

TSWELOPELE LOCAL MUNICIPALITY

FS 183

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

051 853 1111

www.tswelopele.gov.za



IN YEAR REPORT (Schedule C)
August 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 August 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 - M02 August

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									
<u>Financial Performance</u>									
Property rates	-	29 557	-	3 590	6 330	4 926	1 404	28%	-
Service charges	-	79 081	-	5 638	11 155	13 180	(2 025)	-15%	-
Investment revenue	-	1 300	-	20	30	217	(186)	-86%	-
Transfers and subsidies	-	100 292	-	2 337	42 854	42 854	-	-	-
Other own revenue	-	4 756	-	827	1 475	793	682	86%	-
Total Revenue (excluding capital transfers and contributions)	-	214 986	-	12 411	61 844	61 970	(126)	-0%	-
Employee costs	-	88 639	-	7 620	14 598	14 773	(175)	-1%	-
Remuneration of Councillors	-	6 226	-	552	1 167	1 038	130	13%	-
Depreciation & asset impairment	-	20 000	-	-	-	3 333	(3 333)	-100%	-
Finance charges	-	2 500	-	345	483	417	66	16%	-
Materials and bulk purchases	-	67 550	-	1 283	4 496	11 258	(6 762)	-60%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	60 003	-	5 515	8 657	10 001	(1 344)	-13%	-
Total Expenditure	-	244 918	-	15 315	29 401	40 820	(11 418)	-28%	-
Surplus/(Deficit)	-	(29 932)	-	(2 904)	32 443	21 150	11 293	53%	-
Transfers and subsidies - capital (monetary allocations)	-	37 968	-	2 000	12 647	12 647	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	8 036	-	(904)	45 090	33 797	11 293	33%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	8 036	-	(904)	45 090	33 797	11 293	33%	-
<u>Capital expenditure & funds sources</u>									
Capital expenditure	-	40 837	-	8 436	10 333	6 806	3 526	52%	-
Capital transfers recognised	-	36 868	-	8 436	10 333	6 145	4 188	68%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 970	-	-	-	662	(662)	-100%	-
Total sources of capital funds	-	40 838	-	8 436	10 333	6 806	3 526	52%	-
<u>Financial position</u>									
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	-	653 930	-	-	689 958	-	-	-	653 930
<u>Cash flows</u>									
Net cash from (used) operating	-	37 649	-	(2 032)	41 738	38 733	(3 006)	-8%	-
Net cash from (used) investing	-	(40 338)	-	(8 695)	(8 695)	(6 723)	1 972	-29%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	(1 393)	-	-	33 044	33 305	262	1%	-
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
<u>Debtors Age Analysis</u>									
Total By Income Source	7 188	26 188	3 689	3 056	3 098	9 241	2 713	133 551	188 725
<u>Creditors Age Analysis</u>									
Total Creditors	729	3 860	-	137 996	-	-	-	6 247	148 831

