

**TSWELOPELE LOCAL MUNICIPALITY**

**FS 183**

**CIVIC CENTRE, BOSMAN STREET**

**BULTFONTEIN, 9670**

**051 853 1111**

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

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

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## PART 1

### 1. Executive summary

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

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

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

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

Mentioned below are some of the key issues that happened in July 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 - M01 July

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b><u>Financial Performance</u></b>									
Property rates	-	29 557	-	2 740	2 740	2 463	277	11%	-
Service charges	-	79 081	-	5 517	5 517	6 590	(1 073)	-16%	-
Investment revenue	-	1 300	-	11	11	108	(98)	-90%	-
Transfers and subsidies	-	100 292	-	40 517	40 517	40 517	-	-	-
Other own revenue	-	4 756	-	650	650	396	254	64%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>214 986</b>	-	<b>49 436</b>	<b>49 436</b>	<b>50 075</b>	<b>(639)</b>	<b>-1%</b>	-
Employee costs	-	88 639	-	6 979	6 979	7 387	(408)	-6%	-
Remuneration of Councillors	-	6 226	-	616	616	519	97	19%	-
Depreciation & asset impairment	-	20 000	-	-	-	1 667	(1 667)	-100%	-
Finance charges	-	2 500	-	137	137	208	(71)	-34%	-
Materials and bulk purchases	-	67 550	-	3 212	3 212	5 629	(2 417)	-43%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	60 003	-	3 142	3 142	5 000	(1 858)	-37%	-
<b>Total Expenditure</b>	-	<b>244 918</b>	-	<b>14 086</b>	<b>14 086</b>	<b>20 410</b>	<b>(6 324)</b>	<b>-31%</b>	-
<b>Surplus/(Deficit)</b>	-	<b>(29 932)</b>	-	<b>35 350</b>	<b>35 350</b>	<b>29 665</b>	<b>5 685</b>	<b>19%</b>	-
Transfers and subsidies - capital (monetary allocations)	-	37 968	-	10 647	10 647	10 647	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>8 036</b>	-	<b>45 997</b>	<b>45 997</b>	<b>40 312</b>	<b>5 685</b>	<b>14%</b>	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>8 036</b>	-	<b>45 997</b>	<b>45 997</b>	<b>40 312</b>	<b>5 685</b>	<b>14%</b>	-
<b><u>Capital expenditure &amp; funds sources</u></b>									
<b>Capital expenditure</b>	-	<b>40 837</b>	-	<b>1 897</b>	<b>1 897</b>	<b>3 403</b>	<b>(1 506)</b>	<b>-44%</b>	-
Capital transfers recognised	-	36 868	-	1 897	1 897	3 072	(1 176)	-38%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 970	-	-	-	331	(331)	-100%	-
<b>Total sources of capital funds</b>	-	<b>40 838</b>	-	<b>1 897</b>	<b>1 897</b>	<b>3 403</b>	<b>(1 506)</b>	<b>-44%</b>	-
<b><u>Financial position</u></b>									
Total current assets	-	134 177	-	-	74 863	-	-	-	134 177
Total non current assets	-	702 739	-	-	723 165	-	-	-	702 739
Total current liabilities	-	128 531	-	-	61 249	-	-	-	128 531
Total non current liabilities	-	54 455	-	-	46 821	-	-	-	54 455
Community wealth/Equity	-	<b>653 930</b>	-	-	<b>689 958</b>	-	-	-	<b>653 930</b>
<b><u>Cash flows</u></b>									
Net cash from (used) operating	-	37 649	-	43 770	43 770	42 780	(990)	-2%	-
Net cash from (used) investing	-	(40 338)	-	(1 897)	(1 897)	(3 362)	(1 465)	44%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	-	<b>(1 393)</b>	-	<b>-</b>	<b>41 873</b>	<b>40 714</b>	<b>(1 159)</b>	<b>-3%</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><u>Debtors Age Analysis</u></b>									
Total By Income Source	5 961	3 983	3 286	3 111	4 039	3 285	27 782	114 499	165 947
<b><u>Creditors Age Analysis</u></b>									
Total Creditors	-	2 806	-	133 037	-	-	-	6 590	142 433

