

TSWELOPELE LOCAL MUNICIPALITY

FS 183

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

051 853 1111

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IN YEAR REPORT (Schedule C)
December 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 December 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 - M06 December

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	-	2 590	14 086	13 934	153	1%	-
Service charges	-	69 165	-	5 294	33 646	34 583	(936)	-3%	-
Investment revenue	-	1 300	-	344	735	650	85	13%	-
Transfers and subsidies	-	94 460	-	30 616	68 577	68 577	-		-
Other own revenue	-	3 784	-	1 658	5 990	1 892	4 098	217%	-
Total Revenue (excluding capital transfers and contributions)	-	196 576	-	40 501	123 035	119 635	3 400	3%	-
Employee costs	-	78 740	-	6 368	38 122	39 370	(1 248)	-3%	-
Remuneration of Councillors	-	6 569	-	553	3 343	3 285	59	2%	-
Depreciation & asset impairment	-	20 000	-	-	-	10 000	(10 000)	-100%	-
Finance charges	-	1 500	-	852	2 525	750	1 775	237%	-
Materials and bulk purchases	-	71 468	-	4 493	24 856	35 734	(10 878)	-30%	-
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	-	48 443	-	4 513	24 556	24 222	335	1%	-
Total Expenditure	-	226 720	-	16 779	93 401	113 360	(19 959)	-18%	-
Surplus/(Deficit)	-	(30 144)	-	23 722	29 634	6 275	23 359	372%	-
Transfers and subsidies - capital (monetary allocations)	-	35 532	-	4 945	24 673	24 673	-		-
Contributions & Contributed assets	-	100	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	-	5 488	-	28 667	54 307	30 948	23 359	75%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	-	5 488	-	28 667	54 307	30 948	23 359	75%	-
Capital expenditure & funds sources									
Capital expenditure	-	38 431	-	10 255	24 769	19 216	5 554	29%	-
Capital transfers recognised	-	34 532	-	7 847	21 614	17 266	4 348	25%	-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	3 898	-	2 407	3 156	1 949	1 207	62%	-
Total sources of capital funds	-	38 430	-	10 255	24 769	19 215	5 554	29%	-
Financial position									
Total current assets	-	118 798	-	-	74 863	-	-	-	118 798
Total non current assets	-	680 331	-	-	723 165	-	-	-	680 331
Total current liabilities	-	98 792	-	-	61 249	-	-	-	98 792
Total non current liabilities	-	54 455	-	-	46 821	-	-	-	54 455
Community wealth/Equity	-	645 882	-	-	689 958	-	-	-	645 882
Cash flows									
Net cash from (used) operating	-	31 988	-	28 655	60 312	44 198	(16 114)	-36%	-
Net cash from (used) investing	-	(37 930)	-	(10 255)	(24 769)	(18 965)	5 804	-31%	-
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	-	(5 388)	-	-	35 542	25 787	(9 755)	-38%	-
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	4 227	4 715	3 963	4 493	14 535	3 204	10 513	107 582	153 231
Creditors Age Analysis									
Total Creditors	-	2 241	-	110 666	-	-	-	7 931	120 837

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

FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	125 776	-	39 769	112 920	62 888	50 032	80%	-
Executive and council		-	22 523	-	-	-	11 262	(11 262)	-100%	-
Finance and administration		-	103 253	-	39 769	112 920	51 627	61 293	119%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 104	-	39	379	552	(173)	-31%	-
Community and social services		-	167	-	33	361	84	278	333%	-
Sport and recreation		-	937	-	6	18	469	(451)	-96%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 541	-	-	22	9 271	(9 248)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 541	-	-	22	9 271	(9 248)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	86 787	-	5 296	33 685	43 394	(9 708)	-22%	-
Energy sources		-	59 027	-	4 155	25 766	29 514	(3 747)	-13%	-
Water management		-	17 609	-	275	2 732	8 805	(6 073)	-69%	-
Waste water management		-	6 408	-	553	3 317	3 204	113	4%	-
Waste management		-	3 743	-	312	1 871	1 872	(1)	0%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	232 208	-	45 104	147 006	116 104	30 902	27%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	89 208	-	10 130	59 639	44 604	15 035	34%	-
Executive and council		-	21 113	-	696	3 911	10 557	(6 645)	-63%	-
Finance and administration		-	68 095	-	9 434	55 728	34 048	21 681	64%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	16 735	-	46	281	8 368	(8 086)	-97%	-
Community and social services		-	11 425	-	38	267	5 713	(5 445)	-95%	-
Sport and recreation		-	5 310	-	9	14	2 655	(2 641)	-99%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	17 718	-	499	1 603	8 859	(7 256)	-82%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	17 718	-	499	1 603	8 859	(7 256)	-82%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	103 059	-	6 104	31 877	51 530	(19 652)	-38%	-
Energy sources		-	61 839	-	871	19 480	30 920	(11 439)	-37%	-
Water management		-	19 590	-	4 810	9 751	9 795	(44)	0%	-
Waste water management		-	12 124	-	368	2 144	6 062	(3 918)	-65%	-
Waste management		-	9 506	-	55	502	4 753	(4 251)	-89%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	226 720	-	16 779	93 401	113 360	(19 959)	-18%	-
Surplus/ (Deficit) for the year		-	5 488	-	28 324	53 605	2 744	50 861	1854%	-

