

**TSWELOPELE LOCAL MUNICIPALITY**

**FS 183**

**CIVIC CENTRE, BOSMAN STREET**

**BULTFONTEIN, 9670**

**051 853 1111**

**[www.tswelopele.gov.za](http://www.tswelopele.gov.za)**



**IN YEAR REPORT (Schedule C)**  
**February 2023**

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

---

## Contents

1.1.1	PART 1 .....	1
1.	Executive summary.....	3
2.	In Year Budget Statements Tables .....	4
2.1.1.	In Year Budget Statement – Table C1 – Budget Summary .....	5
2.1.2.	In Year Budget Statement – Table C2 – Fin Performance (STD Classification) .....	6
2.1.3.	In Year Budget Tables – Table C3 – Fin Performance (Rev and Exp – Municipal Vote) .....	7
2.1.4.	In Year Budget Tables – Table C4 – (Rev& Exp).....	8
2.1.5.	In Year Budget Table – C5 – Capital Expenditure (Mun Vote).....	9
3.	Explanatory note on in year budget tables.....	12
	PART 2.....	14
1.	Supporting Documentation .....	14
1.1.	Supporting Table SC1 – Material Variances Explanations.....	14
1.2.	Supporting Table SC2 – Performance Indicators.....	14
1.3.	Supporting Table SC3 – Debtors age analysis .....	15
1.4.	Supporting Table SC4 – Aged Creditors.....	16
1.5.	Supporting Table SC6 – Grants Received.....	17
1.6.	Supporting Table SC7 – Grants Expenditure.....	18

## 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 February 2023:

- 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 C6 Monthly budget statement – Financial Position
- 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 - M08 February

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	-	2 864	20 005	18 578	1 427	8%	-
Service charges	-	69 165	-	4 435	43 275	46 110	(2 835)	-6%	-
Investment revenue	-	1 300	-	10	81	867	(786)	-91%	-
Transfers and subsidies	-	94 460	-	-	68 577	68 577	-		-
Other own revenue	-	3 784	-	696	6 763	2 523	4 240	168%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>196 576</b>	-	<b>8 004</b>	<b>138 701</b>	<b>136 654</b>	<b>2 047</b>	<b>1%</b>	-
Employee costs	-	78 740	-	6 632	51 386	52 493	(1 107)	-2%	-
Remuneration of Councillors	-	6 569	-	537	4 417	4 379	37	1%	-
Depreciation & asset impairment	-	20 000	-	-	-	13 333	(13 333)	-100%	-
Finance charges	-	1 500	-	1 865	4 391	1 000	3 391	339%	-
Materials and bulk purchases	-	71 468	-	8 302	37 504	47 645	(10 142)	-21%	-
Transfers and subsidies	-	-	-	-	-	-	-		-
Other expenditure	-	48 443	-	1 237	29 241	32 295	(3 054)	-9%	-
<b>Total Expenditure</b>	-	<b>226 720</b>	-	<b>18 573</b>	<b>126 939</b>	<b>151 147</b>	<b>(24 208)</b>	<b>-16%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>(30 144)</b>	-	<b>(10 569)</b>	<b>11 762</b>	<b>(14 492)</b>	<b>26 255</b>	<b>-181%</b>	-
Transfers and subsidies - capital (monetary allocations)	-	35 532	-	2 000	26 673	26 673	-		-
Contributions & Contributed assets	-	100	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>5 488</b>	-	<b>(8 569)</b>	<b>38 435</b>	<b>12 181</b>	<b>26 255</b>	<b>216%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	-	<b>5 488</b>	-	<b>(8 569)</b>	<b>38 435</b>	<b>12 181</b>	<b>26 255</b>	<b>216%</b>	-
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	-	38 431	-	2 923	30 150	25 621	4 530	18%	-
Capital transfers recognised	-	34 532	-	2 923	26 995	23 021	3 973	17%	-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	3 898	-	-	3 156	2 599	557	21%	-
<b>Total sources of capital funds</b>	-	<b>38 430</b>	-	<b>2 923</b>	<b>30 150</b>	<b>25 620</b>	<b>4 530</b>	<b>18%</b>	-
<b>Financial position</b>									
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
<b>Cash flows</b>									
Net cash from (used) operating	-	31 988	-	(7 487)	52 123	27 847	(24 276)	-87%	-
Net cash from (used) investing	-	(37 930)	-	(2 923)	(30 150)	(25 287)	4 864	-19%	-
Net cash from (used) financing	-	-	-	-	-	-	-		-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>(5 388)</b>	-	-	<b>21 973</b>	<b>3 114</b>	<b>(18 859)</b>	<b>-606%</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	5 961	3 983	3 286	3 111	4 039	3 285	23 217	111 647	158 529
<b>Creditors Age Analysis</b>									
Total Creditors	-	2 513	-	114 550	-	-	-	7 931	124 995

