MONTHLY BUDGET STATEMENT: 31 OCTOBER 2015

MUNICIPAL FINANCE MANAGEMENT ACT NO.56 of 2003(MFMA): MONTHLY FINANCIAL REPORT FOR OCTOBER 2015 (MONTHLY BUDGET STATEMENT)

1. PURPOSE

To comply with section 71 of the MFMA, by the provision of a statement to the Executive Mayor containing certain financial particulars, as legislated.

2. BACKGOUND

Section 71 of the MFMA requires that:

The accounting officer of a Municipality must by no later than **10 working days** after the end of each month submit to the **Mayor of the municipality**, and the relevant **National and Provincial Treasury**, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month.

3. OCTOBER 2015 REPORT

The financial results for the period ended 31 October 2015 are summarized as follows:

Statement of Financial Performance (SFP)

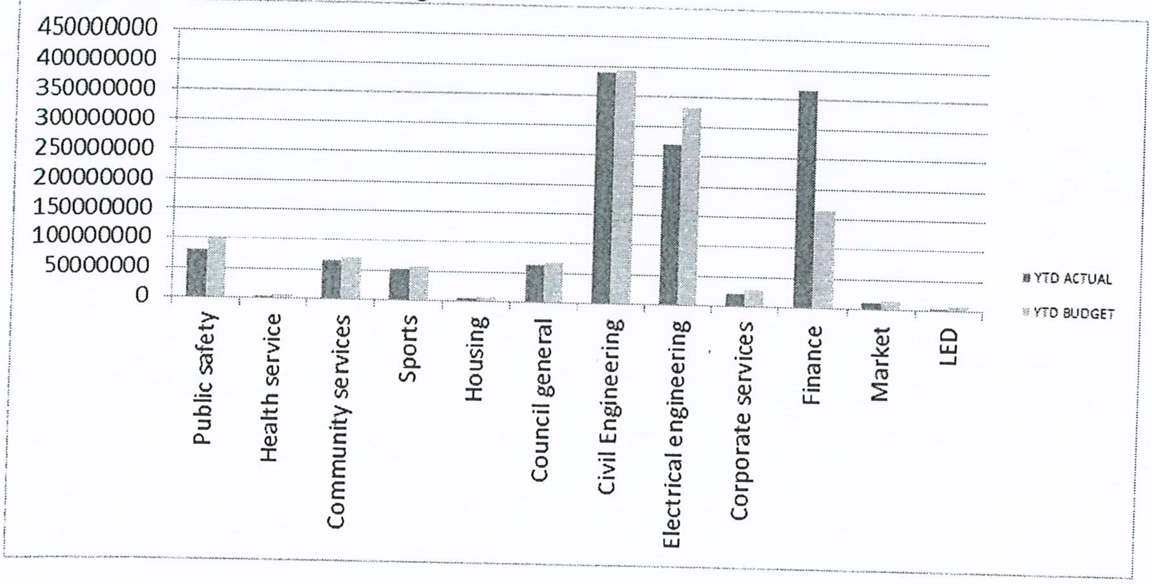
The SFP shown in Annexure A is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by category.

The summary report indicates the following:

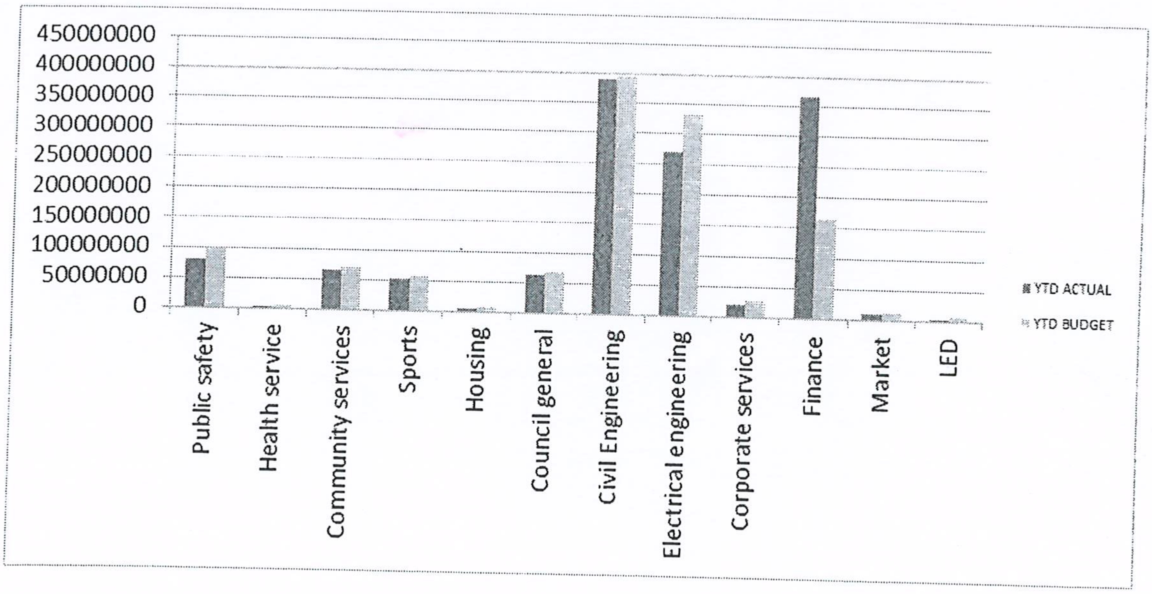
Summary statement of Financial Performance				
Description	**YTD Budget**	**October Actual 2015**	**YTD Actual**	**Variance (Favourable) Unfavourable**
Total Revenue By Source	(793,409,380)	(210,476,261)	(746,307,690)	47,101,690
Total Operating Expenditure	914,458,211	184,759,893	603,480,511	(310,977,700)
(SURPLUS)/ DEFICIT	**121,048,831**	**25,716,368**	**(142,827,179)**	**(263,876,010)**

Spending on Operational budget is 22% and income is 31.35 % which is favorable.