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

FS183 Tswelopele - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	136 699	-	8 702	63 212	22 783	40 429	177%	-
Executive and council		-	27 647	-	-	-	4 608	(4 608)	-100%	-
Finance and administration		-	109 052	-	8 702	63 212	18 175	45 037	248%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 580	-	63	117	263	(146)	-56%	-
Community and social services		-	430	-	63	117	72	45	63%	-
Sport and recreation		-	1 150	-	-	-	192	(192)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19 249	-	1	1	3 208	(3 207)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	19 249	-	1	1	3 208	(3 207)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	95 426	-	5 643	11 161	15 904	(4 743)	-30%	-
Energy sources		-	66 628	-	4 320	8 485	11 105	(2 620)	-24%	-
Water management		-	17 739	-	491	965	2 957	(1 991)	-67%	-
Waste water management		-	7 011	-	496	1 059	1 169	(109)	-9%	-
Waste management		-	4 048	-	336	652	675	(23)	-3%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	252 954	-	14 409	74 491	42 159	32 332	77%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	105 750	-	12 101	21 769	17 625	4 144	24%	-
Executive and council		-	31 785	-	878	1 516	5 298	(3 781)	-71%	-
Finance and administration		-	73 965	-	11 223	20 253	12 328	7 926	64%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	18 256	-	-	-	3 043	(3 043)	-100%	-
Community and social services		-	12 717	-	-	-	2 120	(2 120)	-100%	-
Sport and recreation		-	5 539	-	-	-	923	(923)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 470	-	137	473	3 078	(2 606)	-85%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 470	-	137	473	3 078	(2 606)	-85%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	102 443	-	3 078	7 160	17 074	(9 914)	-58%	-
Energy sources		-	57 062	-	587	587	9 510	(8 923)	-94%	-
Water management		-	22 978	-	2 172	5 792	3 830	1 962	51%	-
Waste water management		-	12 663	-	319	780	2 111	(1 330)	-63%	-
Waste management		-	9 740	-	-	-	1 623	(1 623)	-100%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	244 919	-	15 315	29 401	40 820	(11 418)	-28%	-
Surplus/ (Deficit) for the year		-	8 035	-	(906)	45 090	1 339	43 751	3267%	-

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) - M02 August

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										
Vote 1 - Executive and Council	1	-	7 890	-	-	-	1 315	(1 315)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	99 302	-	8 702	63 188	16 550	46 637	281.8%	-
Vote 3 - Community and Social Services		-	1 280	-	63	117	213	(96)	-45.1%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	50	-	-	-	8	(8)	-100.0%	-
Vote 6 - Waste Management		-	4 048	-	336	652	675	(23)	-3.4%	-
Vote 7 - Waste Water Management		-	7 011	-	496	1 059	1 169	(109)	-9.3%	-
Vote 8 - Road Transport		-	19 249	-	-	1	3 208	(3 207)	-100.0%	-
Vote 9 - Water		-	17 739	-	491	965	2 957	(1 991)	-67.3%	-
Vote 10 - Electricity		-	66 628	-	4 320	8 485	11 105	(2 620)	-23.6%	-
Vote 11 - Corporate Services		-	29 757	-	-	24	4 960	(4 935)	-99.5%	-
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	-	252 954	-	14 409	74 491	42 159	32 332	76.7%	-
Expenditure by Vote										
Vote 1 - Executive and Council	1	-	45 426	-	878	1 516	7 571	(6 055)	-80.0%	-
Vote 2 - Budget and Treasury Office		-	49 690	-	10 651	19 114	8 282	10 832	130.8%	-
Vote 3 - Community and Social Services		-	10 284	-	-	-	1 714	(1 714)	-100.0%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	67	-	-	-	11	(11)	-100.0%	-
Vote 6 - Waste Management		-	9 740	-	-	-	1 623	(1 623)	-100.0%	-
Vote 7 - Waste Water Management		-	12 663	-	319	780	2 111	(1 330)	-63.0%	-
Vote 8 - Road Transport		-	18 470	-	137	473	3 078	(2 606)	-84.6%	-
Vote 9 - Water		-	22 978	-	2 172	5 792	3 830	1 962	51.2%	-
Vote 10 - Electricity		-	57 062	-	587	587	9 510	(8 923)	-93.8%	-
Vote 11 - Corporate Services		-	18 539	-	572	1 139	3 090	(1 951)	-63.1%	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	244 919	-	15 315	29 401	40 820	(11 418)	-28.0%	-
Surplus/ (Deficit) for the year	2	-	8 035	-	(907)	45 090	1 339	43 751	3267.0%	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