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

### FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

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									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	125 776	-	5 484	121 531	83 851	37 680	45%	-
Executive and council		-	22 523	-	-	-	15 015	(15 015)	-100%	-
Finance and administration		-	103 253	-	5 484	121 531	68 835	52 696	77%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 104	-	75	480	736	(256)	-35%	-
Community and social services		-	167	-	74	458	111	347	311%	-
Sport and recreation		-	937	-	1	22	625	(602)	-96%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 541	-	1	25	12 361	(12 335)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 541	-	1	25	12 361	(12 335)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	86 787	-	4 444	43 338	57 858	(14 520)	-25%	-
Energy sources		-	59 027	-	3 075	32 701	39 351	(6 650)	-17%	-
Water management		-	17 609	-	475	3 689	11 739	(8 050)	-69%	-
Waste water management		-	6 408	-	571	4 443	4 272	171	4%	-
Waste management		-	3 743	-	323	2 505	2 495	9	0%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	232 208	-	10 004	165 374	154 805	10 569	7%	-
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	89 208	-	9 887	78 947	59 472	19 475	33%	-
Executive and council		-	21 113	-	616	4 989	14 075	(9 087)	-65%	-
Finance and administration		-	68 095	-	9 271	73 958	45 397	28 562	63%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	16 735	-	12	322	11 157	(10 835)	-97%	-
Community and social services		-	11 425	-	12	307	7 617	(7 309)	-96%	-
Sport and recreation		-	5 310	-	-	15	3 540	(3 525)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	17 718	-	394	2 461	11 812	(9 351)	-79%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	17 718	-	394	2 461	11 812	(9 351)	-79%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	103 059	-	8 280	45 209	68 706	(23 497)	-34%	-
Energy sources		-	61 839	-	7 512	30 510	41 226	(10 716)	-26%	-
Water management		-	19 590	-	390	11 660	13 060	(1 400)	-11%	-
Waste water management		-	12 124	-	370	2 520	8 083	(5 562)	-69%	-
Waste management		-	9 506	-	8	519	6 337	(5 819)	-92%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	226 720	-	18 573	126 939	151 147	(24 208)	-16%	-
<b>Surplus/ (Deficit) for the year</b>		-	5 488	-	(8 569)	38 435	3 659	34 777	951%	-

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) - M08 February

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	-	-	-	2 917	(2 917)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	93 293	-	5 460	121 427	62 195	59 231	95.2%	-
Vote 3 - Community and Social Services		-	1 042	-	74	458	695	(237)	-34.1%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	22	-	1	22	15	8	52.1%	-
Vote 6 - Waste Management		-	3 743	-	323	2 505	2 495	9	0.4%	-
Vote 7 - Waste Water Management		-	6 408	-	571	4 443	4 272	171	4.0%	-
Vote 8 - Road Transport		-	18 541	-	1	25	12 361	(12 335)	-99.8%	-
Vote 9 - Water		-	17 609	-	475	3 689	11 739	(8 050)	-68.6%	-
Vote 10 - Electricity		-	59 027	-	3 075	32 701	39 351	(6 650)	-16.9%	-
Vote 11 - Corporate Services		-	28 148	-	24	104	18 765	(18 661)	-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]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	232 208	-	10 004	165 374	154 805	10 569	6.8%	-
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		-	18 346	-	616	4 989	12 231	(7 242)	-59.2%	-
Vote 2 - Budget and Treasury Office		-	65 150	-	9 189	69 962	43 433	26 528	61.1%	-
Vote 3 - Community and Social Services		-	9 633	-	12	307	6 422	(6 115)	-95.2%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	47	-	1	15	31	(17)	-53.4%	-
Vote 6 - Waste Management		-	9 506	-	8	519	6 337	(5 819)	-91.8%	-
Vote 7 - Waste Water Management		-	12 124	-	370	2 520	8 083	(5 562)	-68.8%	-
Vote 8 - Road Transport		-	17 718	-	394	2 461	11 812	(9 351)	-79.2%	-
Vote 9 - Water		-	19 592	-	390	11 660	13 061	(1 402)	-10.7%	-
Vote 10 - Electricity		-	61 839	-	7 512	30 510	41 226	(10 716)	-26.0%	-
Vote 11 - Corporate Services		-	12 767	-	82	3 997	8 511	(4 515)	-53.0%	-
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 Expenditure by Vote</b>	2	-	226 722	-	18 574	126 939	151 148	(24 209)	-16.0%	-
<b>Surplus/ (Deficit) for the year</b>	2	-	5 486	-	(8 569)	38 435	3 657	34 778	950.9%	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