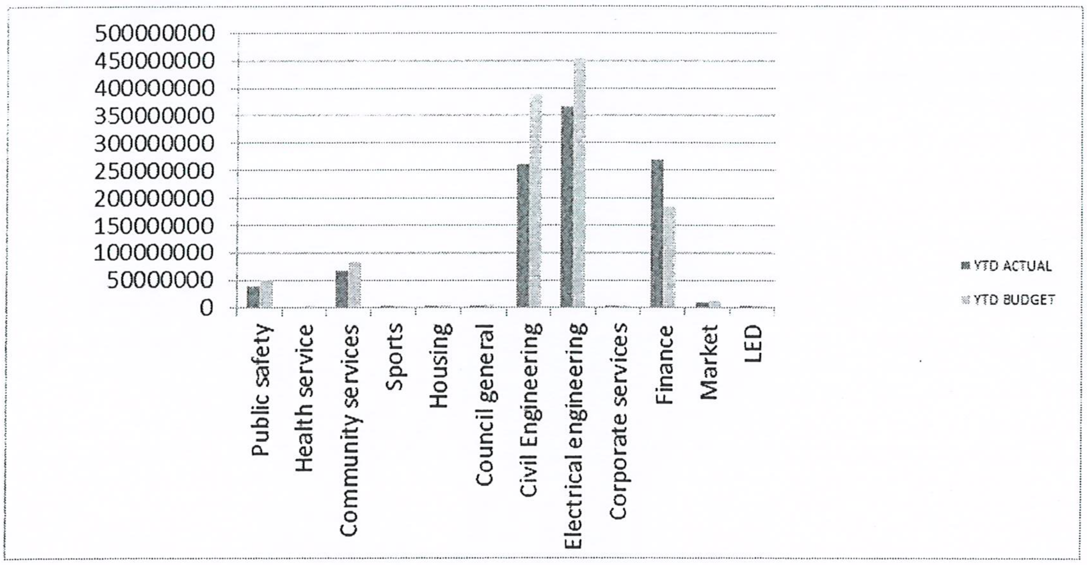
YTD Actual Income vs YTD Budget Income



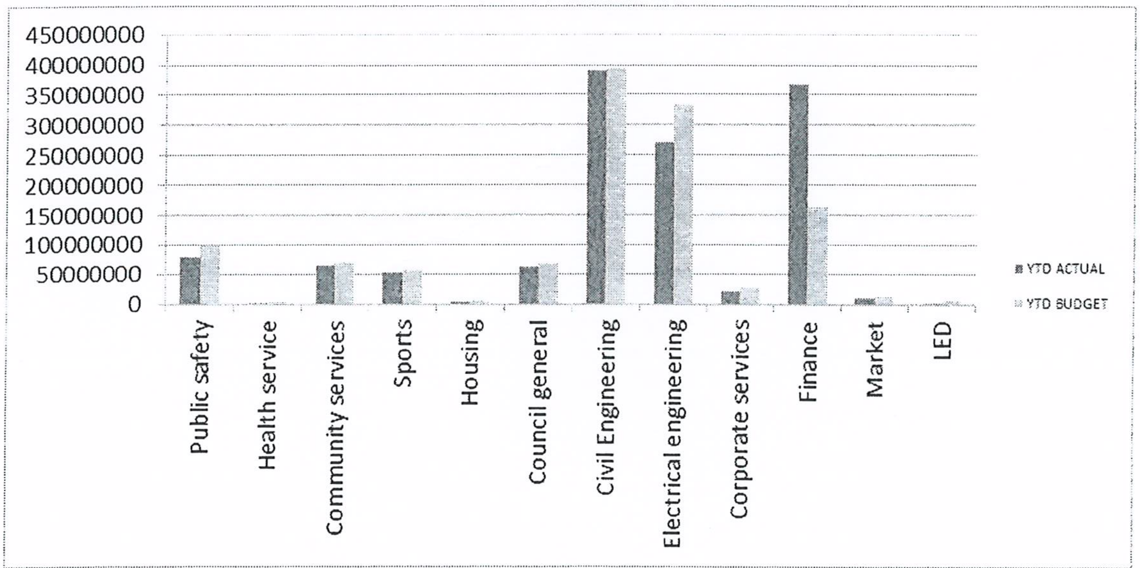
YTD Actual Expenditure vs YTD Budget Expenditure



Operating Income per department



Operating Expenditure per department



GRANTS AND SUBSIDIES

Operational allocation/ Grant received

DESCRIPTION	BUDGET	OCTOBER RECEIVED 2015/16	YTD RECEIVED	YTD%
Equitable shares grants	339,737,080	0	141,557,000	41.67
Finance Management grant	1,675,000	0	1,675,000	100
Municipal System Improvement grant	930,000	0	930,000	100
Improvement of Library services	1 000,000	0	400,000	40
PMU	4,224,650	0	0	0
EPWP	3,028,000	0	1,211,000	39.99
Museum Grant	0	0	0	0
TOTAL	**350,594,730**	**0**	**145,773,000**	**41.58%**

CAPITAL GRANT RECEIVED

DESCRIPTION	BUDGET	OCTOBER RECEIVED 2015/16	YTD RECEIVED	YTD%
MIG	80,268,350	0	34,398,000	42.85%
NDPG	25,000,000	0	20,376,000	26.24%
INEP	5,000,000	0	5,000,000	0%
TOTAL	**110,268,350**	**0**	**59,774,000**	**58.74%**

Grants

Council did not receive grants for the month of October.

Cash Flow Statement (Annexure B)

- Total cash receipts by source reflect an amount of R 130,957,658 million.
- Total cash payments indicate an amount of R 133,440,904 million for the month of October 2015.