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

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

Description	Ref	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>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		-	136 699	-	54 510	54 510	11 392	43 118	379%	-
Executive and council		-	27 647	-	-	-	2 304	(2 304)	-100%	-
Finance and administration		-	109 052	-	54 510	54 510	9 088	45 422	500%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		-	1 580	-	54	54	132	(78)	-59%	-
Community and social services		-	430	-	54	54	36	18	50%	-
Sport and recreation		-	1 150	-	-	-	96	(96)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		-	19 249	-	1	1	1 604	(1 603)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	19 249	-	1	1	1 604	(1 603)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	95 426	-	5 518	5 518	7 952	(2 434)	-31%	-
Energy sources		-	66 628	-	4 165	4 165	5 552	(1 388)	-25%	-
Water management		-	17 739	-	474	474	1 478	(1 004)	-68%	-
Waste water management		-	7 011	-	563	563	584	(21)	-4%	-
Waste management		-	4 048	-	316	316	337	(21)	-6%	-
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	252 954	-	60 083	60 083	21 080	39 003	185%	-
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		-	105 750	-	9 668	9 668	8 813	856	10%	-
Executive and council		-	31 785	-	638	638	2 649	(2 011)	-76%	-
Finance and administration		-	73 965	-	9 031	9 031	6 164	2 867	47%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		-	18 256	-	-	-	1 521	(1 521)	-100%	-
Community and social services		-	12 717	-	-	-	1 060	(1 060)	-100%	-
Sport and recreation		-	5 539	-	-	-	462	(462)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		-	18 470	-	336	336	1 539	(1 204)	-78%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 470	-	336	336	1 539	(1 204)	-78%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		-	102 443	-	4 082	4 082	8 537	(4 455)	-52%	-
Energy sources		-	57 062	-	-	-	4 755	(4 755)	-100%	-
Water management		-	22 978	-	3 620	3 620	1 915	1 705	89%	-
Waste water management		-	12 663	-	462	462	1 055	(593)	-56%	-
Waste management		-	9 740	-	-	-	812	(812)	-100%	-
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	244 919	-	14 086	14 086	20 410	(6 324)	-31%	-
<b>Surplus/ (Deficit) for the year</b>		-	8 035	-	45 997	45 997	670	45 327	6769%	-

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

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

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - Executive and Council	1	-	7 890	-	-	-	658	(658)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	99 302	-	54 485	54 485	8 275	46 210	558.4%	-
Vote 3 - Community and Social Services		-	1 280	-	54	54	107	(53)	-49.5%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	50	-	-	-	4	(4)	-100.0%	-
Vote 6 - Waste Management		-	4 048	-	316	316	337	(21)	-6.3%	-
Vote 7 - Waste Water Management		-	7 011	-	563	563	584	(21)	-3.6%	-
Vote 8 - Road Transport		-	19 249	-	1	1	1 604	(1 603)	-100.0%	-
Vote 9 - Water		-	17 739	-	474	474	1 478	(1 004)	-67.9%	-
Vote 10 - Electricity		-	66 628	-	4 165	4 165	5 552	(1 388)	-25.0%	-
Vote 11 - Corporate Services		-	29 757	-	24	24	2 480	(2 455)	-99.0%	-
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>252 954</b>	-	<b>60 083</b>	<b>60 083</b>	<b>21 080</b>	<b>39 003</b>	<b>185.0%</b>	-
<b>Expenditure by Vote</b>										
Vote 1 - Executive and Council	1	-	45 426	-	638	638	3 786	(3 148)	-83.1%	-
Vote 2 - Budget and Treasury Office		-	49 690	-	8 463	8 463	4 141	4 322	104.4%	-
Vote 3 - Community and Social Services		-	10 284	-	-	-	857	(857)	-100.0%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	67	-	-	-	6	(6)	-100.0%	-
Vote 6 - Waste Management		-	9 740	-	-	-	812	(812)	-100.0%	-
Vote 7 - Waste Water Management		-	12 663	-	462	462	1 055	(593)	-56.2%	-
Vote 8 - Road Transport		-	18 470	-	336	336	1 539	(1 204)	-78.2%	-
Vote 9 - Water		-	22 978	-	3 620	3 620	1 915	1 705	89.1%	-
Vote 10 - Electricity		-	57 062	-	-	-	4 755	(4 755)	-100.0%	-
Vote 11 - Corporate Services		-	18 539	-	567	567	1 545	(977)	-63.3%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>244 919</b>	-	<b>14 086</b>	<b>14 086</b>	<b>20 410</b>	<b>(6 324)</b>	<b>-31.0%</b>	-
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>8 035</b>	-	<b>45 997</b>	<b>45 997</b>	<b>670</b>	<b>45 327</b>	<b>6769.4%</b>	-

