

TSWELOPELE LOCAL MUNICIPALITY

FS 183

CIVIC CENTRE, BOSMAN STREET

BULTFONTEIN, 9670

051 853 1111

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IN YEAR REPORT (Schedule C)
September 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 September 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 - M03 September

Description	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	29 557	-	4 035	10 365	7 389	2 976	40%	-
Service charges	-	79 081	-	5 470	16 626	19 770	(3 145)	-16%	-
Investment revenue	-	1 300	-	-	41	325	(284)	-87%	-
Transfers and subsidies	-	100 292	-	-	42 854	42 854	-	-	-
Other own revenue	-	4 756	-	665	2 140	1 189	951	80%	-
Total Revenue (excluding capital transfers and contributions)	-	214 986	-	10 171	72 026	71 528	498	1%	-
Employee costs	-	88 639	-	7 377	21 975	22 160	(184)	-1%	-
Remuneration of Councillors	-	6 226	-	869	2 037	1 557	480	31%	-
Depreciation & asset impairment	-	20 000	-	-	-	5 000	(5 000)	-100%	-
Finance charges	-	2 500	-	-	483	625	(142)	-23%	-
Materials and bulk purchases	-	67 550	-	1 251	5 747	16 888	(11 141)	-66%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	60 003	-	6 407	15 063	15 001	63	0%	-
Total Expenditure	-	244 918	-	15 903	45 305	61 230	(15 925)	-26%	-
Surplus/(Deficit)	-	(29 932)	-	(5 733)	26 721	10 298	16 423	159%	-
Transfers and subsidies - capital (monetary allocations)	-	37 968	-	-	12 647	12 647	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	8 036	-	(5 733)	39 368	22 945	16 423	72%	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	8 036	-	(5 733)	39 368	22 945	16 423	72%	-
Capital expenditure & funds sources									
Capital expenditure	-	40 837	-	6 689	17 022	10 209	6 813	67%	-
Capital transfers recognised	-	36 868	-	6 689	17 022	9 217	7 805	85%	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	3 970	-	-	-	993	(993)	-100%	-
Total sources of capital funds	-	40 838	-	6 689	17 022	10 210	6 812	67%	-
Financial position									
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
Cash flows									
Net cash from (used) operating	-	37 649	-	(9 836)	31 902	30 348	(1 554)	-5%	-
Net cash from (used) investing	-	(40 338)	-	(6 689)	(17 022)	(10 085)	6 937	-69%	-
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	-	(1 393)	-	-	14 880	21 560	6 679	31%	-
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	6 285	4 373	24 066	3 313	2 794	2 948	9 135	134 672	187 585
Creditors Age Analysis									
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) - M03 September

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	136 699	-	4 635	67 847	34 175	33 672	99%	-
Executive and council		-	27 647	-	-	-	6 912	(6 912)	-100%	-
Finance and administration		-	109 052	-	4 635	67 847	27 263	40 584	149%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	1 580	-	42	159	395	(236)	-60%	-
Community and social services		-	430	-	42	159	108	51	48%	-
Sport and recreation		-	1 150	-	-	-	288	(288)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	19 249	-	1	1	4 812	(4 812)	-100%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	19 249	-	1	1	4 812	(4 812)	-100%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	95 426	-	5 494	16 655	23 857	(7 201)	-30%	-
Energy sources		-	66 628	-	4 023	12 508	16 657	(4 149)	-25%	-
Water management		-	17 739	-	605	1 571	4 435	(2 864)	-65%	-
Waste water management		-	7 011	-	529	1 589	1 753	(164)	-9%	-
Waste management		-	4 048	-	336	988	1 012	(24)	-2%	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	252 954	-	10 171	84 662	63 239	21 423	34%	-
Expenditure - Functional										
<i>Governance and administration</i>		-	105 750	-	11 786	33 555	26 438	7 118	27%	-
Executive and council		-	31 785	-	2 215	3 731	7 946	(4 216)	-53%	-
Finance and administration		-	73 965	-	9 572	29 825	18 491	11 333	61%	-
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	18 256	-	55	55	4 564	(4 509)	-99%	-
Community and social services		-	12 717	-	55	55	3 179	(3 124)	-98%	-
Sport and recreation		-	5 539	-	-	-	1 385	(1 385)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	18 470	-	1 654	2 127	4 618	(2 491)	-54%	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	18 470	-	1 654	2 127	4 618	(2 491)	-54%	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	102 443	-	2 408	9 567	25 611	(16 043)	-63%	-
Energy sources		-	57 062	-	302	890	14 266	(13 376)	-94%	-
Water management		-	22 978	-	1 858	7 650	5 745	1 905	33%	-
Waste water management		-	12 663	-	157	937	3 166	(2 228)	-70%	-
Waste management		-	9 740	-	90	90	2 435	(2 345)	-96%	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	244 919	-	15 903	45 305	61 230	(15 925)	-26%	-
Surplus/ (Deficit) for the year		-	8 035	-	(5 732)	39 357	2 009	37 348	1859%	-