Capital expenditure report (Annexure C)

The summary report indicates the following:

Summary statement of Capital Expenditure				
Description	**YTD Budget**	**OCTOBER Actual 2015**	**YTD Actual**	**Variance Favourable (Unfav)**
Total Capital Expenditure	**30,067,087**	**2,361,975**	**7,654,133**	**(32,435,316)**
Capital funding				
National government	27,567,087	2,361,975	7,643,200	(29,112,916)
Provincial Government				
District Municipality				
Borrowing				
Internal Generated fund	2,500,000		10,933	(3,322,400)
Financial Total	**30,067,087**	**2,361,975**	**7,654,133**	**(32,435,316)**

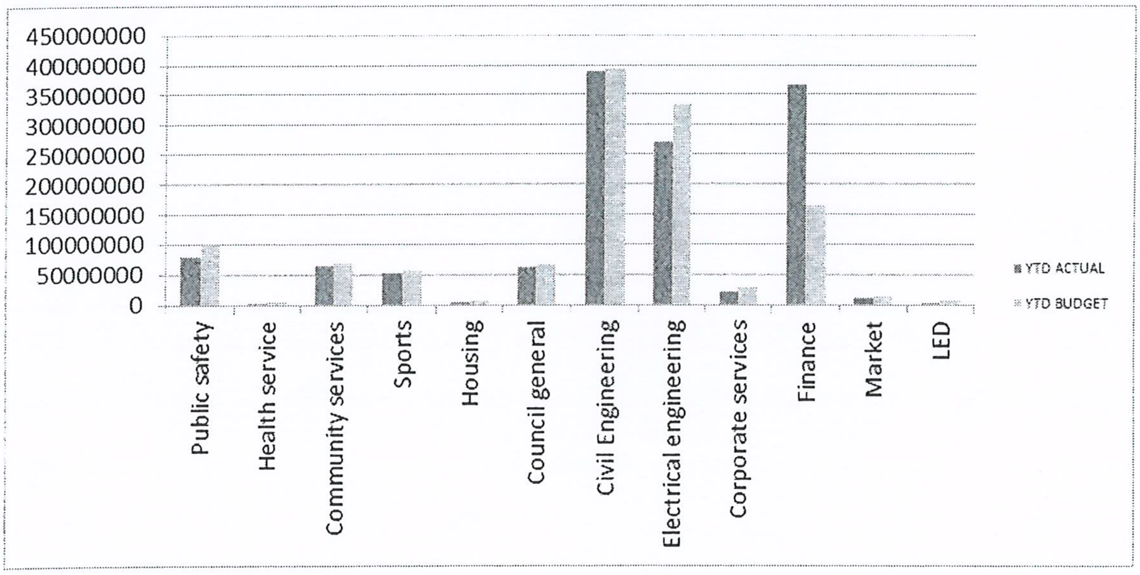
The spending on capital for October 2015 is R 2,361,975 and the year to date actual is R 7,654,133.

<u>Outstanding Debtors report (Annexure D)</u>

This format provides an extended aged analysis, as well as debtor's type. The summary report indicates that the debtor's greater than 30 days (31-90+days) balance as at 31 October 2015 amounts to R1, 6 billion.

It increased with R 34 million from the previous month.The detailed Age Analysis are on annexure D.

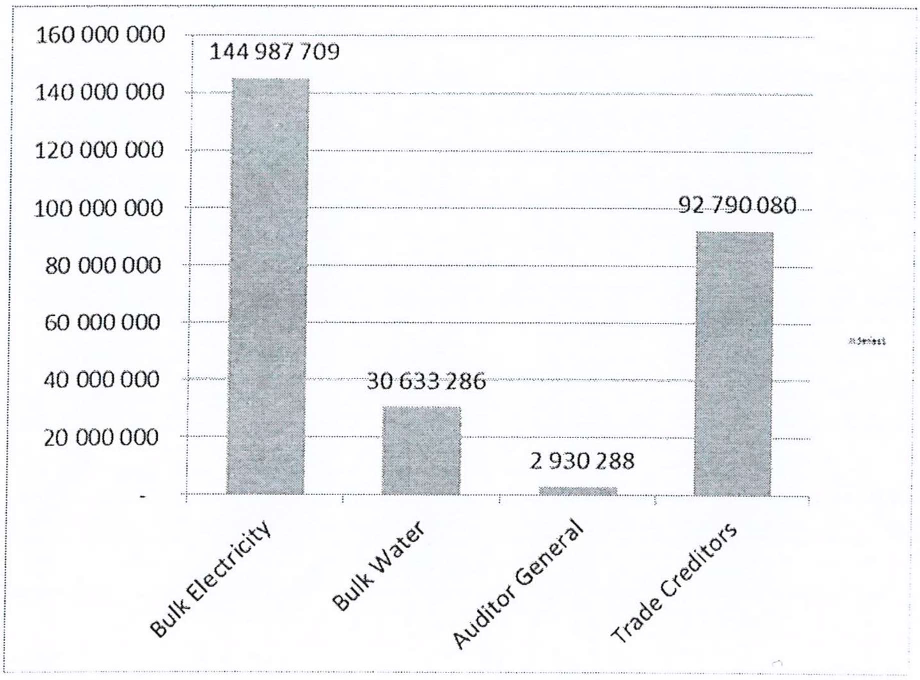
Debtors by Customer group – 31 OCTOBER 2015



Debtor's book is increasing and remains a concern. A tender for Revenue Enhancement was advertised that includes Debt Collection.

Outstanding Creditors report (Annexure E)

This format provides an extended aged analysis, as well as creditor's type.The detailed Age Analysis are on annexure E.



Outstanding creditor's is reduced compared to the previous months

Investment Portfolio (Annexure F)

The table indicates the status of the investment portfolio and detail of where invested, which amounts to **R 92,265,639** as at 31 October 2015.