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

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

Description	Ref	2019/20	Budget Year 2020/21								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>											
<b>Revenue By Source</b>											
Property rates			29 557		2 740	2 740	2 463	277	11%		
Service charges - electricity revenue			62 262		4 164	4 164	5 189	(1 024)	-20%		
Service charges - water revenue			5 760		474	474	480	(6)	-1%		
Service charges - sanitation revenue			7 011		563	563	584	(21)	-4%		
Service charges - refuse revenue			4 048		316	316	337	(21)	-6%		
Rental of facilities and equipment			1 140		4	4	95	(91)	-96%		
Interest earned - external investments			1 300		11	11	108	(98)	-90%		
Interest earned - outstanding debtors			300		481	481	25	456	1822%		
Dividends received			180				15	(15)	-100%		
Fines, penalties and forfeits			666		2	2	56	(53)	-96%		
Licences and permits			80		13	13	7	6	97%		
Agency services			-				-	-			
Transfers and subsidies			100 292		40 517	40 517	40 517	-			
Other revenue			2 390		151	151	199	(48)	-24%		
Gains on disposal of PPE							-	-			
<b>Total Revenue (excluding capital transfers and contributions)</b>			<b>-</b>	<b>214 986</b>	<b>-</b>	<b>49 436</b>	<b>49 436</b>	<b>50 075</b>	<b>(639)</b>	<b>-1%</b>	<b>-</b>
<b>Expenditure By Type</b>											
Employee related costs			88 639		6 979	6 979	7 387	(408)	-6%		
Remuneration of councillors			6 226		616	616	519	97	19%		
Debt impairment			13 000				1 083	(1 083)	-100%		
Depreciation & asset impairment			20 000				1 667	(1 667)	-100%		
Finance charges			2 500		137	137	208	(71)	-34%		
Bulk purchases			58 734		2 413	2 413	4 895	(2 481)	-51%		
Other materials			8 816		799	799	735	65	9%		
Contracted services			34 373				2 864	(2 864)	-100%		
Transfers and subsidies							-	-			
Other expenditure			12 630		3 142	3 142	1 053	2 089	199%		
Loss on disposal of PPE							-	-			
<b>Total Expenditure</b>			<b>-</b>	<b>244 918</b>	<b>-</b>	<b>14 086</b>	<b>14 086</b>	<b>20 410</b>	<b>(6 324)</b>	<b>-31%</b>	<b>-</b>
<b>Surplus/(Deficit)</b>			<b>-</b>	<b>(29 932)</b>	<b>-</b>	<b>35 350</b>	<b>35 350</b>	<b>29 665</b>	<b>5 685</b>	<b>0</b>	<b>-</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				37 968		10 647	10 647				
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)											
Transfers and subsidies - capital (in-kind - all)											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			<b>-</b>	<b>8 036</b>	<b>-</b>	<b>45 997</b>	<b>45 997</b>	<b>40 312</b>			<b>-</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>			<b>-</b>	<b>8 036</b>	<b>-</b>	<b>45 997</b>	<b>45 997</b>	<b>40 312</b>			<b>-</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			<b>-</b>	<b>8 036</b>	<b>-</b>	<b>45 997</b>	<b>45 997</b>	<b>40 312</b>			<b>-</b>
Share of surplus/ (deficit) of associate											
<b>Surplus/ (Deficit) for the year</b>			<b>-</b>	<b>8 036</b>	<b>-</b>	<b>45 997</b>	<b>45 997</b>	<b>40 312</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) - M01 July