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) - M03 September

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		-	7 890	-	-	-	1 973	(1 973)	-100.0%	-
Vote 2 - Budget and Treasury Office		-	99 302	-	4 635	67 823	24 826	42 997	173.2%	-
Vote 3 - Community and Social Services		-	1 280	-	42	159	320	(161)	-50.3%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	50	-	-	-	13	(13)	-100.0%	-
Vote 6 - Waste Management		-	4 048	-	336	988	1 012	(24)	-2.4%	-
Vote 7 - Waste Water Management		-	7 011	-	529	1 589	1 753	(164)	-9.4%	-
Vote 8 - Road Transport		-	19 249	-	-	1	4 812	(4 812)	-100.0%	-
Vote 9 - Water		-	17 739	-	605	1 571	4 435	(2 864)	-64.6%	-
Vote 10 - Electricity		-	66 628	-	4 023	12 508	16 657	(4 149)	-24.9%	-
Vote 11 - Corporate Services		-	29 757	-	-	24	7 439	(7 415)	-99.7%	-
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	-	10 171	84 662	63 239	21 423	33.9%	-
Expenditure by Vote	1									
Vote 1 - Executive and Council		-	45 426	-	2 215	3 731	11 357	(7 626)	-67.1%	-
Vote 2 - Budget and Treasury Office		-	49 690	-	8 972	28 086	12 423	15 664	126.1%	-
Vote 3 - Community and Social Services		-	10 284	-	55	55	2 571	(2 516)	-97.8%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	67	-	-	-	17	(17)	-100.0%	-
Vote 6 - Waste Management		-	9 740	-	90	90	2 435	(2 345)	-96.3%	-
Vote 7 - Waste Water Management		-	12 663	-	157	937	3 166	(2 228)	-70.4%	-
Vote 8 - Road Transport		-	18 470	-	1 654	2 127	4 618	(2 491)	-53.9%	-
Vote 9 - Water		-	22 978	-	1 858	7 650	5 745	1 905	33.2%	-
Vote 10 - Electricity		-	57 062	-	302	890	14 266	(13 376)	-93.8%	-
Vote 11 - Corporate Services		-	18 539	-	599	1 738	4 635	(2 896)	-62.5%	-
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 Expenditure by Vote	2	-	244 919	-	15 903	45 305	61 230	(15 925)	-26.0%	-
Surplus/ (Deficit) for the year	2	-	8 035	-	(5 733)	39 357	2 009	37 348	1859.3%	-

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

FS183 Tswelopele - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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		4 035	10 365	7 389	2 976	40%		
Service charges - electricity revenue			62 262		4 005	12 484	15 566	(3 082)	-20%		
Service charges - water revenue			5 760		600	1 565	1 440	125	9%		
Service charges - sanitation revenue			7 011		529	1 589	1 753	(164)	-9%		
Service charges - refuse revenue			4 048		336	988	1 012	(24)	-2%		
Rental of facilities and equipment			1 140		10	19	285	(266)	-93%		
Interest earned - external investments			1 300			41	325	(284)	-87%		
Interest earned - outstanding debtors			300		594	1 684	75	1 609	2145%		
Dividends received			180			88	45	43	96%		
Fines, penalties and forfeits			666			2	167	(164)	-99%		
Licences and permits			80		11	36	20	16	80%		
Agency services			-					-			
Transfers and subsidies			100 292			42 854	42 854	-			
Other revenue			2 390		50	311	598	(287)	-48%		
Gains on disposal of PPE								-			
Total Revenue (excluding capital transfers and contributions)			-	214 986	-	10 171	72 026	71 528	498	1%	-
Expenditure By Type											
Employee related costs			88 639		7 377	21 975	22 160	(184)	-1%		
Remuneration of councillors			6 226		869	2 037	1 557	480	31%		
Debt impairment			13 000				3 250	(3 250)	-100%		
Depreciation & asset impairment			20 000				5 000	(5 000)	-100%		
Finance charges			2 500			483	625	(142)	-23%		
Bulk purchases			58 734			2 917	14 684	(11 767)	-80%		
Other materials			8 816		1 251	2 830	2 204	626	28%		
Contracted services			34 373				8 593	(8 593)	-100%		
Transfers and subsidies							-	-			
Other expenditure			12 630		6 407	15 063	3 158	11 906	377%		
Loss on disposal of PPE								-			
Total Expenditure			-	244 918	-	15 903	45 305	61 230	(15 925)	-26%	-
Surplus/(Deficit)			-	(29 932)	-	(5 733)	26 721	10 298	16 423	0	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			37 968			12 647	12 647	-			
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)								-			
Surplus/(Deficit) after capital transfers & contributions			-	8 036	-	(5 733)	39 368	22 945		-	
Taxation								-			
Surplus/(Deficit) after taxation			-	8 036	-	(5 733)	39 368	22 945		-	
Attributable to minorities											
Surplus/(Deficit) attributable to municipality			-	8 036	-	(5 733)	39 368	22 945		-	
Share of surplus/ (deficit) of associate											
Surplus/ (Deficit) for the year			-	8 036	-	(5 733)	39 368	22 945		-	