	Investments				
	Fixed	**Call**	**Long Term**	**Collateral**	**Total**
Institution	R	R	R	R	R
ABSA		61,315,689			61,315,689
FNB			97,216		97,216
RMB					-
Investec		5,055,769			5,055,769
Nedcor				18,492,798	18,492,798
Sanlam (Policy)		7,304,167			7,304,167
	-	**73,675,625**	**97,216**	**18,492,798**	**92,265,639**

ANNEXURE G (BORROWINGS)

The total amount outstanding on external loans at the end of October 2015 is R 93,473,837.97

ANNEXURE I

RATIOS

FINANCIAL IMPLICATIONS

The report covers the period from 1 July 2015 to 31 October 2015.The actual income and expenditure appears in "Annexure A" reflects detail that relates to the budget actual spending, and actual revenue, per month and year to date. Year to date actual revenue of R 746,3 million is less than what is projected of R 793,4 million YTD budget (Pro-rata) and vary by R 47,1 million.

Year to date actual expenditure of R 603,4 million is less than projected expenditure of R 914,4 million YTD budget (Pro-rata) and vary by R 310,9 million.

RECOMMENDATION

That the Accounting Officer submits to the Executive Mayor and the Administrator this statement as per section 71 of the MFMA.

ANNEXURE A - FINANCIAL PERFORMANCE

Budgeted Financial Performance (revenue and expenditure) - October 2015

Current Year 2015/16

Description	Original Budget	October Actual 2015/16	YTD ACTUAL	YTD BUDGET	Variance	YTD %	Variance%
Revenue By Source							
Property rates	(300 023 220)	(22 568 746)	(141 364 182)	(100 007 740)	(41 356 442)	47.12	41.35
Service charges - electricity revenue	(753 498 900)	(53 897 597)	(239 357 294)	(251 166 300)	11 809 006	31.77	(4.70)
Service charges - water revenue	(496 628 070)	(37 715 219)	(143 453 940)	(165 542 690)	22 088 750	28.89	(13.34)
Service charges - sanitation revenue	(129 136 260)	(7 008 882)	(30 869 386)	(43 045 420)	12 176 034	23.90	(28.29)
Service charges - refuse revenue	(159 485 860)	(11 027 343)	(44 089 715)	(53 161 953)	9 072 238	27.64	(17.07)
Service charges - other	(17 500 000)	(161 274)	(653 353)	(5 833 333)	5 179 980	3.73	(88.80)
Rental of facilities and equipment	(5 592 930)	(409 381)	(1 807 669)	(1 864 310)	56 641	32.32	(3.04)
Interest earned - external investments	(2 108 000)	(160 912)	(483 126)	(702 667)	219 540	22.92	(31.24)
Interest earned - outstanding debtors	(79 384 730)	(11 172 546)	(40 448 102)	(26 461 577)	(13 986 526)	50.95	52.86
Fines	(3 031 130)	(157 747)	(651 467)	(1 010 377)	358 909	21.49	(35.52)
Licences and permits	(7 271 320)	(495 570)	(2 560 836)	(2 423 773)	(137 063)	35.22	5.65
Transfers recognised - operational	(350 594 730)	(57 178 838)	(85 954 705)	(116 864 910)	30 910 205	24.52	(26.45)
Internal Depertmental Transfers	(24 561 400)	(2 175 017)	(8 766 068)	(8 187 133)	(578 935)	35.69	7.07
Other revenue	(109 760 560)	(7 781 573)	(31 174 992)	(36 586 853)	5 411 861	28.40	(14.79)
Gains on disposal of PPE	-	(3 013)	(3 013)	-	(3 013)		
Total Revenue	**(2 438 577 110)**	**(211 913 657)**	**(771 637 850)**	**(812 859 037)**	**41 221 187**	31.64	(5.07)
Expenditure By Type							
Employee related costs	489 796 600	39 493 341	153 065 924	163 265 533.33	10 199 609.73	31.25	6.25
Remuneration of councillors	21 421 270	1 737 539	6 950 154	7 140 423.33	190 269.17	32.45	2.66
Contributions	378 022 590	31 126 883	124 507 530	126 007 530.00	1 500 000.00	32.94	1.19
Depreciation & asset impairment	463 943 670	-	-	154 647 890.00	154 647 890.00	-	100.00
Finance charges	10 934 050	259 368	3 116 724	3 644 683.33	527 959.56	28.50	14.49
Bulk purchases	747 356 860	73 502 606	201 461 749	249 118 953.33	47 657 204.69	26.96	19.13
Repairs & Maintenance	78 131 164	7 444 861	16 990 003	26 043 721.33	9 053 717.98	21.75	34.76
Contracted services	31 500 000	5 687 005	10 712 646	10 500 000.00	-212 646.31	34.01	(2.03)
Collection Costs	8 000 000	2 477 406	4 773 217	2 666 666.67	-2 106 550.64	59.67	(79.00)
Other expenditure	489 716 120	20 861 451	73 174 615	163 238 706.67	90 064 091.27	14.94	55.17
Departmental charges	24 552 310	2 169 434	8 749 521	8 184 103.33	-565 417.49	35.64	(6.91)
Internal recoveries(amount charge out)	-	-	(21 572)	-	21 572.22		
Total Expenditure	**2 743 374 634**	**184 759 893**	**603 480 511**	**914 458 211.33**	**310 956 127.97**	**22.00**	**34.00**
(Surplus)/Deficit	**304 797 524**	**(27 153 764)**	**(168 157 338)**	**101 599 175**	**352 177 315**		
TOTAL REVENUE	**(2 438 577 110)**	**(211 913 657)**	**(771 637 850)**	**(812 859 037)**	**41 221 187**	**31.64**	(5.07)
LESS REVENUE FOREGONE	**58 348 970**	**1 437 396**	25 330 160	19 449 656.67	-5 880 502.92	43.41	(30.23)
Income forgone on assessment rate	29 954 820	368 068	23 475 556	9 984 940.00	-13 490 615.51	78.37	(135.11)
Income forgone on other	28 394 150	1 069 328	1 854 604				
TOTAL INCOME	**(2 380 228 140)**	**(210 476 261)**	**(746 307 690)**	**(793 409 380)**	**47 101 690**	**31.35**	**(5.94)**
TOTAL EXPENDITURE	**2 743 374 634**	**184 759 893**	**603 480 511**	**914 458 211**	**(310 977 700)**	**22.00**	**(34.01)**
(Surplus)/ Deficit for the year	**363 146 494**	**(25 716 368)**	**(142 827 179)**	**121 048 831**	**(263 876 010)**	**(39.33)**	**(217.99)**