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) - M06 December

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	4 375	-	-	-	2 188	(2 188)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	93 293	-	39 711	112 839	46 647	66 193	141.9%	-
Vote 3 - Community and Social Services		-	1 042	-	33	361	521	(160)	-30.7%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	22	-	6	18	11	7	60.1%	-
Vote 6 - Waste Management		-	3 743	-	312	1 871	1 872	(1)	0.0%	-
Vote 7 - Waste Water Management		-	6 408	-	553	3 317	3 204	113	3.5%	-
Vote 8 - Road Transport		-	18 541	-	-	22	9 271	(9 248)	-99.8%	-
Vote 9 - Water		-	17 609	-	275	2 732	8 805	(6 073)	-69.0%	-
Vote 10 - Electricity		-	59 027	-	4 155	25 766	29 514	(3 747)	-12.7%	-
Vote 11 - Corporate Services		-	28 148	-	58	80	14 074	(13 994)	-99.4%	-
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	-	45 104	147 006	116 104	30 902	26.6%	-
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	18 346	-	696	3 911	9 173	(5 262)	-57.4%	-
Vote 2 - Budget and Treasury Office		-	65 150	-	9 303	52 814	32 575	20 239	62.1%	-
Vote 3 - Community and Social Services		-	9 633	-	38	267	4 817	(4 549)	-94.4%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	47	-	9	14	24	(10)	-41.0%	-
Vote 6 - Waste Management		-	9 506	-	55	502	4 753	(4 251)	-89.4%	-
Vote 7 - Waste Water Management		-	12 124	-	368	2 144	6 062	(3 918)	-64.6%	-
Vote 8 - Road Transport		-	17 718	-	499	1 603	8 859	(7 256)	-81.9%	-
Vote 9 - Water		-	19 592	-	4 810	9 751	9 796	(45)	-0.5%	-
Vote 10 - Electricity		-	61 839	-	871	19 480	30 920	(11 439)	-37.0%	-
Vote 11 - Corporate Services		-	12 767	-	131	2 915	6 384	(3 469)	-54.3%	-
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	-	16 779	93 401	113 361	(19 960)	-17.6%	-
Surplus/ (Deficit) for the year	2	-	5 486	-	28 324	53 605	2 743	50 862	1854.2%	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2019/20	Budget Year 2020/21								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Revenue By Source											
Property rates			27 867		2 590	14 086	13 934	153	1%		
Service charges - electricity revenue			53 681		4 154	25 732	26 841	(1 108)	-4%		
Service charges - water revenue			5 333		274	2 727	2 667	60	2%		
Service charges - sanitation revenue			6 408		553	3 317	3 204	113	4%		
Service charges - refuse revenue			3 743		312	1 871	1 872	(1)	0%		
Rental of facilities and equipment			347		11	72	174	(101)	-58%		
Interest earned - external investments			1 300		8	34	650	85	13%		
Interest earned - outstanding debtors			281		512	2 931	141	2 790	1986%		
Dividends received			130			79	65	14	22%		
Fines, penalties and forfeits			596		1	15	298	(283)	-95%		
Licences and permits			70		6	30	35	(5)	-15%		
Agency services			-					-			
Transfers and subsidies			94 460		30 616	68 577	68 577	-			
Other revenue			2 360		1 128	2 862	1 180	1 682	143%		
Gains on disposal of PPE								-			
Total Revenue (excluding capital transfers and contributions)			-	196 576	-	40 501	123 035	119 635	3 400	3%	-
Expenditure By Type											
Employee related costs			78 740		6 368	38 122	39 370	(1 248)	-3%		
Remuneration of councillors			6 569		553	3 343	3 285	59	2%		
Debt impairment			13 000				6 500	(6 500)	-100%		
Depreciation & asset impairment			20 000				10 000	(10 000)	-100%		
Finance charges			1 500		852	2 525	750	1 775	237%		
Bulk purchases			55 009		2 818	19 490	27 505	(8 015)	-29%		
Other materials			16 459		1 676	5 366	8 230	(2 863)	-35%		
Contracted services			26 070				13 035	(13 035)	-100%		
Transfers and subsidies							-	-			
Other expenditure			9 373		4 513	24 556	4 687	19 870	424%		
Loss on disposal of PPE								-			
Total Expenditure			-	226 720	-	16 779	93 401	113 360	(19 959)	-18%	-
Surplus/(Deficit)											
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			-	(30 144)	-	23 722	29 634	6 275	23 359	0	-
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	-	28 667	54 307	30 948			-
Taxation									-		
Surplus/(Deficit) after taxation			-	5 488	-	28 667	54 307	30 948			-
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	5 488	-	28 667	54 307	30 948			-
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	5 488	-	28 667	54 307	30 948			-

