

## MONTHLY BUDGET STATEMENT: 30 NOVEMBER 2017

MUNICIPAL FINANCE MANAGEMENT ACT NO.56 of 2003(MFMA): MONTHLY FINANCIAL REPORT FOR NOVEMBER 2017 (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. NOVEMBER 2017 REPORT

The financial results for the period ended 30 November 2017 are summarized as follows:

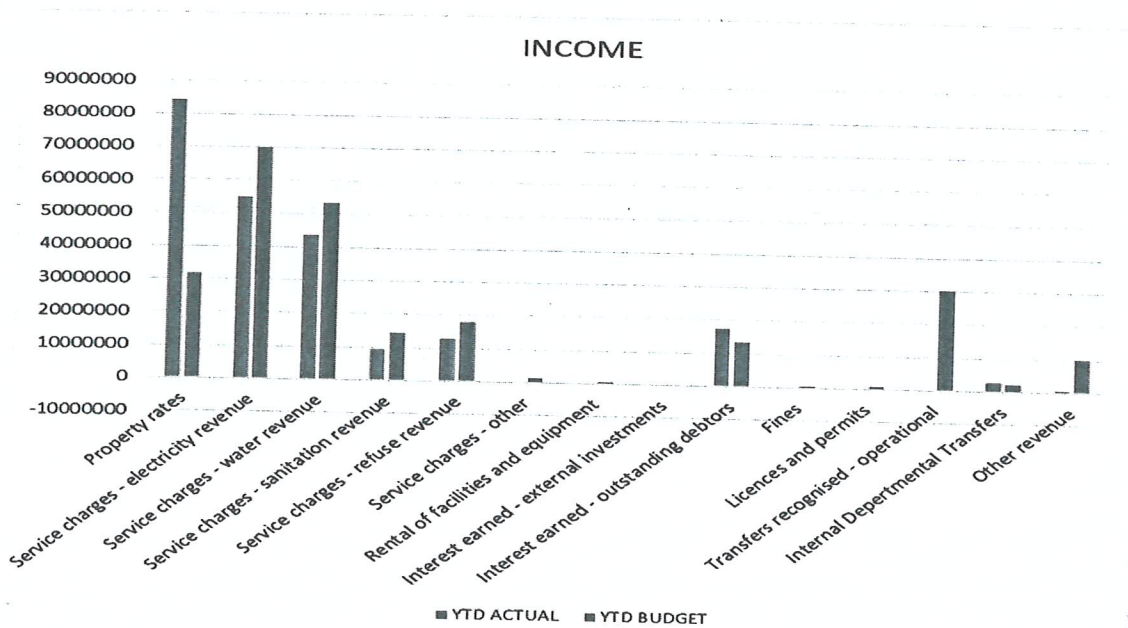
#### Statement of Financial Performance (SFP)

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.

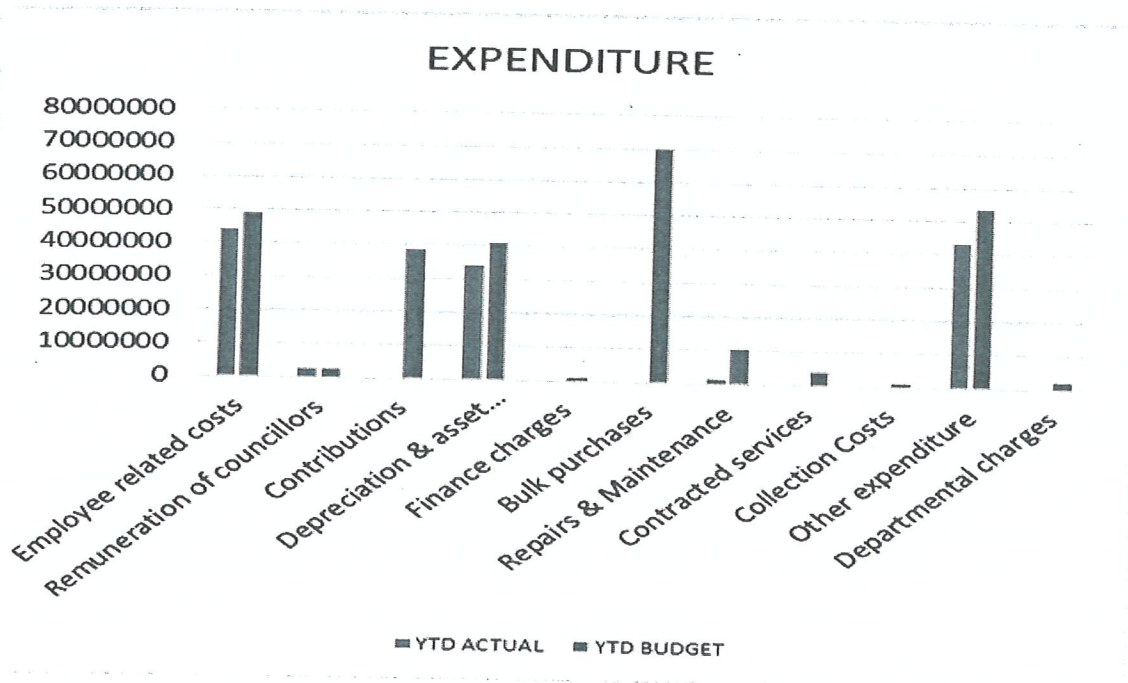
The summary report indicates the following:

