

## MONTHLY BUDGET STATEMENT: 31 JANUARY 2018

MUNICIPAL FINANCE MANAGEMENT ACT NO.56 of 2003(MFMA): MONTHLY FINANCIAL REPORT FOR JANUARY 2018 (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. BACKGROUND

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. JANUARY 2018 REPORT

The financial results for the period ended 31 January 2018 are summarized as follows:

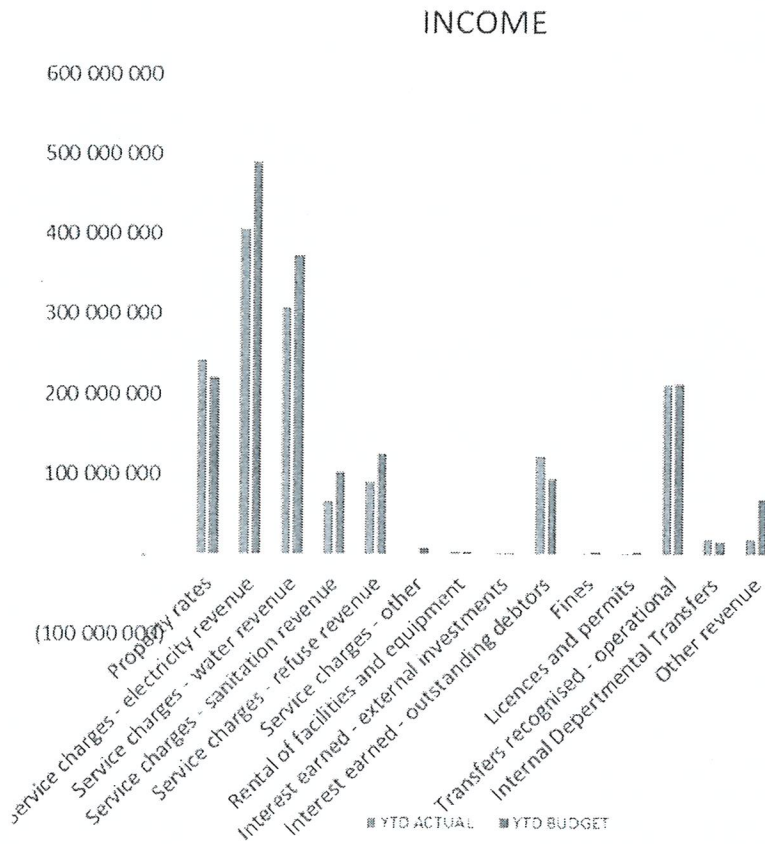
#### Statement of Financial Performance (SFP)

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

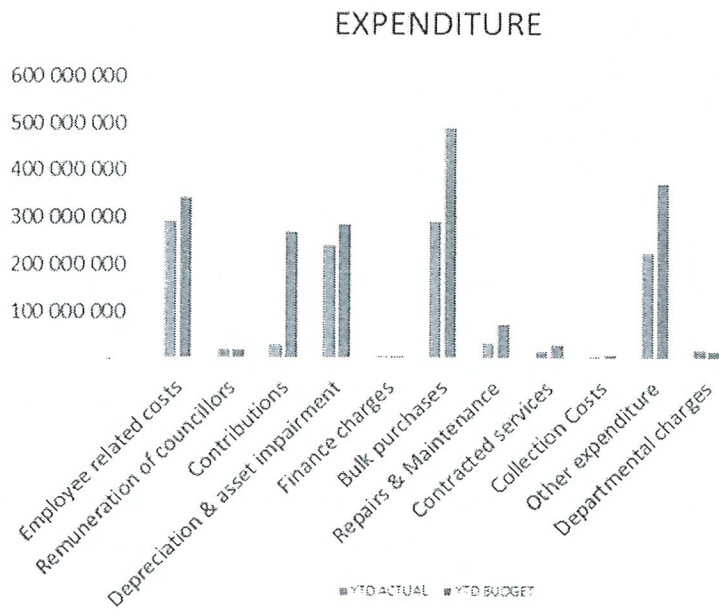
The summary report indicates the following:

<b>Summary statement of Financial Performance</b>				
<b>Description</b>	<b>YTD Budget 2017/18</b>	<b>January Actual 2017/18</b>	<b>YTD Actual 2017/18</b>	<b>Variance Favorable (Unfavorable)</b>
Total Revenue by Source	(1,724,201,873)	(205,008,669)	(1,426,302,396)	(297,899,477)
Total Operating Expenditure	1,911,593,833	135,278,262	1,112,091,466	799,502,367
<b>(SURPLUS)/ DEFICIT</b>	<b>187,391,960</b>	<b>(69,730,408)</b>	<b>(314,210,930)</b>	<b>501,602,890</b>