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		–	130	–	–	–	11	(11)	-100%	–
Vote 2 - Budget and Treasury Office		–	510	–	–	–	43	(43)	-100%	–
Vote 3 - Community and Social Services		–	100	–	–	–	8	(8)	-100%	–
Vote 4 - Public Safety		–	–	–	–	–	–	–	–	–
Vote 5 - Sport and Recreation		–	5 375	–	–	–	448	(448)	-100%	–
Vote 6 - Waste Management		–	50	–	–	–	4	(4)	-100%	–
Vote 7 - Waste Water Management		–	8 400	–	–	–	700	(700)	-100%	–
Vote 8 - Road Transport		–	2 500	–	38	38	208	(170)	-82%	–
Vote 9 - Water		–	16 662	–	1 859	1 859	1 389	470	34%	–
Vote 10 - Electricity		–	7 000	–	–	–	583	(583)	-100%	–
Vote 11 - Corporate Services		–	110	–	–	–	9	(9)	-100%	–
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>40 837</b>	–	<b>1 897</b>	<b>1 897</b>	<b>3 403</b>	<b>(1 506)</b>	<b>-44%</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>40 837</b>	–	<b>1 897</b>	<b>1 897</b>	<b>3 403</b>	<b>(1 506)</b>	<b>-44%</b>	–
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		–	<b>750</b>	–	–	–	<b>63</b>	<b>(63)</b>	<b>-100%</b>	–
Executive and council		–	130	–	–	–	11	(11)	-100%	–
Finance and administration		–	620	–	–	–	52	(52)	-100%	–
Internal audit		–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		–	<b>5 376</b>	–	–	–	<b>448</b>	<b>(448)</b>	<b>-100%</b>	–
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	5 376	–	–	–	448	(448)	-100%	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<b>Economic and environmental services</b>		–	<b>2 600</b>	–	<b>38</b>	<b>38</b>	<b>208</b>	<b>(170)</b>	<b>-82%</b>	–
Planning and development		–	100	–	–	–	–	–	–	–
Road transport		–	2 500	–	38	38	208	(170)	-82%	–
Environmental protection		–	–	–	–	–	–	–	–	–
<b>Trading services</b>		–	<b>32 112</b>	–	<b>1 859</b>	<b>1 859</b>	<b>2 672</b>	<b>(813)</b>	<b>-30%</b>	–
Energy sources		–	7 000	–	–	–	583	(583)	-100%	–
Water management		–	16 662	–	1 859	1 859	1 389	470	34%	–
Waste water management		–	8 400	–	–	–	700	(700)	-100%	–
Waste management		–	50	–	–	–	–	–	–	–
<b>Other</b>		–	–	–	–	–	–	–	–	–
<b>Total Capital Expenditure - Functional Classification</b>	3	–	<b>40 838</b>	–	<b>1 897</b>	<b>1 897</b>	<b>3 391</b>	<b>(1 494)</b>	<b>-44%</b>	–
<b>Funded by:</b>										
National Government		–	33 868	–	1 897	1 897	2 822	(926)	-33%	–
Provincial Government		–	3 000	–	–	–	250	(250)	-100%	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>		–	<b>36 868</b>	–	<b>1 897</b>	<b>1 897</b>	<b>3 072</b>	<b>(1 176)</b>	<b>-38%</b>	–
<b>Borrowing</b>	6	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>		–	<b>3 970</b>	–	–	–	<b>331</b>	<b>(331)</b>	<b>-100%</b>	–
<b>Total Capital Funding</b>		–	<b>40 838</b>	–	<b>1 897</b>	<b>1 897</b>	<b>3 403</b>	<b>(1 506)</b>	<b>-44%</b>	–