ANNEXURE B
Cash Flow Statement for the month of October 2015

Cash Receipts by Source	Oct-15
Property rates	17 312 868
Service charges - electricity revenue	49 209 109
Service charges - water revenue	17 682 376
Service charges - sanitation revenue	4 255 415
Service charges - refuse revenue	3 953 396
Service charges - other	20 823 030
Rental of facilities and equipment	179 757
Interest earned - external investments	160 912
Interest earned - outstanding debtors	
Fines	142 593
Licences and permits	645 133
Transfer receipts - operational grants	-
Other revenue	16 593 068
Cash Receipts by Source	**130 957 658**
Transfer receipts - capital grants	-
Proceeds on disposal of PPE	-
Total Cash Receipts by Source	**130 957 658**
Proceeds on disposal of PPE	
Short term loan	
Borrowing long term/ Refinancing	(132 044)
Increase (decrease) in consumer deposits	(3 994 712)
Decrease (increase) in non - current debtors	
Decrease (increase) in non - current	1988
Decrease (increase) in non- current investment	
Total Cash Receipts by Source	**126 832 890**
Cash Payments by Type	
Employee related costs	39 493 340
Remuneration of councillors	1 737 539
Collection costs	976 430
Interest paid	259 368
Bulk purchases - Electricity	51 298 098
Bulk purchases - Water	21 929 825
Repairs and maintanance	2 260 285
Contracted services	2 150 990
General expenses	13 335 029
Cash Payments by Type	**133 440 904**
Other Cash Flows/Payments by Type	
Capital assets	2 361 975
Repayment of borrowing	391 412
Other Cash Flows/Payments	**2 753 387**
Investment	**-**
Total Cash Payments by Type	**136 194 291**
Net increase/(decrease) in cash held	**(9 361 401)**
Cash/ cash equivalent at the month begin	86 502 230
Cash/ cash equivalent at the month end	77 140 829

ANNEXURE C CAPITAL EXPENDITURE

NW403 City Of Matlosana - Budgeted Capital Expenditure -OCTOBER 2015

R thousand	Original Budget	October 2015	YTD Actual	YTD Budget	Variance	YTD %
Capital Expenditure						
Council General	8 000 000	-	-	2 666 667	(2 666 667)	-
Council General Admin	8000000		-	2 666 667	(2 666 667)	0
				-	-	
				-	-	
Municipal & Environmental Services	-	-	-	-	-	0
Community and social services			-	-	-	-
Sport and recreation			-	-	-	0
Refuse removal			-	-	-	-
Public Safety			-	-	-	0
Health			-	-	-	0
Cemetary			-	-	-	0
			-	-	-	0
Finance	2 000 000	-	10 933	666 667	(655 734)	0
ICT Hard/software	2 000 000			666 666.67	(666 667)	0
			-	-	-	0
Macro city planning & Development	-	-	-	-	-	0
Planning and development			-	-	-	-
Market			-	-	-	
Civil Services & Human Settlement	100 268 348	2 361 975	7 643 200	33 422 783	(25 779 583)	7.62
Water	25 464 399.00	2 361 975	6 048 843	8 488 133	(2 439 290)	23.75
Waste water management(Sewer)	24 863 329		956 290	8 287 776	(7 331 486)	3.85
Roads	49 940 620.00		638 067	16 646 873	(16 008 806)	1.28
Housing			-	-	-	
PMU Unit			-	-	-	
[illegible]umping side				-	-	
[illegible]ical & Mechanical Engineering	10 000 000	-	-	3 333 333	(3 333 333)	-
Electrical	10 000 000			3 333 333.33	(3 333 333)	-
				-		-
Total Capital Expenditure	120 268 348	2 361 975	7 654 133	40 089 449	(32 435 316)	6.36

CAPITAL FUNDING

National government	110 268 348	2 361 975	7 643 200	36 756 116	(29 112 916)	6.93
Provincial government			-	-	-	-
District municipality			-	-	-	-
Borrowing			-	-	-	-
Internal Generated funds	10 000 000		10 933	3 333 333	(3 322 400)	-
				-	-	-
Financing Total	120 268 348	2 361 975	7 654 133	40 089 449	(32 435 316)	6.36

ANNEXURE D
DEBTOR'S AGE ANALYSIS - OCTOBER 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total -
Debtors Age Analysis By Income Source					
Water Tariffs	35 980 966	22 187 911	19 814 383	421 284 733	499 267 993
Electricity Tariffs	43 072 142	11 822 594	7 778 596	145 508 513	208 181 845
Rates (Property Rates)	17 849 588	5 243 531	3 934 638	112 549 871	139 577 628
Sewerage/ Sanitation	6 982 882	4 374 756	3 813 046	81 163 988	96 334 672
Refuse Removal Tariffs	9 471 648	7 276 538	7 127 364	124 340 642	148 216 192
Other	26 328 572	18 238 085	16 382 981	499 583 426	560 533 064
Total By Income Source	**139 685 798**	**69 143 415**	**58 851 008**	**1 384 431 173**	**1 652 111 394**
Debtors Age Analysis By Customer Group					
Government	5 231 254	2 567 511	1 098 812	40 905 126	49 802 703
Business	39 578 423	10 206 564	7 722 881	142 817 074	200 324 942
Households	94 100 121	55 849 128	49 599 783	1 164 427 954	1 363 976 986
Other	776 000	520 212	429 532	36 281 019	38 006 763
Total By Customer Group	**139 685 798**	**69 143 415**	**58 851 008**	**1 384 431 173**	**1 652 111 394**