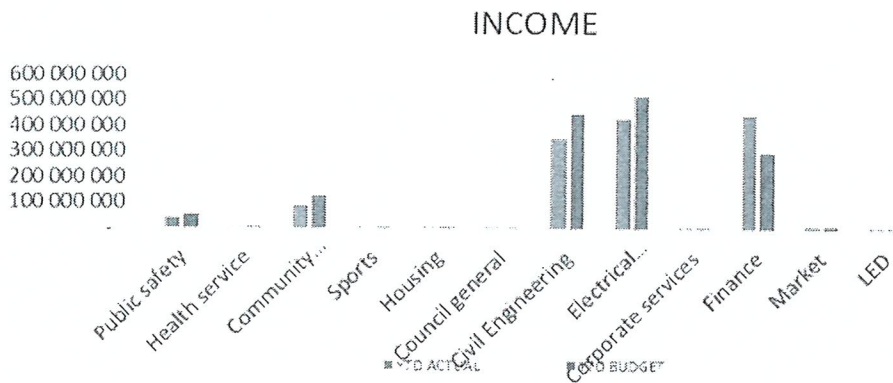
## YTD Actual Income vs YTD Budget Income



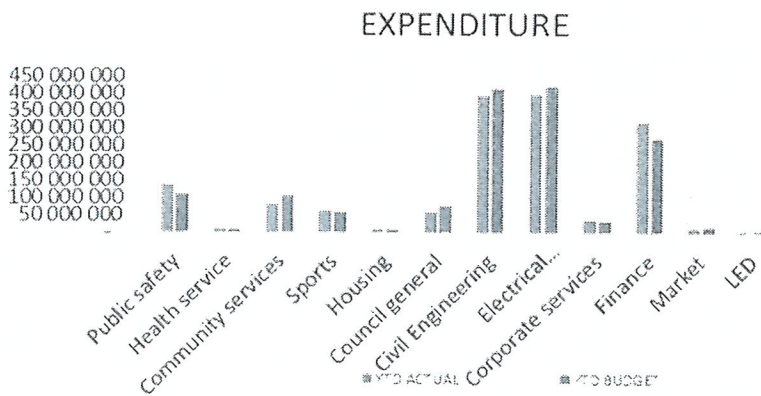
## YTD Actual Expenditure vs YTD Budget Expenditure



## Operating Income per department



## Operating Expenditure per department



## GRANTS AND SUBSIDIES

### Operational allocation/ Grant received

DESCRIPTION	BUDGET 2017/18	JANUARY RECEIVED 2017/18	YTD ACTUAL RECEIVED 2017/18	YTD%
Equitable shares grants	354,377,000	0	264,542,000	41.67%
Finance Management grant	2,145,000	0	2,145,000	100%
Improvement of Library services	1,200,000	0	1,200,000	100%
PMU	4,291,613	0	0	0%
EPWP	2,246,000	1,010,000	1,572,000	69.99%
<b>TOTAL</b>	<b>364,259,613</b>	<b>1,010,000</b>	<b>269,459,000</b>	<b>73.97%</b>

### Operational Grant spending

DESCRIPTION	BUDGET 2017/18	JANUARY SPENDING 2017/18	YTD ACTUAL 2017/18	YTD%
Equitable shares grants	354,377,000	29,531,417	177,188,501	50%
Finance Management grant	2,145,000	106,383	417,592	19.47%
Improvement of Library services	1,200,000	3,500	10,903	0.91%
PMU	4,291,613	271,770	1,730,603	40.33%
EPWP	2,246,000	214,615	508,584	22.64%
<b>TOTAL</b>	<b>364,259,613</b>	<b>30,127,686</b>	<b>179,856,183</b>	<b>49.38%</b>

**CAPITAL GRANT RECEIVED**

<b>DESCRIPTION</b>	<b>BUDGET</b>	<b>JANUARY RECEIVED 2017/18</b>	<b>YTD ACTUAL RECEIVED</b>	<b>YTD%</b>
MIG	84,588,950	0	59,657,000	70.53%
NDPG	75,000,000	0	40,000,000	53.33%
INEP	14,000,000	0	12,000,000	85.71%
PMU	160,435	0	0	0%
PIG	22,000,000	0	14,808,404	67.31
<b>TOTAL</b>	<b>195,749,385</b>	<b>0</b>	<b>126,465,404</b>	<b>64.61%</b>

**CAPITAL GRANTS SPEND**

<b>DESCRIPTION</b>	<b>BUDGET</b>	<b>JANUARY SPENDING 2017/18</b>	<b>YTD ACTUAL</b>	<b>YTD%</b>
NDPG	75,000,000	0	28,925,349	38.57%
INEP	14,000,000	610,709	5,936,925	42.41%
PMU	160,435	0	0	0%
PIG Sewer	22,000,000	0	14,808,403	67.31

### Cash Flow Statement (Annexure B)

- Total cash receipts by source reflect an amount of R146.7 million, for the month of January 2018.
- Total cash payments indicate an amount of R166.5 million for the month of January 2018.

### Capital expenditure report (Annexure C)

The summary report indicates the following:

<b>Summary statement of Capital Expenditure</b>				
Description	YTD Budget	January Actual 2017/18	YTD Actual	Variance Favourable (Unfav)
Total Capital Expenditure	124,685,750	610,709	70,987,195	(53,698,555)
<b>Capital funding</b>				
National government	101,352,417	610,709	70,987,195	(30,365,221)
Provincial Government	-	-	-	-
	-	-	-	-
District Municipality	-	-	-	-
Borrowing	1,750,000	-	-	(17,500,000)
Internal Generated fund	5,833,333	-	-	(5,833,333)
<b>Financial Total</b>	<b>124,685,750</b>	<b>610,709</b>	<b>70,987,195</b>	<b>(53,698,555)</b>

- Capital spending of 33.21% is lower than the 58% pro-rata.