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		2 864	20 005	18 578	1 427	8%		
Service charges - electricity revenue			53 681		3 067	32 646	35 787	(3 141)	-9%		
Service charges - water revenue			5 333		473	3 682	3 555	126	4%		
Service charges - sanitation revenue			6 408		571	4 443	4 272	171	4%		
Service charges - refuse revenue			3 743		323	2 505	2 495	9	0%		
Rental of facilities and equipment			347		4	84	231	(147)	-64%		
Interest earned - external investments			1 300		10	81	867	(786)	-91%		
Interest earned - outstanding debtors			281		546	3 477	187	3 289	1756%		
Dividends received			130			79	87	(7)	-9%		
Fines, penalties and forfeits			596		15	31	397	(366)	-92%		
Licences and permits			70		30	65	47	18	39%		
Agency services			-					-			
Transfers and subsidies			94 460			68 577	68 577	-			
Other revenue			2 360		101	3 026	1 573	1 453	92%		
Gains on disposal of PPE								-			
<b>Total Revenue (excluding capital transfers and contributions)</b>			-	196 576	-	8 004	138 701	136 654	2 047	1%	-
<b>Expenditure By Type</b>											
Employee related costs			78 740		6 632	51 386	52 493	(1 107)	-2%		
Remuneration of councillors			6 569		537	4 417	4 379	37	1%		
Debt impairment			13 000				8 667	(8 667)	-100%		
Depreciation & asset impairment			20 000				13 333	(13 333)	-100%		
Finance charges			1 500		1 865	4 391	1 000	3 391	339%		
Bulk purchases			55 009		7 492	30 079	36 673	(6 594)	-18%		
Other materials			16 459		809	7 425	10 973	(3 548)	-32%		
Contracted services			26 070				17 380	(17 380)	-100%		
Transfers and subsidies							-	-			
Other expenditure			9 373		1 237	29 241	6 249	22 992	368%		
Loss on disposal of PPE								-			
<b>Total Expenditure</b>			-	226 720	-	18 573	126 939	151 147	(24 208)	-16%	-
<b>Surplus/(Deficit)</b>			-	(30 144)	-	(10 569)	11 762	(14 492)	26 255	(0)	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				35 532		2 000	26 673	26 673	-		
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>			-	5 488	-	(8 569)	38 435	12 181			-
Taxation									-		
<b>Surplus/(Deficit) after taxation</b>			-	5 488	-	(8 569)	38 435	12 181			-
Atributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			-	5 488	-	(8 569)	38 435	12 181			-
Share of surplus/ (deficit) of associate											
<b>Surplus/ (Deficit) for the year</b>			-	5 488	-	(8 569)	38 435	12 181			-



## 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) - M08 February

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>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	1 326	-	-	3 107	884	2 223	252%	-
Vote 2 - Budget and Treasury Office		-	550	-	-	14	367	(352)	-96%	-
Vote 3 - Community and Social Services		-	1 075	-	-	-	717	(717)	-100%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	825	-	-	637	550	87	16%	-
Vote 6 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 7 - Waste Water Management		-	10 669	-	34	11 865	7 113	4 753	67%	-
Vote 8 - Road Transport		-	4 243	-	75	3 120	2 829	292	10%	-
Vote 9 - Water		-	14 683	-	716	6 574	9 789	(3 215)	-33%	-
Vote 10 - Electricity		-	5 000	-	2 098	4 798	3 333	1 465	44%	-
Vote 11 - Corporate Services		-	60	-	-	34	40	(6)	-15%	-
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	-	38 431	-	2 923	30 150	25 621	4 530	18%	-
<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>		-	38 431	-	2 923	30 150	25 621	4 530	18%	-
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	1 881	-	-	3 156	1 254	1 902	152%	-
Executive and council		-	1 271	-	-	3 107	847	2 260	267%	-
Finance and administration		-	610	-	-	48	407	(358)	-88%	-
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	1 954	-	-	637	1 303	(665)	-51%	-
Community and social services		-	55	-	-	-	37	(37)	-100%	-
Sport and recreation		-	1 899	-	-	637	1 266	(629)	-50%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	4 243	-	75	3 120	2 829	292	10%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	4 243	-	75	3 120	2 829	292	10%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	30 352	-	2 848	23 237	20 235	3 003	15%	-
Energy sources		-	5 000	-	2 098	4 798	3 333	1 465	44%	-
Water management		-	14 683	-	716	6 574	9 789	(3 215)	-33%	-
Waste water management		-	10 669	-	34	11 865	7 113	4 753	67%	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	38 430	-	2 923	30 150	25 620	4 530	18%	-
<b>Funded by:</b>										
National Government		-	34 532	-	2 923	26 995	23 021	3 973	17%	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	34 532	-	2 923	26 995	23 021	3 973	17%	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	3 898	-	-	3 156	2 599	557	21%	-
<b>Total Capital Funding</b>		-	38 430	-	2 923	30 150	25 620	4 530	18%	-