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) - M06
December

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	–	2 407	3 107	663	2 444	369%	–
Vote 2 - Budget and Treasury Office		–	550	–	–	14	275	(261)	-95%	–
Vote 3 - Community and Social Services		–	1 075	–	–	–	538	(538)	-100%	–
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	825	–	–	637	413	225	54%	–
Vote 6 - Waste Management		–	–	–	–	–	–	–	–	–
Vote 7 - Waste Water Management		–	10 669	–	6 092	13 265	5 335	7 930	149%	–
Vote 8 - Road Transport		–	4 243	–	1 117	2 299	2 122	178	8%	–
Vote 9 - Water		–	14 683	–	638	4 423	7 342	(2 918)	-40%	–
Vote 10 - Electricity		–	5 000	–	–	989	2 500	(1 511)	-60%	–
Vote 11 - Corporate Services		–	60	–	–	34	30	4	14%	–
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	–	10 255	24 769	19 216	5 554	29%	–
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	–	10 255	24 769	19 216	5 554	29%	–
Capital Expenditure - Functional Classification										
Governance and administration		–	1 881	–	2 407	3 156	941	2 215	236%	–
Executive and council			1 271		2 407	3 107	636	2 472	389%	
Finance and administration			610		–	48	305	(257)	-84%	
Internal audit			–		–	–	–	–	–	
Community and public safety		–	1 954	–	–	637	977	(340)	-35%	–
Community and social services			55		–	–	28	(28)	-100%	
Sport and recreation			1 899		–	637	950	(312)	-33%	
Public safety			–		–	–	–	–	–	
Housing			–		–	–	–	–	–	
Health			–		–	–	–	–	–	
Economic and environmental services		–	4 243	–	1 117	2 299	2 122	178	8%	–
Planning and development			–		–	–	–	–	–	
Road transport			4 243		1 117	2 299	2 122	178	8%	
Environmental protection			–		–	–	–	–	–	
Trading services		–	30 352	–	6 730	18 677	15 176	3 501	23%	–
Energy sources			5 000		–	989	2 500	(1 511)	-60%	
Water management			14 683		638	4 423	7 342	(2 918)	-40%	
Waste water management			10 669		6 092	13 265	5 335	7 930	149%	
Waste management			–		–	–	–	–	–	
Other			–		–	–	–	–	–	
Total Capital Expenditure - Functional Classification	3	–	38 430	–	10 255	24 769	19 215	5 554	29%	–
Funded by:										
National Government			34 532		7 847	21 614	17 266	4 348	25%	
Provincial Government			–		–	–	–	–	–	
District Municipality			–		–	–	–	–	–	
Other transfers and grants			–		–	–	–	–	–	
Transfers recognised - capital		–	34 532	–	7 847	21 614	17 266	4 348	25%	–
Borrowing	6									
Internally generated funds			3 898		2 407	3 156	1 949	1 207	62%	
Total Capital Funding		–	38 430	–	10 255	24 769	19 215	5 554	29%	–

2.1.6. In Year Budget Table – C7 – Cash Flow

FS183 Tswelopele - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2019/20	Budget Year 2020/21								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			28 396		1 103	8 481	14 198	(5 717)	-40%		
Service charges			69 165		3 994	28 822	34 583	(5 760)	-17%		
Other revenue			2 525		1 139	2 979	1 263	1 717	136%		
Government - operating			94 560		30 616	68 577	68 577	-			
Government - capital			35 532		4 945	24 673	24 673	-			
Interest			1 430		8	34	715	20	3%		
Dividends			100			79	50	29	59%		
Payments											
Suppliers and employees			(198 720)		(13 487)	(74 001)	(99 360)	(25 359)	26%		
Finance charges			(1 000)		-	(35)	(500)	(465)	93%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	31 988	-	28 655	60 312	44 198	(16 114)	-36%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			500				250	(250)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(38 430)		(10 255)	(24 769)	(19 215)	5 554	-29%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(37 930)	-	(10 255)	(24 769)	(18 965)	5 804	-31%	-
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)	-	18 400	35 542	25 233		-	
Cash/cash equivalents at beginning:			554				554			-	
Cash/cash equivalents at month/year end:			(5 388)			35 542	25 787			-	