### MIG Spending

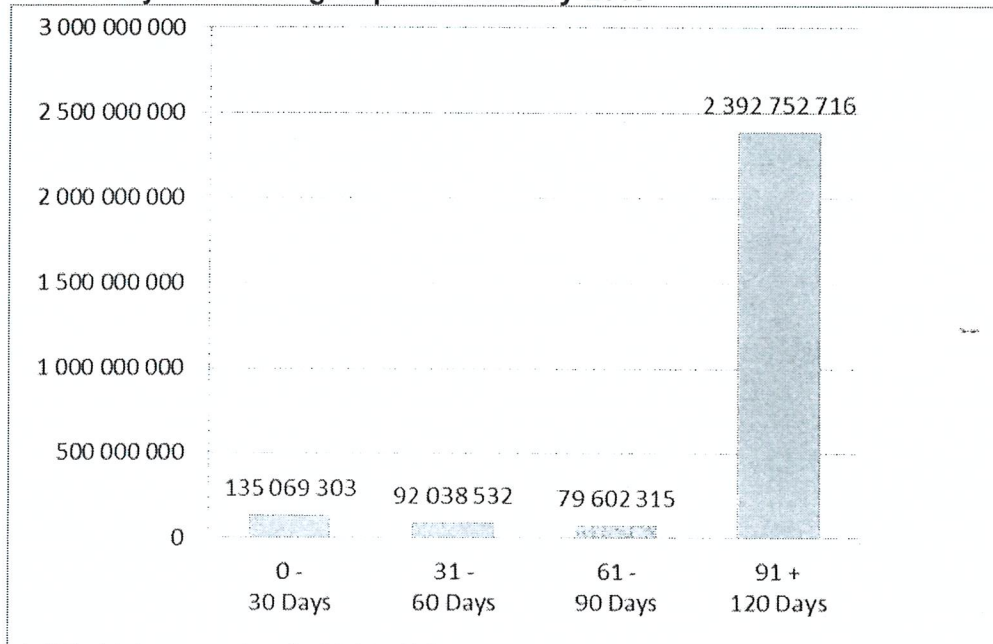
BUDGET	JANUARY RECEIVED	SPENDING YTD	YTD RECEIVED	%SPENDING
84,588,950	0	34,898,442	59,657,000	41.26%

### Outstanding Debtors report (Annexure D)

This graph 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 January 2018 amounts to R 2.564 billion.

A detailed Age Analysis is on annexure D.

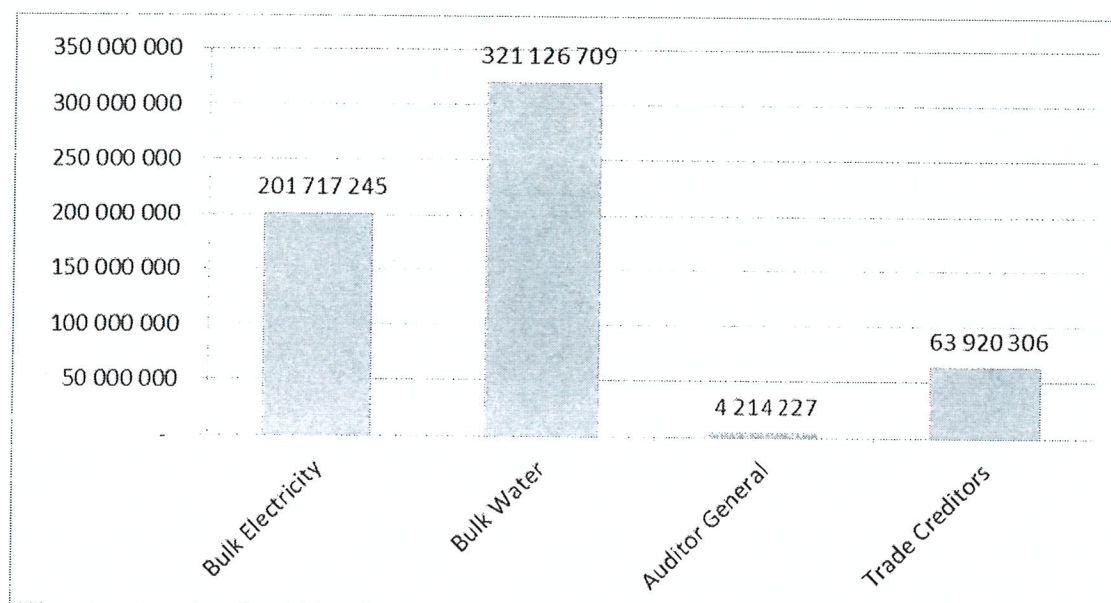
**Debtors by Customer group – 31 January 2018**



Debtors' book has increased by R29, 8 million as compared to the previous month.

### Outstanding Creditors report (Annexure E)

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



### Investment Portfolio (Annexure F)

The table indicates the status of the investment portfolio which amounts to **R 140,627,588** as at 31 January 2018.

Institution	Investments				
	Fixed	Call	Long Term	Collateral	Total
	R	R	R	R	R
ABSA		104,655,686			104,655,686
FNB			108,774		108,774
Investec		5,804,095			5,804,095
Nedcor				21,697,304	21,697,304
Sanlam (Policy)	8,361,725				8,361,725
	<b>8,361,725</b>	<b>110,459,785</b>	<b>108,774</b>	<b>21,697,304</b>	<b>140,627,588</b>



## **ANNEXURE G (BORROWINGS)**

The total amount outstanding on external loans at the end of January 2018 amount to R60,749,717.56.