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			29 557		3 590	6 330	4 926	1 404	28%		
Service charges - electricity revenue			62 262		4 315	8 479	10 377	(1 898)	-18%		
Service charges - water revenue			5 760		491	965	960	5	0%		
Service charges - sanitation revenue			7 011		496	1 059	1 169	(109)	-9%		
Service charges - refuse revenue			4 048		336	652	675	(23)	-3%		
Rental of facilities and equipment			1 140		6	9	190	(181)	-95%		
Interest earned - external investments			1 300		20	30	217	(186)	-86%		
Interest earned - outstanding debtors			300		609	1 090	50	1 040	2079%		
Dividends received			180		88	88	30	58	194%		
Fines, penalties and forfeits			666		2	2	111	(109)	-98%		
Licences and permits			80		12	25	13	12	89%		
Agency services			-					-			
Transfers and subsidies			100 292		2 337	42 854	42 854	-			
Other revenue			2 390		110	260	398	(138)	-35%		
Gains on disposal of PPE								-			
Total Revenue (excluding capital transfers and contributions)			-	214 986	-	12 411	61 844	61 970	(126)	0%	-
Expenditure By Type											
Employee related costs			88 639		7 620	14 598	14 773	(175)	-1%		
Remuneration of councillors			6 226		552	1 167	1 038	130	13%		
Debt impairment			13 000				2 167	(2 167)	-100%		
Depreciation & asset impairment			20 000				3 333	(3 333)	-100%		
Finance charges			2 500		345	483	417	66	16%		
Bulk purchases			58 734		503	2 917	9 789	(6 872)	-70%		
Other materials			8 816		780	1 579	1 469	110	7%		
Contracted services			34 373				5 729	(5 729)	-100%		
Transfers and subsidies							-	-			
Other expenditure			12 630		5 515	8 657	2 105	6 552	311%		
Loss on disposal of PPE								-			
Total Expenditure			-	244 918	-	15 315	29 401	40 820	(11 418)	-28%	-
Surplus/(Deficit)			-	(29 932)	-	(2 904)	32 443	21 150	11 293	0	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)				37 968		2 000	12 647	12 647	-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)									-		
Transfers and subsidies - capital (in-kind - all)									-		
Surplus/(Deficit) after capital transfers & contributions			-	8 036	-	(904)	45 090	33 797			-
Taxation									-		
Surplus/(Deficit) after taxation			-	8 036	-	(904)	45 090	33 797			-
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	8 036	-	(904)	45 090	33 797			-
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	8 036	-	(904)	45 090	33 797			-

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) - M02
August

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		-	130	-	-	-	22	(22)	-100%	-
Vote 2 - Budget and Treasury Office		-	510	-	-	-	85	(85)	-100%	-
Vote 3 - Community and Social Services		-	100	-	-	-	17	(17)	-100%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	5 375	-	-	-	896	(896)	-100%	-
Vote 6 - Waste Management		-	50	-	-	-	8	(8)	-100%	-
Vote 7 - Waste Water Management		-	8 400	-	-	-	1 400	(1 400)	-100%	-
Vote 8 - Road Transport		-	2 500	-	1 602	1 640	417	1 223	294%	-
Vote 9 - Water		-	16 662	-	4 410	6 269	2 777	3 492	126%	-
Vote 10 - Electricity		-	7 000	-	2 424	2 424	1 167	1 257	108%	-
Vote 11 - Corporate Services		-	110	-	-	-	18	(18)	-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]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	40 837	-	8 436	10 333	6 806	3 526	52%	-
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		-	40 837	-	8 436	10 333	6 806	3 526	52%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	750	-	-	-	125	(125)	-100%	-
Executive and council		-	130	-	-	-	22	(22)	-100%	-
Finance and administration		-	620	-	-	-	103	(103)	-100%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	5 376	-	-	-	896	(896)	-100%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	5 376	-	-	-	896	(896)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	2 600	-	1 602	1 640	433	1 207	278%	-
Planning and development		-	100	-	-	-	17	(17)	-100%	-
Road transport		-	2 500	-	1 602	1 640	417	1 223	294%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	32 112	-	6 834	8 692	5 352	3 340	62%	-
Energy sources		-	7 000	-	2 424	2 424	1 167	1 257	108%	-
Water management		-	16 662	-	4 410	6 269	2 777	3 492	126%	-
Waste water management		-	8 400	-	-	-	1 400	(1 400)	-100%	-
Waste management		-	50	-	-	-	8	(8)	-100%	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	40 838	-	8 436	10 333	6 806	3 526	52%	-
Funded by:										
National Government		-	33 868	-	6 798	8 695	5 645	3 050	54%	-
Provincial Government		-	3 000	-	1 638	1 638	500	1 138	228%	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	36 868	-	8 436	10 333	6 145	4 188	68%	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	3 970	-	-	-	662	(662)	-100%	-
Total Capital Funding		-	40 838	-	8 436	10 333	6 806	3 526	52%	-

