		–	<b>1 954</b>	–	–	<b>637</b>	<b>651</b>	(14)	-2%	–
Community and social services		–	55	–	–	–	18	(18)	-100%	–
Sport and recreation		–	1 899	–	–	637	633	4	1%	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		–	<b>4 243</b>	–	<b>76</b>	<b>949</b>	<b>1 414</b>	(465)	-33%	–
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		–	4 243	–	76	949	1 414	(465)	-33%	–
Environmental protection		–	–	–	–	–	–	–	–	–
<b>Trading services</b>		–	<b>30 352</b>	–	<b>1 514</b>	<b>8 957</b>	<b>10 117</b>	(1 160)	-11%	–
Energy sources		–	5 000	–	–	–	1 667	(1 667)	-100%	–
Water management		–	14 683	–	–	2 082	4 894	(2 812)	-57%	–
Waste water management		–	10 669	–	1 514	6 875	3 556	3 319	93%	–
Waste management		–	–	–	–	–	–	–	–	–
<b>Other</b>		–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional Classification</b>	3	–	<b>38 430</b>	–	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	–
<b>Funded by:</b>										
National Government		–	34 532	–	1 590	10 544	11 511	(967)	-8%	–
Provincial Government		–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		–	<b>34 532</b>	–	<b>1 590</b>	<b>10 544</b>	<b>11 511</b>	<b>(967)</b>	<b>-8%</b>	–
<b>Borrowing</b>	6	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>		–	3 898	–	–	748	1 299	(551)	-42%	–
<b>Total Capital Funding</b>		–	<b>38 430</b>	–	<b>1 590</b>	<b>11 292</b>	<b>12 810</b>	<b>(1 518)</b>	<b>-12%</b>	–

2.1.6. In Year Budget Table – C7 – Cash Flow

FS183 Tswelopele - Table C7 Monthly Budget Statement - Cash Flow - M04 October

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	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			28 396		1 968	6 114	9 465	(3 351)	-35%		
Service charges			69 165		4 068	20 975	23 055	(2 080)	-9%		
Other revenue			2 525		681	1 569	842	728	86%		
Government - operating			94 560			37 961	31 520	6 441	20%		
Government - capital			35 532		3 928	19 728	11 844	7 884	67%		
Interest			1 430		5	20	477	(456)	-96%		
Dividends			100			79	33	46	138%		
<b>Payments</b>											
Suppliers and employees			(198 720)		(13 298)	(46 261)	(66 240)	(19 979)	30%		
Finance charges			(1 000)		(2)	(25)	(333)	(308)	93%		
Transfers and Grants								-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>31 988</b>	<b>-</b>	<b>(2 650)</b>	<b>40 162</b>	<b>10 663</b>	<b>(29 499)</b>	<b>-277%</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			500				167	(167)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
<b>Payments</b>											
Capital assets			(38 430)		(1 590)	(11 292)	(12 810)	(1 518)	12%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(37 930)</b>	<b>-</b>	<b>(1 590)</b>	<b>(11 292)</b>	<b>(12 643)</b>	<b>(1 351)</b>	<b>11%</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
<b>Payments</b>											
Repayment of borrowing								-			
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>-</b>	<b>(5 942)</b>	<b>-</b>	<b>(4 240)</b>	<b>28 869</b>	<b>(1 981)</b>		<b>-</b>	
Cash/cash equivalents at beginning:			554				554			-	
Cash/cash equivalents at month/year end:			(5 388)			28 869	(1 427)			-	

### 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 October 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 October 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 October 2022 salaries of R 6.9 million.
3. The municipality is currently in the process of finalizing a payment plan with Eskom.
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 - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
1	<b>Revenue By Source</b>			
	Interest earned - outstanding debtors	1 817	The municipality's has a high number of outstanding debtors	
2	<b>Expenditure By Type</b>			
	Debt impairment	(4 333)	Write-offs not yet done	
	Depreciation & asset impairment	(6 667)	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 - M04 October