## **ANNEXURE I**

### **RATIOS**

### **FINANCIAL IMPLICATIONS**

The report covers the period from 1 July 2017 to 31 January 2018. The actual income and expenditure that appears in "Annexure A" reflects details that relates to the actual expenditure, and actual revenue for that period. Year to date actual revenue of R 1.426 billion is less than projected of R 1.726 billion YTD budget (Pro-rata) and vary by R297.8. million. Year to date actual expenditure of R 1.11 billion is less than projected expenditure of R1.911 billion YTD budget (Pro-rata) and vary by R 799.5 million.

### **RECOMMENDATION**

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

ANNEXURE A - FINANCIAL PERFORMANCE

Budgeted Financial Performance (revenue and expenditure) - January 2018

Current Year 2017/18

Description	Original Budget	January Actual 2017/18	YTD ACTUAL	YTD BUDGET	Variance	YTD %	Variance%
<b>Revenue By Source</b>							
Property rates	(378 837 000)	(27 635 215)	(242 189 340)	-220 988 250	(21 201 090)	63.93	9.59
Service charges - electricity revenue	(838 331 000)	(62 625 017)	(405 242 108)	-489 026 417	83 784 308	48.34	(17.13)
Service charges - water revenue	(639 296 000)	(42 217 778)	(307 368 350)	-372 922 667	65 554 316	48.08	(17.58)
Service charges - sanitation revenue	(173 694 000)	(9 422 588)	(65 912 418)	-101 321 500	35 409 082	37.95	(34.95)
Service charges - refuse revenue	(215 011 000)	(12 710 361)	(88 875 858)	-125 423 083	36 547 226	41.34	(29.14)
Service charges - other	(15 000 000)	16 113	38 014	-8 750 000	8 788 014	(0.25)	-
Rental of facilities and equipment	(6 586 640)	(476 646)	(3 120 109)	-3 842 207	722 098	47.37	(18.79)
Interest earned - external investments	(2 500 000)	(270)	(270)	-1 458 333	1 458 063	0.01	(99.98)
Interest earned - outstanding debtors	(161 884 000)	(17 646 204)	(121 919 399)	-94 432 333	(27 487 066)	75.31	29.11
Fines	(7 452 000)	(40 352)	(676 619)	-4 347 000	3 670 381	9.08	(84.43)
Licences and permits	(7 529 000)	(51 299)	(410 236)	-4 391 917	3 981 681	5.45	(90.66)
Transfers recognised - operational	(364 262 000)	(29 570 542)	(211 526 812)	-212 486 167	959 354	58.07	(0.45)
Internal Departmental Transfers	(26 505 731)	(2 538 063)	(18 540 859)	-15 461 676	(3 079 183)	69.95	19.91
Other revenue	(118 886 269)	(3 710 120)	(18 827 268)	-69 350 324	50 523 056	15.84	(72.85)
Gains on disposal of PPE	-	-	-	0	-	-	-
<b>Total Revenue</b>	<b>(2 955 774 640)</b>	<b>(208 628 342)</b>	<b>(1 484 571 632)</b>	<b>(1 724 201 873)</b>	<b>239 630 241</b>	<b>50.23</b>	<b>(13.90)</b>
<b>Expenditure By Type</b>							
Employee related costs	586 853 000	47 997 783	291 973 871	342 330 917	50 357 046	49.75	14.71
Remuneration of councillors	31 657 000	4 244 227	19 343 242	18 466 583	(876 658)	61.10	(4.75)
Contributions	462 621 000	-	28 192 685	269 862 250	241 669 565	6.09	89.55
Depreciation & asset impairment	492 000 000	34 212 995	239 490 964	287 000 000	47 509 036	48.68	16.55
Finance charges	11 000 000	222 505	4 070 695	6 416 667	2 345 972	37.01	36.56
Bulk purchases	837 563 000	9 685 533	290 790 700	488 578 417	197 787 717	34.72	40.48
Repairs & Maintenance	126 791 000	4 524 037	32 482 367	73 961 417	41 479 050	25.62	56.08
Contracted services	48 250 824	440 340	16 617 620	28 146 314	11 528 694	34.44	40.96
Collection Costs	13 500 000	1 151 498	4 980 351	7 875 000	2 894 649	36.89	36.76
Other expenditure	640 276 448	33 882 729	223 899 166	373 494 595	149 595 429	34.97	40.05
Departmental charges	26 505 728	2 536 289	18 519 043	15 461 675	(3 057 368)	69.87	(19.77)
Internal recoveries (amount charge out)	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>3 277 018 000</b>	<b>138 897 935</b>	<b>1 170 360 702</b>	<b>1 911 593 833</b>	<b>741 233 131</b>	<b>35.71</b>	<b>38.78</b>
<b>(Surplus)/Deficit</b>	<b>321 243 360</b>	<b>(69 730 408)</b>	<b>(314 210 930)</b>	<b>187 391 960</b>	<b>(501 602 890)</b>		
<b>TOTAL REVENUE</b>	<b>(2 955 774 640)</b>	<b>(208 628 342)</b>	<b>(1 484 571 632)</b>	<b>(1 724 201 873)</b>	<b>(239 630 241)</b>	<b>50.23</b>	<b>13.90</b>
<b>LESS REVENUE FOREGONE</b>	<b>-</b>	<b>3 619 673</b>	<b>58 269 236</b>	<b>-</b>	<b>(58 269 236)</b>		
<b>Income forgone on assessment rate</b>	<b>43 528 512</b>	<b>3 619 673</b>	<b>58 269 236</b>	<b>25 391 632</b>	<b>(32 877 604)</b>	<b>133.86</b>	<b>(129.48)</b>
<b>Income forgone on other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>TOTAL INCOME</b>	<b>(2 955 774 640)</b>	<b>(205 008 669)</b>	<b>(1 426 302 396)</b>	<b>(1 724 201 873)</b>	<b>(297 899 477)</b>	<b>48.25</b>	<b>17.28</b>
<b>Total expenditure after deduct reve</b>	<b>3 277 018 000</b>	<b>135 278 262</b>	<b>1 112 091 466</b>	<b>1 911 593 833</b>	<b>799 502 367</b>	<b>33.94</b>	<b>41.82</b>
<b>(Surplus)/ Deficit for the year</b>	<b>321 243 360</b>	<b>(69 730 408)</b>	<b>(314 210 930)</b>	<b>187 391 960</b>	<b>501 602 890</b>	<b>-97.81</b>	<b>6.10</b>