<b>Summary statement of Financial Performance</b>				
<b>Description</b>	<b>YTD Budget 2017/18</b>	<b>November Actual 2017/18</b>	<b>YTD Actual 2017/18</b>	<b>Variance Favourable (Unfavourable)</b>
Total Revenue by Source	(1,231,572,767)	(194,410,634)	(860,425,233)	(371,147,534)
Total Operating Expenditure	1,365,424,167	162,655,019	708,773,860	656,650,307
<b>(SURPLUS)/ DEFICIT</b>	<b>133,851,400</b>	<b>(31,755,615)</b>	<b>(151,651,373)</b>	<b>285,502,773</b>

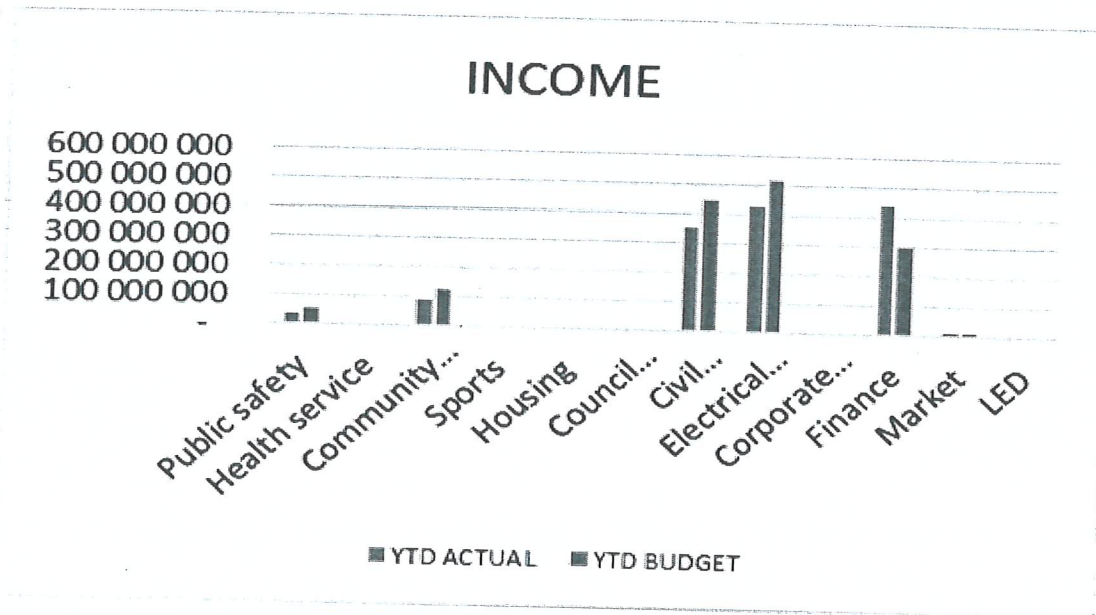
### YTD Actual Income vs YTD Budget Income