ANNEXURE E
OUTSTANDING CREDITORS STATEMENT -OCTOBER 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total -
Bulk Electricity	49 700 474.00	R 0.00	R 9 057 883.73	R -	R 86 229 351.47	144 987 709
Bulk Water	R 20 379 213.72	R 42 306.54	R 41 412.78	R 72 340.98	R 10 098 011.57	30 633 286
Auditor General	1 580 871	995 553	768 815	34 611	1 131 310	4 511 160
Trade Creditors	20 962 026	22 702 694	12 016 486	37 108 875	-	92 790 080
Total	**92 622 585**	**23 740 553**	**21 884 597**	**37 215 827**	**97 458 673**	**272 922 235**

ANNEXURE F

Investment Portfolio: 31 October 2015
City of Matlosana

INSTITUTION	INTEREST RATE	PERIOD	SEPTEMBER 2015	OCTOBER 2015	MATURITY DATE	EXPLANATION
Call Investment						
ABSA: 3854	3.30%		11 928 877	7 611 552		
ABSA: 5047	3.25%		43 123	43 123		
ABSA: 6177	4.47%		34 863 257	32 028 867		
ABSA: 2264	3.25%		5 405 450	5 422 777		
ABSA: 4682	5.15%		20 627 679	15 665 731		
ABSA: 4063	2.80%		168 199	168 303		
ABSA: 1223	5.50%		5 275 575	375 336		
INVESTEC	5.80%		5 000 000	5 055 769		
TOTAL Call Investment			**83 312 160**	**66 371 458**		
Collateral						
SANLAM	Policy	Guaranteed Capital	6 846 094	6 846 094	2018-12-01	Policy
SANLAM	Policy	Guaranteed Capital	458 072	458 072	2019-08-01	Policy
NEDCOR	Minimum 5%		18 492 798	18 492 798	30/06/2019	Security
TOTAL			**25 796 965**	**25 796 965**		
Long Term Investment						
FNB	10.00%	1 YEAR	83 216	83 216		Housing Collateral
FNB	9.50%	1 YEAR	14 000	14 000		Housing Collateral
TOTAL			**97 216**	**97 216**		
TOTAL INVESTMENTS			**109 206 340**	**92 265 639**		

Withdraw R5 000 000 from ABSA call - 02 October 2015
Withdraw R5 000 000 from ABSA call - 02 October 2015
Withdraw R2 729 258 from ABSA call - 06 October 2015 (MIG rollover)
Withdraw R593 012 from ABSA call - 07 October 2015 (MIG current allocation)
Invest R15 000 000 with ABSA on call - 13 October 2015
Invest R5 000 000 with ABSA on call - 15 October 2015
Withdraw R2 406 143 from ABSA call - 20 October 2015 (MIG current allocation)
Withdraw R1 564 587 from ABSA call - 20 October 2015 (MIG rollover)
Withdraw R20 000 000 from ABSA call - 23 October 2015
Withdraw R59 076 from ABSA call - 29 October 2015 (MIG rollover)

Other changes are due to Capitalisation of interest earned for the month

Council to take cognisance that the investments reflected are not as a result of excess funds but grants received for the financial year invested on short term to gain interest while processes on meeting conditions of the grants are unfolding, and to avoid charges once funds are kept on current account

These investments can only be withdrawn when funds are needed for the particular reason they were invested for

GRANTS AND SUBSIDIES - OCTOBER 2015
Operational allocation/grant received

	BUDGET	OCT	YTD RECEIVED	YTD%
Equitable shares grants	339 737 080	-	141 557 000	41.67
Finance Management Grant	1 675 000	-	1 675 000	100.00
Municipal System Improvement Grant	930 000	-	930 000	100.00
Improvement of library services	1 000 000	-	400 000	40.00
PMU	4 224 650	-	-	-
EPWP (arbour week)	3 028 000		1 211 000	39.99
Meseum Grant	-			-
Mayoral enviromental grant	-	-	-	-
District assessment(Fire)	-	-	-	-
			-	-
	350 594 730	**-**	**145 773 000**	**41.58**

CAPITAL GRANT RECEIVED

MIG	80 268 351	-	34 398 000	42.85
NDPG	25 000 000		20 376 000	81.50
DME/INER	5 000 000		10 000 000	200.00
PMU	-			
	110 268 351	**-**	**64 774 000**	**58.74**

OPERATING INCOME PER DEPARTMENT AS AT 31 OCTOBER 2015

DESCRIPTION	BUDGET	OCT 2015	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	79 976 360	5 490 526	24 204 593	26 658 787	(2 454 194)	-9.21	30.26
Health service	300 000	-	4 362	100 000	(95 638)	-	1.45
Community services	223 946 840	11 464 457	46 029 179	74 648 947	(28 619 768)	-38.34	20.55
Sports	1 801 600	77 366	272 851	600 533	(327 683)	-54.57	15.14
Housing	1 859 910	88 952	456 295	619 970	(163 675)	-26.40	24.53
Council general	4 652 000	395 550	738 135	1 550 667	(812 532)	-52.40	15.87
Civil Engineering	779 276 620	45 657 110	177 133 098	259 758 873	(82 625 776)	-31.81	22.73
Electrical engineering	817 337 220	56 159 891	247 546 776	272 445 740	(24 898 964)	-9.14	30.29
Corporate services	493 430	13 323	370 414	164 477	205 937	125.21	75.07
Finance	448 883 570	91 123 940	247 047 351	149 627 857	97 419 494	65.11	55.04
Market	21 695 300	1 442 543	5 264 649	7 231 767	(1 967 118)	-27.20	24.27
LED	5 290		175	1 763	(1 588)	-	3.31
TOTAL	**2 380 228 140**	**211 913 658**	**749 067 877**	**793 409 380**	**(44 341 503)**	**-5.59**	**31.47**