OPERATING INCOME PER DEPARTMENT AS AT JANUARY 2018

DESCRIPTION	BUDGET	JANUARY	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	95 330 893	848 375	6 798 722	55 609 688	(48 810 966)	-87.77	7.13
Health service	-	-	5 500	-	5 500	-	-
Community services	220 391 330	13 399 874	93 121 006	128 561 609	(35 440 603)	-27.57	42.25
Sports	2 232 079	116 991	429 840	1 302 046	(872 206)	-66.99	19.26
Housing	2 166 080	88 150	610 150	1 263 547	(653 397)	-51.71	28.17
Council general	3 203 182	33 897	400 512	1 868 523	(1 468 011)	-78.57	12.50
Civil Engineering	826 495 380	52 718 074	383 286 758	482 122 305	(98 835 547)	-20.50	46.37
Electrical engineering	861 685 278	64 649 643	421 433 886	502 649 746	(81 215 859)	-16.16	48.91
Corporate services	4 492 179	14 700	121 683	2 620 438	(2 498 755)	-95.36	2.71
Finance	918 209 218	71 198 558	513 877 538	535 622 044	(21 744 506)	-4.06	55.97
Market	21 569 021	1 940 556	6 216 467	12 581 929	(6 365 462)	-50.59	28.82
LED	-	(150)	333	-	333	-	-
<b>TOTAL</b>	<b>2 955 774 640</b>	<b>205 008 669</b>	<b>1 426 302 394</b>	<b>1 724 201 873</b>	<b>(297 899 479)</b>	<b>-17.28</b>	<b>48.25</b>
		(205 008 669)					

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	JAN	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	211 969 544	10 169 301	75 935 541	123 648 901	(47 713 360)	-38.59	35.82
Health service	9 649 658	459 114	3 427 671	5 628 967	(2 201 296)	-39.11	35.52
Community services	216 166 471	17 375 467	90 414 324	126 097 108	(35 682 784)	-28.30	41.83
Sports	114 357 160	8 800 027	59 839 687	66 708 343	(6 868 657)	-10.30	52.33
Housing	11 321 100	858 973	6 171 782	6 603 975	(432 193)	-6.54	54.52
Council general	169 956 453	13 160 855	71 007 427	99 141 264	(28 133 837)	-28.38	41.78
Civil Engineering	948 642 258	51 318 919	334 509 366	553 374 651	(218 865 284)	-39.55	35.26
Electrical engineering	859 939 220	14 057 755	350 016 511	501 631 212	(151 614 701)	-30.22	40.70
Corporate services	62 609 135	4 160 445	27 044 032	36 521 995	(9 477 964)	-25.95	43.20
Finance	632 554 006	12 901 381	77 063 212	368 989 837	(291 926 624)	-79.12	12.18
Market	25 050 555	1 556 687	13 328 893	14 612 824	(1 283 931)	-8.79	53.21
LED	14 802 440	459 636	3 333 320	8 634 757	(5 301 437)	-61.40	22.52
<b>TOTAL</b>	<b>3 277 018 000</b>	<b>135 278 561</b>	<b>1 112 091 766</b>	<b>1 911 593 833</b>	<b>(799 502 068)</b>	<b>-41.82</b>	<b>33.94</b>
<b>Surplus/Deficit</b>	<b>(321 243 360)</b>	<b>69 730 108</b>	<b>314 210 629</b>	<b>(187 391 960)</b>	<b>501 602 589</b>		