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
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	9.5%	0.0%	2.7%	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%
<b>Safety of Capital</b>							
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%
<b>Liquidity</b>							
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%
<b>Revenue Management</b>							
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 - M04 October

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		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	566	349	444	296	250	231	1 172	11 581	14 889	13 530		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2 922	2 213	2 392	1 295	959	754	2 864	2 637	16 035	8 509		
Receivables from Non-exchange Transactions - Property Rates	1400	1 189	757	733	11 683	292	162	711	44 992	60 519	57 840		
Receivables from Exchange Transactions - Waste Water Management	1500	538	481	451	439	390	490	1 861	17 361	22 011	20 541		
Receivables from Exchange Transactions - Waste Management	1600	332	312	293	284	264	262	1 263	11 681	14 690	13 754		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	1 707	1 111	987	1 194	1 141	523	2 354	18 439	27 455	23 650		
<b>Total By Income Source</b>	<b>2000</b>	<b>7 253</b>	<b>5 222</b>	<b>5 301</b>	<b>15 192</b>	<b>3 295</b>	<b>2 422</b>	<b>10 224</b>	<b>106 690</b>	<b>155 599</b>	<b>137 823</b>	-	-
<b>2019/20 - totals only</b>										-	-		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	634	766	1 072	1 885	504	317	968	871	7 016	4 545		
Commercial	2300	2 659	1 646	1 303	10 675	977	391	1 776	51 639	71 066	65 458		
Households	2400	2 735	1 508	1 684	1 465	1 115	1 221	5 036	48 398	63 162	57 235		
Other	2500	1 224	1 303	1 241	1 168	699	493	2 445	5 782	14 355	10 586		
<b>Total By Customer Group</b>	<b>2600</b>	<b>7 253</b>	<b>5 222</b>	<b>5 301</b>	<b>15 192</b>	<b>3 295</b>	<b>2 422</b>	<b>10 224</b>	<b>106 690</b>	<b>155 599</b>	<b>137 823</b>	-	-

Presented above is the municipal debtors aging as at the end of October 2022. The total outstanding debt on the 3<sup>1st</sup> of October 2022 is R 155.5 million.

#### 1.4. Supporting Table SC4 – Aged Creditors

#### FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

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	
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	-	-	84 498	-	-	-	-	-	84 498
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	2 905	-	-	-	-	-	-	-	2 905
<b>Total By Customer Type</b>	<b>1000</b>	<b>2 905</b>	<b>-</b>	<b>100 066</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 931</b>	<b>110 902</b>

At the end of October 2022, the Municipality has outstanding debt of R 110 million owed to creditors.

## 1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

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
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	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			
	3							-		
Other transfers and grants [insert description]								-		
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
	4							-		
Other transfers and grants [insert description]								-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
Lejweleputswa								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total Operating Transfers and Grants</b>	5	-	94 460	-	-	37 961	37 961	-		-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	35 532	-	3 928	19 728	19 728	-		-
Municipal Infrastructure Grant (MIG)			18 256			9 276	9 276	-		
								-		
Energy Efficiency and Demand-side Management Grant			5 000			1 000	1 000	-		
Water Service Grant			12 276		3 928	9 452	9 452	-		
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total Capital Transfers and Grants</b>	5	-	35 532	-	3 928	19 728	19 728	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	129 992	-	3 928	57 689	57 689	-		-



## 1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

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
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	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							-		
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	4							-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
Lejweleputswa								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total Operating Transfers and Grants</b>	5	-	94 460	-	-	37 961	37 961	-		-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	35 532	-	3 928	19 728	19 728	-		-
Municipal Infrastructure Grant (MIG)			18 256			9 276	9 276	-		
Energy Efficiency and Demand-side Management Grant			5 000			1 000	1 000	-		
Water Service Grant			12 276		3 928	9 452	9 452	-		
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total Capital Transfers and Grants</b>	5	-	35 532	-	3 928	19 728	19 728	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	129 992	-	3 928	57 689	57 689	-		-