2.1.6. In Year Budget Table – C6 – Financial Position

FS183 Tswelopele - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2019/20	Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			7 441		2 804	7 441	
Call investment deposits			9 189		22 184	9 189	
Consumer debtors			96 084		49 874	96 084	
Other debtors			5 331			5 331	
Current portion of long-term receivables							
Inventory			753			753	
<b>Total current assets</b>			-	118 798	-	74 863	118 798
<b>Non current assets</b>							
Long-term receivables			-		90 527	-	
Investments			-		1 052	-	
Investment property			110 039		104 999	110 039	
Investments in Associate							
Property, plant and equipment			568 919		525 276	568 919	
Biological			1 373		1 310	1 373	
Intangible							
Other non-current assets							
<b>Total non current assets</b>			-	680 331	-	723 165	680 331
<b>TOTAL ASSETS</b>			-	799 129	-	798 028	799 129
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft			-			-	
Borrowing			2 637		713	2 637	
Consumer deposits			1 512		60 536	1 512	
Trade and other payables			93 821			93 821	
Provisions			822			822	
<b>Total current liabilities</b>			-	98 792	-	61 249	98 792
<b>Non current liabilities</b>							
Borrowing			5 853		7 625	5 853	
Provisions			48 602		39 195	48 602	
<b>Total non current liabilities</b>			-	54 455	-	46 821	54 455
<b>TOTAL LIABILITIES</b>			-	153 247	-	108 070	153 247
<b>NET ASSETS</b>	2		-	645 882	-	689 958	645 882
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			645 882		689 958	645 882	
Reserves							
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	645 882	-	689 958	645 882

## 2.1.7. In Year Budget Table – C7 Cash Flow

FS183 Tswelopele - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
Receipts											
Property rates			28 396		1 490	12 129	18 931	(6 802)	-36%		
Service charges			69 165		5 059	38 575	46 110	(7 535)	-16%		
Other revenue			2 525		150	3 206	1 683	1 523	90%		
Government - operating			94 560		-	68 577	68 577	-			
Government - capital			35 532		2 000	26 673	24 673	2 000	8%		
Interest			1 430		10	81	953	(872)	-92%		
Dividends			100			79	67	13	19%		
Payments											
Suppliers and employees			(198 720)		(9 215)	(97 667)	(132 480)	(34 813)	26%		
Finance charges			(1 000)			(36)	(667)	(631)	95%		
Transfers and Grants								-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	31 988	-	(506)	51 617	27 847	(23 770)	-85%	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
Receipts											
Proceeds on disposal of PPE			500				333	(333)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(38 430)		(2 923)	(30 150)	(25 620)	4 530	-18%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(37 930)	-	(2 923)	(30 150)	(25 287)	4 864	-19%	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
Payments											
Repayment of borrowing								-			
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	-	-	-	-	-	-	-	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	(5 942)	-	(3 429)	21 467	2 561		-	
Cash/cash equivalents at beginning:			554				554			-	
Cash/cash equivalents at month/year end:			(5 388)			21 467	3 114			-	

### 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 February 2023 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 February 2023.

#### 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 Notes to Table C6**

1. Table C6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet). This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

#### **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. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
2. Tswelopele municipal’s budget is currently not funded due to the long outstanding debt with services such as Eskom and Sandvet. However, a funding plan has been developed and it’s implementation has been monitored to ensure the improvement of the funding status of the municipality’s budget.
3. The total amount shown for suppliers and employees consist of amounts for the February 2023 salaries of R 6.8 Million.
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 - M08 February

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue By Source</b>			
	Interest earned - outstanding debtors	3 289	The municipality's has a high number of outstanding debtors	
2	<b>Expenditure By Type</b>			
	Debt impairment	(8 667)	Write-offs not yet done	
	Depreciation & asset impairment	(13 333)	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 - M08 February

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%	3.5%	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%	1.2%	15.8%
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%	122.2%	120.3%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	16.8%	0.0%	40.8%	16.8%
<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%	101.2%	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 - M08 February