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) - M03
September

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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	130	-	-	-	33	(33)	-100%	-
Vote 2 - Budget and Treasury Office		-	510	-	-	-	128	(128)	-100%	-
Vote 3 - Community and Social Services		-	100	-	-	-	25	(25)	-100%	-
Vote 4 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	5 375	-	-	-	1 344	(1 344)	-100%	-
Vote 6 - Waste Management		-	50	-	-	-	13	(13)	-100%	-
Vote 7 - Waste Water Management		-	8 400	-	-	-	2 100	(2 100)	-100%	-
Vote 8 - Road Transport		-	2 500	-	51	1 691	625	1 066	171%	-
Vote 9 - Water		-	16 662	-	6 638	12 907	4 166	8 741	210%	-
Vote 10 - Electricity		-	7 000	-	-	2 424	1 750	674	38%	-
Vote 11 - Corporate Services		-	110	-	-	-	28	(28)	-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	-	6 689	17 022	10 209	6 813	67%	-
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	-	6 689	17 022	10 209	6 813	67%	-
Capital Expenditure - Functional Classification										
Governance and administration		-	750	-	-	-	188	(188)	-100%	-
Executive and council		-	130	-	-	-	33	(33)	-100%	-
Finance and administration		-	620	-	-	-	155	(155)	-100%	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	5 376	-	-	-	1 344	(1 344)	-100%	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	5 376	-	-	-	1 344	(1 344)	-100%	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	2 600	-	51	1 691	650	1 041	160%	-
Planning and development		-	100	-	-	-	25	(25)	-100%	-
Road transport		-	2 500	-	51	1 691	625	1 066	171%	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	32 112	-	6 638	15 330	8 028	7 302	91%	-
Energy sources		-	7 000	-	-	2 424	1 750	674	38%	-
Water management		-	16 662	-	6 638	12 907	4 166	8 741	210%	-
Waste water management		-	8 400	-	-	2 100	(2 100)	-100%	-	
Waste management		-	50	-	-	13	(13)	-100%	-	
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	40 838	-	6 689	17 022	10 210	6 812	67%	-
Funded by:										
National Government		-	33 868	-	6 689	15 384	8 467	6 917	82%	-
Provincial Government		-	3 000	-	-	1 638	750	888	118%	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	36 868	-	6 689	17 022	9 217	7 805	85%	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	3 970	-	-	-	993	(993)	-100%	-
Total Capital Funding		-	40 838	-	6 689	17 022	10 210	6 812	67%	-

2.1.6. In Year Budget Table – C6 – Financial Position

FS183 Tswelopele - Table C6 Monthly Budget Statement - Financial Position - M03 September

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 - M03 September

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		2 511	8 101	7 020	1 081	15%		
Service charges			75 126		3 486	12 636	18 782	(6 146)	-33%		
Other revenue			3 146		61	358	787	(428)	-54%		
Government- operating			100 292			42 854	42 854	-			
Government- capital			37 968			12 647	12 647	-			
Interest			1 200		10	40	300	(260)	-87%		
Dividends			100		-	88	25	63	253%		
Payments											
Suppliers and employees			(205 762)		(15 903)	(44 822)	(51 441)	(6 618)	13%		
Finance charges			(2 500)				(625)	(625)	100%		
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	37 649	-	(9 836)	31 902	30 348	(1 554)	-5%	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			500				125	(125)	-100%		
Decrease (Increase) in non-current debtors								-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(40 838)		(6 689)	(17 022)	(10 210)	6 812	-67%		
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(40 338)	-	(6 689)	(17 022)	(10 085)	6 937	-69%	-
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)	-	(16 525)	14 880	20 264		-	
Cash/cash equivalents at beginning:			1 296				1 296			-	
Cash/cash equivalents at month/year end:			(1 393)			14 880	21 560			-	