2.1.6. In Year Budget Table – C6 – Financial Position

**FS183 Tswelopele - Table C6 Monthly Budget Statement - Financial Position - M01 July**

Description	Ref	2019/20	Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
<b>R thousands</b>	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			20 897		2 804	20 897	
Call investment deposits			1 505		22 184	1 505	
Consumer debtors			105 691		49 874	105 691	
Other debtors			5 331			5 331	
Current portion of long-term receivables							
Inventory			753			753	
<b>Total current assets</b>			-	134 177	-	74 863	134 177
<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			591 327		525 276	591 327	
Biological			1 373		1 310	1 373	
Intangible							
Other non-current assets							
<b>Total non current assets</b>			-	702 739	-	723 165	702 739
<b>TOTAL ASSETS</b>			-	836 916	-	798 028	836 916
<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			123 560			123 560	
Provisions			822			822	
<b>Total current liabilities</b>			-	128 531	-	61 249	128 531
<b>Non current liabilities</b>							
Borrowing			13 378		7 625	13 378	
Provisions			41 077		39 195	41 077	
<b>Total non current liabilities</b>			-	54 455	-	46 821	54 455
<b>TOTAL LIABILITIES</b>			-	182 986	-	108 070	182 986
<b>NET ASSETS</b>	2		-	653 930	-	689 958	653 930
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			653 930		689 958	653 930	
Reserves							
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	653 930	-	689 958	653 930

2.1.7. In Year Budget Table – C7 Cash Flow

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

Description	Ref	2019/20	Budget Year 2020/21								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			28 079		1 496	1 496	2 340	(844)	-36%		
Service charges			75 126		4 878	4 878	6 261	(1 382)	-22%		
Other revenue			3 146		170	170	262	(92)	-35%		
Government - operating			100 292		40 517	40 517	40 517	-			
Government - capital			37 968		10 647	10 647	10 647	-			
Interest			1 200		11	11	100	(89)	-89%		
Dividends			100				8	(8)	-100%		
<b>Payments</b>											
Suppliers and employees			(205 762)		(13 949)	(13 949)	(17 147)	(3 198)	19%		
Finance charges			(2 500)				(208)	(208)	100%		
Transfers and Grants								-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	37 649	-	43 770	43 770	42 780	(990)	-2%	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE			500				42	(42)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
<b>Payments</b>											
Capital assets			(40 838)		(1 897)	(1 897)	(3 403)	(1 506)	44%		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(40 338)	-	(1 897)	(1 897)	(3 362)	(1 465)	44%	-
<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>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	(2 689)	-	41 873	41 873	39 418		-	
Cash/cash equivalents at beginning:			1 296				1 296			-	
Cash/cash equivalents at month/year end:			(1 393)			41 873	40 714			-	

### 3. Explanatory note on in year budget tables

#### Explanatory Notes to Table C1

Table C1 gives a summary of the overall performance of Tswelopele Local Municipality for the Month of July 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 July 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.
2. A payment of R 1.8 million was made towards the sewer reticulation (toilets structures) in Phahameng Ext 9.

### **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. The total amount shown for suppliers and employees consist of amounts for the July 2023 salaries of R 7.6 million.
3. The line item for other expenditure and contracted services amongst 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.

4. A payment of R 2.4 million was made towards the debt with the water board (Sandvet).

## PART 2

### 1. Supporting Documentation

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

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

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

#### 1.1. Supporting Table SC1 – Material Variances Explanations

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue By Source</b> Interest earned - outstanding debtors	456	The municipality's has a high number of outstanding debtors	
2	<b>Expenditure By Type</b> Debt impairment Depreciation & asset impairment	(1 083) (1 667)	Write-offs performed at year end Depreciation gets to be calculated only at the end of the financial year	

#### 1.2. Supporting Table SC2 – Performance Indicators

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

Description of financial indicator	Basis of calculation	Ref	2019/20	Budget Year 2020/21			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Borrowing Management</b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	9.2%	0.0%	1.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	21.3%	0.0%	1.2%	21.3%
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%	104.4%	0.0%	122.2%	104.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	17.4%	0.0%	40.8%	17.4%
<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%	284.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%