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	503	372	318	301	329	256	1 207	12 185	15 470	14 276		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2 339	1 377	973	1 141	1 248	1 050	3 934	3 543	15 605	10 916		
Receivables from Non-exchange Transactions - Property Rates	1400	1 277	728	485	440	411	378	10 985	44 960	59 665	57 175		
Receivables from Exchange Transactions - Waste Water Management	1500	557	480	452	441	428	409	1 910	18 551	23 229	21 739		
Receivables from Exchange Transactions - Waste Management	1600	356	305	296	290	283	281	1 283	12 408	15 500	14 544		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	929	721	762	499	1 340	911	3 897	20 001	29 060	26 649		
<b>Total By Income Source</b>	<b>2000</b>	<b>5 961</b>	<b>3 983</b>	<b>3 286</b>	<b>3 111</b>	<b>4 039</b>	<b>3 285</b>	<b>23 217</b>	<b>111 647</b>	<b>158 529</b>	<b>145 299</b>	<b>-</b>	<b>-</b>
<b>2019/20 - totals only</b>										-	-		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	846	414	426	129	638	362	1 238	812	4 865	3 179		
Commercial	2300	2 352	1 438	991	864	916	860	13 065	45 768	66 254	61 473		
Households	2400	2 155	1 535	1 290	1 549	1 376	1 348	5 815	51 555	66 623	61 644		
Other	2500	609	595	579	568	1 110	715	3 099	13 512	20 787	19 004		
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 961</b>	<b>3 983</b>	<b>3 286</b>	<b>3 111</b>	<b>4 039</b>	<b>3 285</b>	<b>23 217</b>	<b>111 647</b>	<b>158 529</b>	<b>145 299</b>	<b>-</b>	<b>-</b>

Presented above is municipal debtors aging at the end of February 2023. The total outstanding debt on the 28<sup>th</sup> of February 2023 is R 158 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

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										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	-	-	-	93 589	-	-	-	-	93 589
Bulk Water	0200	-	-	-	17 755	-	-	-	-	17 755
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	-	2 513	-	-	-	-	-	-	2 513
<b>Total By Customer Type</b>	<b>1000</b>	-	<b>2 513</b>	-	<b>114 550</b>	-	-	-	<b>7 931</b>	<b>124 995</b>

At the end of February 2023, the Municipality has outstanding debt of R 125 million owed to creditors.



## 1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

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>										
National Government:		-	94 460	-	-	68 577	68 577	-		-
Local Government Equitable Share			91 219			65 677	65 677	-		
Finance Management			2 100			2 100	2 100	-		
EPWP Incentive			1 141			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]								-		
<b>Total Operating Transfers and Grants</b>	5	-	94 460	-	-	68 577	68 577	-		-
<b>Capital Transfers and Grants</b>										
National Government:		-	35 532	-	2 000	26 673	26 673	-		-
Municipal Infrastructure Grant (MIG)			18 256			12 221	12 221	-		
Energy Efficiency and Demand-side Management Grant			5 000		2 000	5 000	5 000	-		
Water Service Grant			12 276			9 452	9 452	-		
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
<b>Total Capital Transfers and Grants</b>	5	-	35 532	-	2 000	26 673	26 673	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	129 992	-	2 000	95 250	95 250	-		-

## 1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

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										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	94 460	-	306	3 558	62 973	(59 415)	-94.3%	-
Local Government Equitable Share			91 219				60 813	(60 813)	-100.0%	
Finance Management			2 100		95	1 773	1 400	373	26.7%	
EPWP Incentive			1 141		211	1 785	761	1 024	134.6%	
								-		
Other transfers and grants [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-	-	-
<i>Lejweleputswa</i>								-		
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>								-		
<b>Total operating expenditure of Transfers and Grants:</b>		-	94 460	-	306	3 558	62 973	(59 415)	-94.3%	-
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	35 532	-	2 923	26 995	23 688	3 307	14.0%	-
Municipal Infrastructure Grant (MIG)			18 256		109	15 623	12 171	3 452	28.4%	
								-		
Energy Efficiency and Demand-side Management Grant			5 000		2 098	4 798	3 333	1 465	43.9%	
Water Service Grant			12 276		716	6 574	8 184	(1 610)	-19.7%	
Provincial Government:		-	-	-	-	-	-	-	-	-
								-		
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
Other grant providers:		-	-	-	-	-	-	-	-	-
								-		
<b>Total capital expenditure of Transfers and Grants</b>		-	35 532	-	2 923	26 995	23 688	3 307	14.0%	-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	129 992	-	3 229	30 553	86 661	(56 108)	-64.7%	-