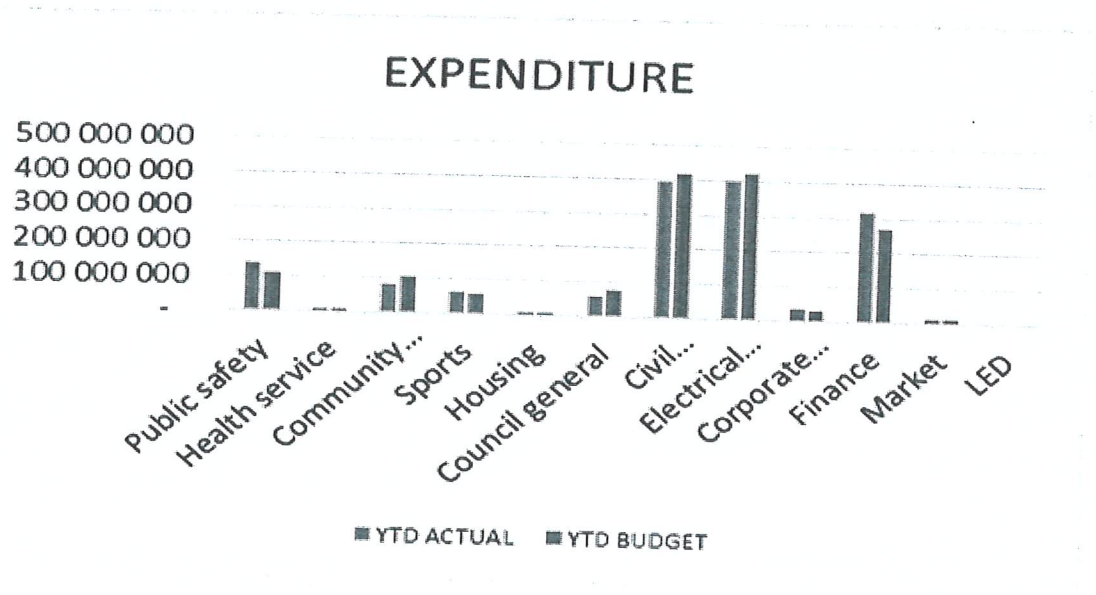
### YTD Actual Expenditure vs YTD Budget Expenditure



### Operating Income per department



### Operating Expenditure per department



## GRANTS AND SUBSIDIES

### Operational allocation/ Grant received

DESCRIPTION	BUDGET 2017/18	NOVEMBER RECEIVED 2017/18	YTD ACTUAL RECEIVED 2017/18	YTD%
Equitable shares grants	354,377,000	0	147,658,000	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	0	562,000	25.02%
<b>TOTAL</b>	<b>364,259,613</b>	<b>0</b>	<b>151,565,000</b>	<b>41.61%</b>

### Operational Grant spending

DESCRIPTION	BUDGET 2017/18	November Spending 2017/18	YTD ACTUAL 2017/18	YTD%
Equitable shares grants	354,377,000	29,531,417	147,657,084	41.67%
Finance Management grant	2,145,000	75,638	311,208	41.51%
Improvement of Library services	1,200,000	3,600	7,403	0.62%
PMU	4,291,613	223,044	1,167,225	27%
EPWP	2,246,000	293,969	293,969	13%
<b>TOTAL</b>	<b>364,259,613</b>	<b>30,127,668</b>	<b>149,436,890</b>	<b>41.02%</b>

**CAPITAL GRANT RECEIVED**

<b>DESCRIPTION</b>	<b>BUDGET</b>	<b>NOVEMBER RECEIVED 2017/18</b>	<b>YTD ACTUAL RECEIVED</b>	<b>YTD%</b>
MIG	84,588,950	0	31,164,000	36.84%
NDPG	75,000,000	0	40,000,000	53.33%
INEP	14,000,000	0	6,000,000	42.86%
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>91,972,404</b>	<b>46.98%</b>

<b>DESCRIPTION</b>	<b>BUDGET</b>	<b>NOVEMBER SPENDING 2017/18</b>	<b>YTD ACTUAL</b>	<b>YTD%</b>
NDPG	75,000,000	6,695,783	24,720,663	32.96%
INEP	14,000,000	0	4,629,392	33.07%
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 R128.9 million, for the month of November 2017.
- Total cash payments indicate an amount of R154.6 million for the month of November 2017.