2.1.6. In Year Budget Table – C6 – Financial Position

FS183 Tswelopele - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2019/20	Budget Year 2020/21				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
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	
Total current assets			-	134 177	-	74 863	134 177
Non current assets							
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							
Total non current assets			-	702 739	-	723 165	702 739
TOTAL ASSETS			-	836 916	-	798 028	836 916
LIABILITIES							
Current liabilities							
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	
Total current liabilities			-	128 531	-	61 249	128 531
Non current liabilities							
Borrowing			13 378		7 625	13 378	
Provisions			41 077		39 195	41 077	
Total non current liabilities			-	54 455	-	46 821	54 455
TOTAL LIABILITIES			-	182 986	-	108 070	182 986
NET ASSETS	2		-	653 930	-	689 958	653 930
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			653 930		689 958	653 930	
Reserves							
TOTAL COMMUNITY WEALTH/EQUITY	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 - M02 August

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			28 079		4 094	5 590	4 680	910	19%		
Service charges			75 126		4 272	9 150	12 521	(3 371)	-27%		
Other revenue			3 146		127	297	524	(227)	-43%		
Government - operating			100 292		2 337	42 854	42 854	-			
Government - capital			37 968		2 000	12 647	12 647	-			
Interest			1 200		20	30	200	(170)	-85%		
Dividends			100		88	88	17	72	430%		
Payments											
Suppliers and employees			(205 762)		(14 970)	(28 919)	(34 294)	(5 375)	16%		
Finance charges			(2 500)				(417)	(417)	100%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	37 649	-	(2 032)	41 738	38 733	(3 006)	-8%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			500				83	(83)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(40 838)		(8 695)	(8 695)	(6 806)	1 888	-28%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(40 338)	-	(8 695)	(8 695)	(6 723)	1 972	-29%	-
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			-	(2 689)	-	(10 726)	33 044	32 010		-	
Cash/cash equivalents at beginning:			1 296				1 296			-	
Cash/cash equivalents at month/year end:			(1 393)				33 044	33 305		-	

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 August 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 August 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. The total amount shown for suppliers and employees consist of amounts for the August 2023 salaries of R 8 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 530 000 was made towards the debt with the water board (Sandvet).
5. A debt relief application in line to circular 124 in an attempt to address the long outstanding debt to Eskom was submitted to the national treasury.

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 - M02 August

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Interest earned - outstanding debtors	1 040	The municipality's has a high number of outstanding debtors	
2	Expenditure By Type			
	Debt impairment	(2 167)	Write-offs performed at year end	
	Depreciation & asset impairment	(3 333)	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 - M02 August

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%	9.2%	0.0%	1.6%	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%	21.3%	0.0%	1.2%	21.3%
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%	104.4%	0.0%	122.2%	104.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	17.4%	0.0%	40.8%	17.4%
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%	227.0%	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 - M02 August