### 1.3. Supporting Table SC3 – Debtors age analysis

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

Description	NT Code	Budget Year 2020/21									Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			Total over 90 days
<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	15 551	44 960	64 230	61 741		
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	22 853	31 912	29 501		
<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>27 782</b>	<b>114 499</b>	<b>165 947</b>	<b>152 716</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	17 630	45 768	70 820	66 038		
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	16 364	23 638	21 855		
<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>27 782</b>	<b>114 499</b>	<b>165 947</b>	<b>152 716</b>	<b>-</b>	<b>-</b>

Presented above is municipal debtors aging at the end of July 2023. The total outstanding debt on the 31<sup>st</sup> of July 2023 is R 165 million.



## 1.4. Supporting Table SC4 – Aged Creditors

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

Description	NT Code	Budget Year 2020/21								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	-	-	-	115 673	-	-	-	-	115 673
Bulk Water	0200	-	-	-	17 364	-	-	-	-	17 364
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	6 590	6 590
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	2 806	-	-	-	-	-	-	2 806
<b>Total By Customer Type</b>	<b>1000</b>	<b>-</b>	<b>2 806</b>	<b>-</b>	<b>133 037</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6 590</b>	<b>142 433</b>

At the end of July 2023, the Municipality has outstanding debt of R 142 million owed to creditors.

## 1.5. Supporting Table SC6 – Grants Received

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

Description	Ref	2019/20		Budget Year 2020/21						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	100 292	-	40 517	40 517	35 575	4 942	13.9%	-
Local Government Equitable Share			97 242		40 517	40 517	35 575	4 942	13.9%	
Finance Management			2 100		-	-				
EPWP Incentive			950		-	-				
	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	-	100 292	-	40 517	40 517	35 575	4 942	13.9%	-
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	34 868	-	10 647	10 647	10 279	368	3.6%	-
Municipal Infrastructure Grant (MIG)			18 889		5 616	5 616	4 755	861	18.1%	
Energy Efficiency and Demand-side Management Grant			4 000							
Water Service Grant			11 979		5 031	5 031	5 524	(493)	-8.9%	
<b>Provincial Government:</b>		-	3 000	-	-	-	-	-	-	-
[insert description]			3 000							
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total Capital Transfers and Grants</b>	5	-	37 868	-	10 647	10 647	10 279	368	3.6%	-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	138 160	-	51 164	51 164	45 854	5 310	11.6%	-

## 1.6. Supporting Table SC7 – Grants Expenditure

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

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	100 292	-	284	284	8 358	(8 074)	-96.6%	-
Local Government Equitable Share			97 242				8 104	(8 104)	-100.0%	
Finance Management			2 100		58	58	175	(117)	-66.6%	
EPWP Incentive			950		225	225	79	146	184.4%	
Other transfers and grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Lejweleputswa										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
<b>Total operating expenditure of Transfers and Grants:</b>		<b>-</b>	<b>100 292</b>	<b>-</b>	<b>284</b>	<b>284</b>	<b>8 358</b>	<b>(8 074)</b>	<b>-96.6%</b>	<b>-</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	34 868	-	1 897	1 897	2 906	(1 009)	-34.7%	-
Municipal Infrastructure Grant (MIG)			18 889		38	38	1 574	(1 536)	-97.6%	
Energy Efficiency and Demand-side Management Grant			4 000				333	(333)	-100.0%	
Water Service Grant			11 979		1 859	1 859	998	861	86.2%	
Provincial Government:		-	3 000	-	-	-	250	(250)	-100.0%	-
			3 000				250	(250)	-100.0%	
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>-</b>	<b>37 868</b>	<b>-</b>	<b>1 897</b>	<b>1 897</b>	<b>3 156</b>	<b>(1 259)</b>	<b>-39.9%</b>	<b>-</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>-</b>	<b>138 160</b>	<b>-</b>	<b>2 180</b>	<b>2 180</b>	<b>11 513</b>	<b>(9 333)</b>	<b>-81.1%</b>	<b>-</b>