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	OCT 2015	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	170 416 254	12 743 557	48 172 559	56 805 418	(8 632 859)	-15.20	28.27
Health service	5 273 966	348 462	1 443 782	1 757 989	(314 206)	-17.87	27.38
Community services	181 127 948	9 479 022	35 380 938	60 375 983	(24 995 044)	-41.40	19.53
Sports	97 420 152	3 508 011	12 031 831	32 473 384	(20 441 553)	-62.95	12.35
Housing	10 671 256	679 305	2 669 698	3 557 085	(887 387)	-24.95	25.02
Council general	104 741 762	7 523 085	29 032 853	34 913 921	(5 881 068)	-16.84	27.72
Civil Engineering	892 812 689	37 391 991	118 488 603	297 604 230	(179 115 627)	-60.19	13.27
Electrical engineering	698 460 898	58 785 519	166 834 536	232 820 299	(65 985 763)	-28.34	23.89
Corporate services	49 552 170	5 699 781	16 537 434	16 517 390	20 044	0.12	33.37
Finance	503 875 372	47 018 869	166 788 167	167 958 457	(1 170 290)	-0.70	33.10
Market	21 473 717	1 135 769	4 312 382	7 157 906	(2 845 523)	-39.75	20.08
LED	7 548 450	446 521	1 787 726	2 516 150	(728 424)	-28.95	23.68
TOTAL	**2 743 374 634**	**184 759 893**	**603 480 510**	914 458 211	**(310 977 701)**	**-34.01**	**22.00**

jmuller@klerksdorp.org

Client no.: 9004941 (25677)

City of Matlosana Local Municipality
Contact Person: MR JEAN MULLER, J (ASSE
P.O. Box 99
KLERKSDORP 2570
Republic of South Africa
E-mail: jmuller@klerksdorp.org

DBSA
Development Bank
of Southern Africa

Date: 22.10.2015 10:43:13 (Provisional Version: 01)

VAT Registration
No: 4260126711

REPAYMENT ADVICE Due Date 02.11.2015

This serves as a courteous reminder of installments due in respect of loans entered into between yourselves and the Development Bank of Southern Africa.

Loan installments due on 02.11.2015 are reflected below. Unless notified otherwise by fax/e-mail before the repayment date, this represents the amount payable on that date.

REPAYMENT DUE (Currency: ZAR)

Product Number	Project Number	Capital	Interest	Fees	Total
61000996	103677/1	132,044.00	259,368.41	0.00	391,412.41
TOTAL		**132,044.00**	**259,368.41**	**0.00**	**391,412.41**

1. The above schedule is based on loan balance as at 22.10.2015. Transactions after this date may result in additional required repayments which must be settled within 30 days from repayment due date above.
2. Repayments will first be applied to the settlement of interest on arrears, thereafter against interest and capital.
3. Penalty interest is payable on installments not paid by the due date.
4. **NB: Disbursements/drawdowns made after date of this notice (22.10.2015) are not included in this calculation, therefore request an updated Repayment Advice before making payment.**

Please transfer the amount R **391,412.41** to our Bankers (Electronic Funds Transfer or direct deposit).

Beneficiary Banker	**Standard Bank Account**
Account No.	**022656057**
Branch Code	**019205**
Branch Name	**Sandton**
Beneficiary Customer	**Development Bank of Southern Africa**

Please make reference to your **Client No. 9004941** when transferring the funds and fax/e-mail the proof of payment to the undersigned. The onus vests with you to ensure that the repayment is in our bank account by the repayment date with the correct repayment amount requested.

Should you need additional information please do not hesitate to contact undersigned.

Project Accountant: Desiree Chili
Region: SA: NW
Phone:
Fax: 0112063597
E-mail: DesireeC@dbsa.org

T. + 27 11 313 3911
F. + 27 11 313 3086
www.dbsa.org

Development Bank of Southern Africa
1258 Lever Road Headway Hill, Midrand
PO Box 1234 Halfway House, Midrand
1685, South Africa, Gauteng

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Orignal Loan	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2015	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 30/10/2015	Redemption 2015/16
ANNUITY LOANS													
NW10959	1/10/1997	30/09/2017	20	7436371	Development Bank of SA	Provision of Infrastructure	15	181,568.93	2,414,304.52	415,406.21	0.00	1,998,898.31	862,053.22
NW11182	1/10/1998	30/09/2018	20	7435456	Development Bank of SA	Provision of Infrastructure	15.25	250,841.57	3,280,737.23	371,658.77	0.00	2,909,078.46	771,734.16
NW13637	1/10/2000	30/09/2020	20	3951600	Development Bank of SA	Provision of Infrastructure	15.6	189,281.00	2,420,049.21	146,679.79	0.00	2,273,369.42	304,831.95
NW13874/1	1/10/2001	30/09/2019	18	10000000	Development Bank of SA	Combination	14.75	50,142.10	2,222,222.20	0.00	0.00	2,222,222.20	555,555.54
NW13874/2	1/7/2001	30/06/2019	18	14998125	Development Bank of SA	Combination	14.75	338,416.87	14,998,125.00	0.00	0.00	14,998,125.00	
NW101297/1	1/7/2004	30/06/2019	15	28070000	Development Bank of SA	Combination	11.2	0.00	12,320,688.14	0.00	0.00	12,320,688.14	2,594,979.55
NW101297/2	1/7/2004	30/06/2019	15	37000000	Development Bank of SA	Combination	11.2	0.00	15,417,056.29	0.00	0.00	15,417,056.29	3,247,135.68
NW103677/1	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	Provision of Infrastructure	14.75	1,036,289.67	29,316,386.24	529,359.97	0.00	28,787,026.27	1,670,743.73
10556	31/3/1998	31/3/2018	20	13360746	Development Bank of SA	Provision of Infrastructure	15	357,970.21	4,759,895.36	656,627.57		4,103,267.79	1,362,637.13
10906	30/09/1999	30/09/2019	20	5587000	Development Bank of SA	Provision of Infrastructure	15.25	194,080.65	2,538,365.62	206,231.57		2,332,134.05	428,231.40
10912	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	Provision of Infrastructure	15.25	287,424.88	3,759,207.41	305,419.85		3,453,787.56	634,191.77
10913	30/09/1999	30/09/2019	20	5780000	Development Bank of SA	Provision of Infrastructure	15.25	221,214.63	2,893,248.83	235,064.35		2,658,184.48	488,101.46
9746	30/09/1995	30/09/2015	20	3194345	Development Bank of SA	Provision of Infrastructure	10	9,493.26	189,346.44	189,346.44		0.00	189,346.38
TOTAL ANNUITIES								3,116,723.77	96,529,632.49	3,055,794.52	0.00	93,473,837.97	13,109,541.97