**GRANTS AND SUBSIDIES - January 2018**

**Operational allocation/grant received**

	<b>BUDGET</b>	<b>JANUARY</b>	<b>YTD</b>	<b>YTD%</b>
Equitable shares grants	354 377 000		264 542 000	74.65
Finance Management Grant	2 145 000		2 145 000	100.00
Improvement of library services	1 200 000		1 200 000	100.00
PMU	4 291 613		-	-
EPWP (arbour week)	2 246 000	1 010 000	1 572 000	69.99
		-	-	-
	<b>364 259 613</b>	<b>1 010 000</b>	<b>269 459 000</b>	<b>73.97</b>
<b>CAPITAL GRANT RECEIVED</b>				
MIG	84 588 950	-	59 657 000	70.53
NDPG	75 000 000	-	40 000 000	53.33
DME/INER	14 000 000	-	12 000 000	85.71
PMU	160 435	-	-	-
PIG Sewer	22 000 000	-	14 808 404	67.31
	<b>195 749 385</b>	<b>-</b>	<b>126 465 404</b>	<b>64.61</b>

**GRANTS AND SUBSIDIES - JANUARY 2018**

**Operational allocation/grant spending**

	<b>BUDGET</b>	<b>JANUARY 2016/17</b>	<b>YTD EXPENDITURE</b>	<b>YTD%</b>
Equitable shares grants	354 377 000	29 531 417	177 188 501	50.00
Finance Management Grant	2 145 000	106 383	417 592	19.47
Improvement of library services	1 200 000	3 500	10 903	0.91
PMU	4 291 613	271 770	1 730 603	40.33
EPWP (arbour week)	2 246 000	214 615	508 584	22.64
		-	-	-
	<b>364 259 613</b>	<b>30 127 686</b>	<b>179 856 183</b>	<b>49.38</b>
<b>CAPITAL GRANT EXPENDITURE</b>				
MIG	84 588 950	-	34 898 442	41.26
NDPG	75 000 000	-	28 925 349	38.57
DME/INER	14 000 000	610 709	5 936 925	42.41
PMU	160 435	-	-	-
PIG Sewer	22 000 000	-	14 808 403	67.31
	<b>195 749 385</b>	<b>610 709</b>	<b>84 569 118</b>	<b>43.20</b>

## ANNEXURE B

## Cash Flow Statement for the month of January 2018

<b>Cash Receipts by Source</b>	<b>January 2018</b>
Property rates	14 142 260
Service charges - electricity revenue	42 237 811
Service charges - water revenue	17 123 680
Service charges - sanitation revenue	3 463 677
Service charges - refuse revenue	3 008 593
Service charges - other	45 481 497
Rental of facilities and equipment	260 088
Interest earned - external investments	270
Interest earned - outstanding debtors	1 774
Fines	40 352
Licences and permits	51 299
Transfer receipts - operational grants	1 010 000
Other revenue	19 899 188
<b>Cash Receipts by Source</b>	<b>146 720 490</b>
Transfer receipts - capital grants	-
Proceeds on disposal of PPE	-
<b>Total Cash Receipts by Source</b>	<b>146 720 490</b>
Proceeds on disposal of PPE	-
Short term loan	-
Borrowing long term/ Refinancing	(168 908)
Increase (decrease) in consumer deposits	228 785
Decrease (increase) in non - current debtors	-
Decrease (increase) in non - current	2 183
Decrease (increase) in non- current investment	-
<b>Total Cash Receipts by Source</b>	<b>146 782 550</b>
<b>Cash Payments by Type</b>	
Employee related costs	47 997 783
Remuneration of councillors	4 244 227
Collection costs	1 213
Interest paid	222 505
Bulk purchases - Electricity	-
Bulk purchases - Water	-
Repairs and maintenance	394 767
Contracted services	96 429
General expenses	112 324 934
<b>Cash Payments by Type</b>	<b>165 281 858</b>
<b>Other Cash Flows/Payments by Type</b>	
Capital assets	882 479
Repayment of borrowing	391 412
<b>Other Cash Flows/Payments</b>	<b>1 273 891</b>
Investment	-
<b>Total Cash Payments by Type</b>	<b>166 555 749</b>
<b>Net increase/(decrease) in cash held</b>	<b>(19 773 199)</b>
<b>Cash/ cash equivalent at the month begin</b>	<b>134 961 765</b>
<b>Cash/ cash equivalent at the month end</b>	<b>115 188 566</b>

NW403 City Of Matlosana - Budgeted Capital Expenditure - January 2018

	Original Budget	January 2018	YTD Actual	YTD Budget	Variance	YTD %
<b>Capital Expenditure</b>						
<i>Council General</i>	35 000 000	-	-	20 416 667	(20 416 667)	-
Council General Admin	35 000 000		-	20 416 667	(20 416 667)	-
<i>Municipal &amp; Environmental Services</i>	10 952 000	-	-	6 388 667	(6 388 667)	-
Community and social services	-	-	-	-	-	-
Sport and recreation	10 952 000	-	-	6 388 667	(6 388 667)	-
Refuse removal	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Health	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-
<i>Finance</i>	5 000 000	-	-	2 916 667	(2 916 667)	-
ICT Hard/software	5 000 000	-	-	2 916 667	(2 916 667)	-
<i>Macro city planning &amp; Development</i>	-	-	-	-	-	0
Market			-	-	-	0
<i>Civil Services &amp; Human Settlement</i>	140 891 000	-	63 102 654	82 186 417	(19 083 763)	44.79
Water	42 187 000		29 852 409	24 609 083	5 243 326	70.76
Waste water management(Sewer)	7 484 000		1 359 786	4 365 667	(3 005 881)	18.17
Roads	91 220 000		31 890 459	53 211 667	(21 321 208)	34.96
Housing	-		-	-	-	-
PMU Unit	-		-	-	-	-
umping side	-		-	-	-	-
<i>Electrical &amp; Mechanical Engineering</i>	21 904 000	610 709	7 884 541	12 777 333	(4 892 792)	36.00
Electrical	21 904 000	610 709	7 884 541	12 777 333	(4 892 792)	36.00
						-
<b>Total Capital Expenditure</b>	<b>213 747 000</b>	<b>610 709</b>	<b>70 987 195</b>	<b>124 685 750</b>	<b>(53 698 555)</b>	<b>33.21</b>