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 September 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 September 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 September 2023 salaries of R 8.2 million.
3. The line item for other materials is all costs that were incurred to repair various assets of the municipality.
4. 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.
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 - M03 September

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Interest earned - outstanding debtors	1 015	The municipality's has a high number of outstanding debtors	
2	Expenditure By Type			
	Debt impairment	(3 250)	Write-offs performed at year end	
	Depreciation & asset impairment	(5 000)	Depreciation gets to be calculated only at the end of the financial year	

1.2. Supporting Table SC2 – Performance Indicators

FS183 Tswelopele - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

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%	1.1%	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%	194.9%	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 - M03 September

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	584	384	347	295	251	238	232	13 361	15 692	14 377		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	2 976	1 327	1 223	941	639	539	628	8 249	16 523	10 997		
Receivables from Non-exchange Transactions - Property Rates	1400	1 459	976	20 624	480	366	693	6 855	52 891	84 345	61 285		
Receivables from Exchange Transactions - Waste Water Management	1500	768	420	383	444	427	419	415	20 111	23 387	21 817		
Receivables from Exchange Transactions - Waste Management	1600	346	318	289	244	240	237	238	13 513	15 424	14 471		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	152	947	1 200	909	871	822	766	26 547	32 214	29 915		
Total By Income Source	2000	6 285	4 373	24 066	3 313	2 794	2 948	9 135	134 672	187 585	152 862	-	-
2019/20 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	190	877	3 065	611	395	650	518	2 799	9 105	4 973		
Commercial	2300	3 655	1 860	19 273	1 550	1 272	1 195	7 279	71 276	107 360	82 572		
Households	2400	2 289	1 602	1 235	1 126	1 104	1 074	1 295	56 020	65 745	60 619		
Other	2500	151	34	492	26	24	30	43	4 577	5 376	4 699		
Total By Customer Group	2600	6 285	4 373	24 066	3 313	2 794	2 948	9 135	134 672	187 585	152 862	-	-

Presented above is municipal debtors aging at the end of September 2023. The total outstanding debt on the 30th of September 2023 is R 187 million.

1.4. Supporting Table SC4 – Aged Creditors

FS183 Tswelopele - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

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	1 151	-	-	-	-	-	-	-	1 151
Other	0900	-	3 860	-	-	-	-	-	-	3 860
Total By Customer Type	1000	1 151	3 860	-	137 996	-	-	-	6 247	149 254

At the end of September 2023, the Municipality has outstanding debt of R 149 million owed to creditors.

1.5. Supporting Table SC6 – Grants Received

FS183 Tswelopele - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		-	100 292	-	-	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			
EPWP Incentive			950		-	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	-	-	42 854	37 912	4 942	13.0%	-
Capital Transfers and Grants										
National Government:		-	34 868	-	-	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			
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	-	-	12 647	12 279	368	3.0%	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	138 160	-	-	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 - M03 September

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	-	343	1 745	25 073	(23 328)	-93.0%	-
Local Government Equitable Share			97 242				24 311	(24 311)	-100.0%	
Finance Management			2 100		111	1 051	525	526	100.2%	
EPWP Incentive			950		232	694	238	457	192.3%	
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	-	343	1 745	25 073	(23 328)	-93.0%	-
Capital expenditure of Transfers and Grants										
National Government:		-	34 868	-	6 689	15 384	8 717	6 667	76.5%	-
Municipal Infrastructure Grant (MIG)			18 889		51	1 691	4 722	(3 031)	-64.2%	
Energy Efficiency and Demand-side Management Grant			4 000			786	1 000	(214)	-21.4%	
Water Service Grant			11 979		6 638	12 907	2 995	9 912	331.0%	
Provincial Government:		-	3 000	-	1 638	1 638	750	888	118.4%	-
			3 000		1 638	1 638	750	888	118.4%	
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	37 868	-	8 327	17 022	9 467	7 555	79.8%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	138 160	-	8 670	18 767	34 540	(15 773)	-45.7%	-