Template for Calculation of Uniform Financial Ratios and Norı

RATIO	FORMULA	Oct-15	MUNICIPAL COMMENTS (#)
1. FINANCIAL POSITION			
A. Asset Management/Utilisation			
		2%	
1 Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	633 143 033 9 812 059	The ratio is decreasing from an already low base.
B. Debtors Management			
		1.357802373	
		1 351 671 020	
		1 566 240 763	
1 Collection Rate	(Gross Debtors Closing Bal:	599 687 870	The budgeted collection
C. Liquidity Management			
		need analyses of uncashed payments and it i	
		0.411878137	
		258 613 899	
2 Current Ratio	Current Assets / Current Li:	627 889 358	Improvement not enougl
D. Liability Management			
		0.004922621	
		3 116 723	
		633 143 033	
1 Capital Cost(Interest Paid anc	Capital Cost(Interest Paid ai		This do not indicate the (
		0.055180124	
		84 945	

			1 767 343	
2	Debt (Total Borrowings) / Rev	(Overdraft + Current Financ	227 930	Also as per above.

2. FINANCIAL PERFORMANCE

			[redacted]	
			771 637 850	
			633 143 033	
1	Net Operating Surplus Margin	(Total Operating Revenue -		The restated assets regi

D. Expenditure Management

			108.2712201	
			284 058	
			29 277	
			54 325	
			344 114	
1	Creditors Payment Period (Tr	Trade Creditors Outstandin	529 890	Improvement, but still wa
			0.252732905	
			160 016 078	
			633 143 033	
2	Remuneration as % of Total C	Remuneration (Employee R		
			0.016919788	
			10 712 646	
			633 143 033	
2	Contracted Services % of Tot	Contracted Services / Total		The proposed lower ratic

E. Grant Dependency

			0.001114241	
			10 933	
1	Own funded Capital Expenditı	Own funded Capital Expend	9 812 059	There should be an incre
			0.990094835	
			771637849.7	
			7643200	
			0	
2	Own Source Revenue to Tota	Own Source Revenue (Tota		Improvement reflects les

3. BUDGET IMPLEMENTATION

			0.081584783	
			9 812 059	
1	Capital Expenditure Budget In	Actual capital Expenditure /	120 268 248	Low Capital Spending
			0.23023404	
			623 330 975	
2	Operating Expenditure Budge	Actual Operating Expenditu	2 707 379 744	Within the budget limit
			0.324186508	
			771 637 849	
3	Operating Revenue Budget In	Actual Operating Revenue /	2 380 228 140	Should be atleast 92%

Annexure G AS AT 30 October 2015

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Orignal Loan	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2015	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 30/10/2015	Redemption 2015/16
						ANNUITY LOANS							
NW10959	1/10/1997	30/09/2017	20	7436371	Development Bank of SA	Provision of Infrastructure	15	181,568.93	2,414,304.52	415,406.21	0.00	1,998,898.31	862,053.22
NW11182	1/10/1998	30/09/2018	20	7435456	Development Bank of SA	Provision of Infrastructure	15.25	250,841.57	3,280,737.23	371,658.77	0.00	2,909,078.46	771,734.16
NW13637	1/10/2000	30/09/2020	20	3951600	Development Bank of SA	Provision of Infrastructure	15.6	189,281.00	2,420,049.21	146,679.79	0.00	2,273,369.42	304,831.95
NW13874/1	1/10/2001	30/09/2019	18	10000000	Development Bank of SA	Combination	14.75	50,142.10	2,222,222.20	0.00	0.00	2,222,222.20	555,555.54
NW13874/2	1/7/2001	30/06/2019	18	14998125	Development Bank of SA	Combination	14.75	338,416.87	14,998,125.00	0.00	0.00	14,998,125.00	
NW101297/1	1/7/2004	30/06/2019	15	28070000	Development Bank of SA	Combination	11.2	0.00	12,320,688.14	0.00	0.00	12,320,688.14	2,594,979.55
NW101297/2	1/7/2004	30/06/2019	15	37000000	Development Bank of SA	Combination	11.2	0.00	15,417,056.29	0.00	0.00	15,417,056.29	3,247,135.68
NW103677/1	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	Provision of Infrastructure	14.75	1,036,289.67	29,316,386.24	529,359.97	0.00	28,787,026.27	1,670,743.73
10556	31/3/1998	31/3/2018	20	13360746	Development Bank of SA	Provision of Infrastructure	15	357,970.21	4,759,895.36	656,627.57		4,103,267.79	1,362,637.13
10906	30/09/1999	30/09/2019	20	5587000	Development Bank of SA	Provision of Infrastructure	15.25	194,080.65	2,538,365.62	206,231.57		2,332,134.05	428,231.40
10912	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	Provision of Infrastructure	15.25	287,424.88	3,759,207.41	305,419.85		3,453,787.56	634,191.77
10913	30/09/1999	30/09/2019	20	5780000	Development Bank of SA	Provision of Infrastructure	15.25	221,214.63	2,893,248.83	235,064.35		2,658,184.48	488,101.46
9746	30/09/1995	30/09/2015	20	3194345	Development Bank of SA	Provision of Infrastructure	10	9,493.26	189,346.44	189,346.44		0.00	189,346.38
					TOTAL ANNUITIES			3,116,723.77	96,529,632.49	3,055,794.52	0.00	93,473,837.97	13,109,541.97