**CAPITAL FUNDING**

National government	173 747 000	610 709	70 987 195	101 352 417	(30 365 221)	40.86
Provincial government	-		-	-	-	-
District municipality	-		-	-	-	-
Borrowing	30 000 000		-	17 500 000	(17 500 000)	-
Internal Generated funds	10 000 000		-	5 833 333	(5 833 333)	-
<b>Financing Total</b>	<b>213 747 000</b>	<b>610 709</b>	<b>70 987 195</b>	<b>124 685 750</b>	<b>(53 698 555)</b>	<b>33.21</b>

ANNEXURE D  
DEBTOR'S AGE ANALYSIS - January 2018

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total -
<b>Debtors Age Analysis By Income Source</b>					
Water Tariffs	35 499 572	29 351 938	26 044 482	797 379 230	888 275 222
Electricity Tariffs	35 245 003	16 637 045	10 670 826	196 728 483	259 281 357
Rates (Property Rates)	17 279 448	7 371 740	6 021 487	148 264 146	178 936 821
Sewerage/ Sanitation	6 298 401	4 615 897	4 212 509	141 121 215	156 248 022
Refuse Removal Tariffs	8 531 896	6 927 123	6 543 135	243 724 782	265 726 936
Other	32 214 983	27 134 789	26 109 876	865 534 860	950 994 508
<b>Total By Income Source</b>	<b>135 069 303</b>	<b>92 038 532</b>	<b>79 602 315</b>	<b>2 392 752 716</b>	<b>2 699 462 866</b>
<b>Debtors Age Analysis By Customer Group</b>					
Government	5 010 639	4 407 841	2 802 969	36 853 378	49 074 827
Business	36 820 096	17 421 509	12 429 106	255 173 572	321 844 283
Households	92 441 176	69 627 229	63 821 769	2 051 881 387	2 277 771 561
Other	797 392	581 953	548 471	48 844 379	50 772 195
<b>Total By Customer Group</b>	<b>135 069 303</b>	<b>92 038 532</b>	<b>79 602 315</b>	<b>2 392 752 716</b>	<b>2 699 462 866</b>

ANNEXURE E  
OUTSTANDING CREDITORS STATEMENT - JANUARY 2018

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total
Bulk Electricity	76 797 066	-	-	-	124 920 179	201 717 245
Bulk Water	40 872 368	38 015 500	32 375 220	31 370 028	178 493 593	321 126 709
Auditor General	104 002	1 295 670	1 257 987	1 378 707	177 861	4 214 227
Trade Creditors	68 756 831	226 572	601 301	4 830 702	96 569 011	170 984 417
<b>Total</b>	<b>186 530 267</b>	<b>39 537 742</b>	<b>34 234 508</b>	<b>37 579 437</b>	<b>400 160 644</b>	<b>698 042 598</b>



ANNEXURE F

Investment Portfolio: 31 January 2018  
City of Matlosana

INSTITUTION	INTEREST RATE	PERIOD	DECEMBER 2017	JANUARY 2018	MATURITY DATE	EXPLANATION
<b>Call Investment</b>						
ABSA: 3854	3.73%		12 314.67	12 351.28		
ABSA: 5047	4.70%		9 450 475.79	9 478 877.74		INEP
ABSA: 6177	6.75%		28 799 328.03	27 647 412.00		MIG
ABSA: 2264	4.70%		4 593 019.80	4 610 378.90		
ABSA: 4682	6.65%		21 425 135.70	21 551 879.42		NDPG
ABSA: 4063	1.55%		173 474.13	173 665.66		
ABSA: 1223	6.75%		50 778 634.02	41 181 124.29		
INVESTEC	6.80%		5 771 995.90	5 804 095.44		
<b>TOTAL Call Investment</b>			<b>121 004 378.04</b>	<b>110 459 784.73</b>		
<b>Collateral</b>						
SANLAM	Policy	anted Capital	7 837 616.22	7 837 616.22	2018/12/01	Policy
SANLAM	Policy	anted Capital	524 109.04	524 109.04	2019/08/01	Policy
NEDCOR	Minimum 5%		21 697 304.00	21 697 304.00	30/06/2019	Security
<b>TOTAL</b>			<b>30 059 029.26</b>	<b>30 059 029.26</b>		
<b>Long Term Investment</b>						
FNB	10.00%	1 YEAR	85 413.28	94 773.77		Housing Collateral
FNB	9.50%	1 YEAR	14 000.00	14 000.00		Housing Collateral
<b>TOTAL</b>			<b>99 413.28</b>	<b>108 773.77</b>		
<b>TOTAL INVESTMENTS</b>			<b>151 162 820.58</b>	<b>140 627 587.76</b>		