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 December 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 December 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 December 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 amongst other expenditures paid, 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 - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Interest earned - outstanding debtors	2 790	The municipality's has a high number of outstanding debtors	
2	Expenditure By Type			
	Debt impairment	(6 500)	Write-offs not yet done	
	Depreciation & asset impairment	(10 000)	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 - M06 December

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%	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%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	15.8%	0.0%	1.2%	15.8%
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%	122.2%	120.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	16.8%	0.0%	40.8%	16.8%
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%	114.1%	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 - M06 December

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	437	381	401	296	316	283	1 163	11 870	15 146	13 928			
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 152	1 754	1 474	1 457	1 875	1 120	3 393	3 452	17 677	11 297			
Receivables from Non-exchange Transactions - Property Rates	1400	1 120	803	642	496	590	11 280	842	44 778	60 550	57 986			
Receivables from Exchange Transactions - Waste Water Management	1500	541	489	464	454	440	435	1 992	18 051	22 867	21 373			
Receivables from Exchange Transactions - Waste Management	1600	349	319	300	294	285	282	1 272	12 073	15 174	14 205			
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-			
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-			
Other	1900	96	510	1 464	976	883	1 144	3 117	19 188	27 377	25 308			
Total By Income Source	2000	5 695	4 255	4 744	3 972	4 389	14 543	11 780	109 412	158 790	144 097	-	-	
2019/20 - totals only										-	-			
Debtors Age Analysis By Customer Group														
Organs of State	2200	(470)	156	513	601	781	1 730	1 365	967	5 644	5 445			
Commercial	2300	4 003	2 051	2 133	1 691	2 085	10 974	4 860	54 796	82 593	74 406			
Households	2400	2 129	2 018	1 742	1 532	1 495	1 371	5 287	49 918	65 492	59 603			
Other	2500	33	30	357	148	27	469	268	3 731	5 061	4 642			
Total By Customer Group	2600	5 695	4 255	4 744	3 972	4 389	14 543	11 780	109 412	158 790	144 097	-	-	

Presented above is the municipal debtors aging as at the end of December 2022. The total outstanding debt on the 31st of December 2022 is R 158 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

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	-	-	-	89 983	-	-	-	-	89 983
Bulk Water	0200	-	-	-	16 074	-	-	-	-	16 074
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	-	-	-	3 206	-	-	-	-	3 206
Other	0900	-	2 241	-	-	-	-	-	-	2 241
Total By Customer Type	1000	-	2 241	-	109 263	-	-	-	7 931	119 435

At the end of December 2022, the Municipality has outstanding debt of R 119 million owed to creditors.

1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2019/20				Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	94 460	-	30 616	68 577	68 577	-		-
Local Government Equitable Share			91 219		30 102	65 677	65 677	-		
Finance Management			2 100			2 100	2 100			
EPWP Incentive			1 141		514	800	800			
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	-	30 616	68 577	68 577	-		-
Capital Transfers and Grants										
National Government:		-	35 532	-	4 945	24 673	24 673	-		-
Municipal Infrastructure Grant (MIG)			18 256		2 945	12 221	12 221	-		
Energy Efficiency and Demand-side Management Grant			5 000		2 000	3 000	3 000	-		
Water Service Grant			12 276			9 452	9 452	-		
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Capital Transfers and Grants	5	-	35 532	-	4 945	24 673	24 673	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	129 992	-	35 561	93 250	93 250	-		-

1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	94 460	-	320	2 733	47 230	(44 497)	-94.2%	-
Local Government Equitable Share			91 219				45 610	(45 610)	-100.0%	
Finance Management			2 100		100	1 428	1 050	378	36.0%	
EPWP Incentive			1 141		219	1 304	571	734	128.6%	
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	-	320	2 733	47 230	(44 497)	-94.2%	-
Capital expenditure of Transfers and Grants										
National Government:		-	35 532	-	7 847	21 614	17 766	3 848	21.7%	-
Municipal Infrastructure Grant (MIG)			18 256		7 210	16 202	9 128	7 074	77.5%	
Energy Efficiency and Demand-side Management Grant			5 000			989	2 500	(1 511)	-60.4%	
Water Service Grant			12 276		638	4 423	6 138	(1 715)	-27.9%	
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	35 532	-	7 847	21 614	17 766	3 848	21.7%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	129 992	-	8 167	24 347	64 996	(40 649)	-62.5%	-