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	499	412	340	292	252	239	257	13 200	15 491	14 241		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 137	1 534	1 134	762	603	661	606	8 228	16 665	10 860		
Receivables from Non-exchange Transactions - Property Rates	1400	1 468	22 269	538	394	711	6 898	304	53 052	85 634	61 360		
Receivables from Exchange Transactions - Waste Water Management	1500	489	408	468	446	435	429	410	19 725	22 811	21 445		
Receivables from Exchange Transactions - Waste Management	1600	355	303	254	246	242	241	243	13 336	15 221	14 309		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	1 240	1 262	956	914	854	773	893	26 010	32 903	29 444		
Total By Income Source	2000	7 188	26 188	3 689	3 056	3 098	9 241	2 713	133 551	188 725	151 659	-	-
2019/20 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 046	3 237	736	531	737	556	414	2 361	9 617	4 598		
Commercial	2300	3 712	21 038	1 720	1 350	1 213	7 323	1 137	71 518	109 011	82 541		
Households	2400	2 384	1 420	1 207	1 151	1 119	1 319	1 065	55 191	64 857	59 846		
Other	2500	46	493	27	24	29	43	98	4 480	5 241	4 674		
Total By Customer Group	2600	7 188	26 188	3 689	3 056	3 098	9 241	2 713	133 551	188 725	151 659	-	-

Presented above is municipal debtors aging at the end of August 2023. The total outstanding debt on the 31st of August 2023 is R 188 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

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	-	-	-	122 201	-	-	-	-	122 201
Bulk Water	0200	-	-	-	15 795	-	-	-	-	15 795
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	6 247	6 247
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	729	-	-	-	-	-	-	-	729
Other	0900	-	3 860	-	-	-	-	-	-	3 860
Total By Customer Type	1000	729	3 860	-	137 996	-	-	-	6 247	148 831

At the end of August 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 - M02 August

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:		-	100 292	-	2 337	42 854	37 912	4 942	13.0%	-
Local Government Equitable Share			97 242			40 517	35 575	4 942	13.9%	
Finance Management			2 100		2 100	2 100	2 100			
EPWP Incentive			950		237	237	237			
	3							-		
Other transfers and grants [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
	4							-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
Lejweleputswa								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Operating Transfers and Grants	5	-	100 292	-	2 337	42 854	37 912	4 942	13.0%	-
Capital Transfers and Grants										
National Government:		-	34 868	-	2 000	12 647	12 279	368	3.0%	-
Municipal Infrastructure Grant (MIG)			18 889			5 616	4 755	861	18.1%	
								-		
Energy Efficiency and Demand-side Management Grant			4 000		2 000	2 000	2 000	-		
Water Service Grant			11 979			5 031	5 524	(493)	-8.9%	
Provincial Government:		-	3 000	-	-	-	-	-		-
[insert description]			3 000					-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total Capital Transfers and Grants	5	-	37 868	-	2 000	12 647	12 279	368	3.0%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	138 160	-	4 337	55 501	50 191	5 310	10.6%	-

1.6. Supporting Table SC7 – Grants Expenditure

FS183 Tswelopele - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

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:		-	100 292	-	1 363	1 695	16 715	(15 021)	-89.9%	-
Local Government Equitable Share			97 242				16 207	(16 207)	-100.0%	
Finance Management			2 100		1 138	1 233	350	883	252.2%	
EPWP Incentive			950		225	462	158	304	191.9%	
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:		-	100 292	-	1 363	1 695	16 715	(15 021)	-89.9%	-
Capital expenditure of Transfers and Grants										
National Government:		-	34 868	-	6 798	8 695	5 811	2 883	49.6%	-
Municipal Infrastructure Grant (MIG)			18 889		1 602	1 640	3 148	(1 508)	-47.9%	
Energy Efficiency and Demand-side Management Grant			4 000		786	786	667	119	17.8%	
Water Service Grant			11 979		4 410	6 269	1 997	4 272	214.0%	
Provincial Government:		-	3 000	-	1 638	1 638	500	1 138	227.6%	-
Other transfers and grants [insert description]			3 000		1 638	1 638	500	1 138	227.6%	
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	37 868	-	8 436	10 333	6 311	4 021	63.7%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	138 160	-	9 799	12 027	23 027	(10 999)	-47.8%	-