Withdraw R10 000 000 from ABSA call - 29 January 2018

Withdraw R1 269 225 from ABSA call (MIG) - 29 January 2018

Other changes are due to year end and 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

# Template for Calculation of Uniform Financial Ratios and Norms

RATIO	FORMULA	Jan-18	MUNICIPAL COMMENTS (#)
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## 1. FINANCIAL POSITION

### A. Asset Management/Utilisation

1 Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) x 100	6% 6%	The ratio will increasing as capital expenditure accelerates.
		1 112 091 466	
		70 987 195	
		0	

### D. Liability Management

1 Capital Cost(Interest Paid and Redemption) as a % of Total Operating Expenditure	Capital Cost(Interest Paid and Redemption) / Total Operating Expenditure x 100	0.003660396 4 070 695	0.0037 This do not indicate the capacity for further borrowing, rather the precarious situation where we cant afford the risk of commitment due to cashflow constraints.
		1 112 091 466	
2 Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non current Finance Lease Obligation + Short Term Borrowings + Long term borrowing) / (Total Operating Revenue - Operational Conditional Grants) x 100	0.024568617 60 749 717 2 260 169 000	0.025
		-212 486 167	

## 2. FINANCIAL PERFORMANCE

1 Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	0.507960924	0.5080 The restated assets register and the accompanying higher depreciation have a significant impact on financial performance of the municipality.
		2 260 169 000	
		1 112 091 466	

### D. Expenditure Management

1 Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	206.0076341 698 042 598 1 236 777 216	206.01 Still way behind acceptable.
2 Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	0.324431498 360 797 500 1 112 091 466	0.32 Below NT norm
2 Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	0.014942673	The proposed lower ratio is a product of a change to create in

16 617 620  
1 112 091 466

inhouse capacity for many of the current outsourced services to improve the performance of the municipality.

**E. Grant Dependency**

1 Own funded Capital Expenditure (Internally generated funds + Borrowings) to Total Capital Expenditure	Own funded Capital Expenditure (Internally generated funds + Borrowings) / Total Capital Expenditure x 100	0 0 0 70 987 195	There should be an increase in the ratio as the current capital spending accelerates.
2 Own Source Revenue to Total Operating Revenue(Including Agency Revenue)	Own Source Revenue (Total revenue - Government grants and Subsidies - Public Contributions and Donations)/ Total Operating Revenue (including agency services) x 100	0.94 1 426 302 396 88 727 650 0	

**3. BUDGET IMPLEMENTATION**

1 Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	0.332108499 70 987 195 213 747 000	0.33 Should be at 58%.
2 Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	0.58176138 1 112 091 466 1 911 593 833	0.58
3 Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	0.827224711 1 426 302 396 1 724 201 873	0.83

# Annexure A AS AT 31 JANUARY 2018

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Original Loan	Lender	Purpose	% Interest Rate (2 dec) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2017	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 31/01/2018	Redemption 2017/2018
ANNUITY LOANS													
NW11899	11/01/1997	30/09/2017	20	7438371	Development Bank of SA	Provision of Infrastructure	15	41 755,56	555 219,59	555 219,59	0,00	0,00	555 219,59
NW11182	11/01/1998	30/09/2018	20	7435458	Development Bank of SA	Provision of Infrastructure	15,25	123 395,28	1 613 872,48	489 405,06	0,00	1 114 727,12	1 030 316,74
NW13837	11/01/2000	30/09/2020	20	3951600	Development Bank of SA	Provision of Infrastructure	15,6	137 686,53	1 760 005,32	198 304,28	0,00	1 561 701,06	412 498,92
NW13874/1	11/01/2001	30/09/2019	18	10000000	Development Bank of SA	Combination	14,75	55 716,25	1 111 111,11	277 777,77	0,00	833 333,34	555 555,54
NW13874/2	17/7/2001	30/09/2019	18	14998125	Development Bank of SA	Combination	14,75	723 894,02	14 998 125,00	0,00	0,00	14 998 125,00	3 229 308,10
NW101297/1	17/7/2004	30/09/2019	15	28670000	Development Bank of SA	Combination	11,2	385 643,91	6 530 358,54	1 568 551,40	0,00	5 281 807,14	4 040 880,20
NW101297/2	11/12/2010	30/09/2019	15	37000000	Development Bank of SA	Combination	11,2	482 581,84	8 546 927,00	1 962 751,18	0,00	6 584 175,82	4 040 880,20
10556	31/2/1998	31/2/2018	20	13380746	Development Bank of SA	Provision of Infrastructure	14,75	1 577 591,03	25 781 177,28	1 168 508,55	0,00	24 614 668,43	2 071 048,18
10906	30/09/1999	30/09/2019	20	55877000	Development Bank of SA	Provision of Infrastructure	15,25	136 939,74	1 820 874,49	877 658,04	0,00	943 216,45	1 820 874,49
10912	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	Provision of Infrastructure	15,25	123 338,42	1 613 133,45	276 973,90	0,00	1 336 159,55	575 348,47
10913	30/09/1999	30/09/2019	20	5780000	Development Bank of SA	Provision of Infrastructure	15,25	192 658,75	2 388 979,41	410 165,98	0,00	1 978 793,43	852 065,70
								140 582,08	1 538 662,02	315 696,90	0,00	1 522 965,12	655 796,87
								4 141 733,41	68 858 450,39	8 108 732,83	0,00	60 749 717,56	15 804 902,60