### Capital expenditure report (Annexure C)

The summary report indicates the following:

<b>Summary statement of Capital Expenditure</b>				
<b>Description</b>	<b>YTD Budget</b>	<b>November Actual 2018</b>	<b>YTD Actual</b>	<b>Variance Favourable (Unfav)</b>
Total Capital Expenditure	<b>89,061,250</b>	<b>7,969,533</b>	<b>59,025,031</b>	<b>(30,036,219)</b>
<b>Capital funding</b>				
National government	72,394,583	7,969,533	59,025,031	(13,369,552)
Provincial Government	-	-	-	-
District Municipality	-	-	-	-
Borrowing	12,500,000	-	-	(12,500,000)
Internal Generated fund	4,166,667	-	-	(4,166,667)
<b>Financial Total</b>	<b>89,061,250</b>	<b>7,969,533</b>	<b>59,025,031</b>	<b>(30,036,219)</b>

- Capital spending of 27.61% is lower than the 42% pro-rata.

#### MIG Spending

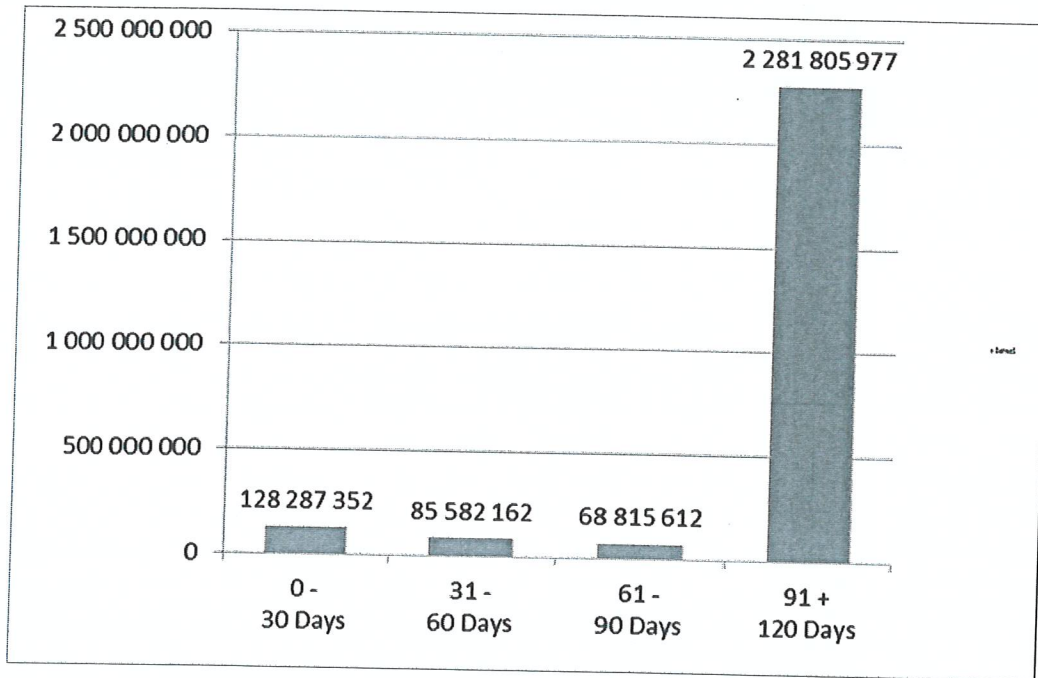
<b>BUDGET</b>	<b>NOVEMBER RECEIVED</b>	<b>SPENDING YTD</b>	<b>YTD RECEIVED</b>	<b>%SPENDING</b>
84,588,950	1,273,750	30,396,112	31,164,000	36%

### 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 30 November 2017 amounts to R 2.436 billion.

A detailed Age Analysis is on annexure D.

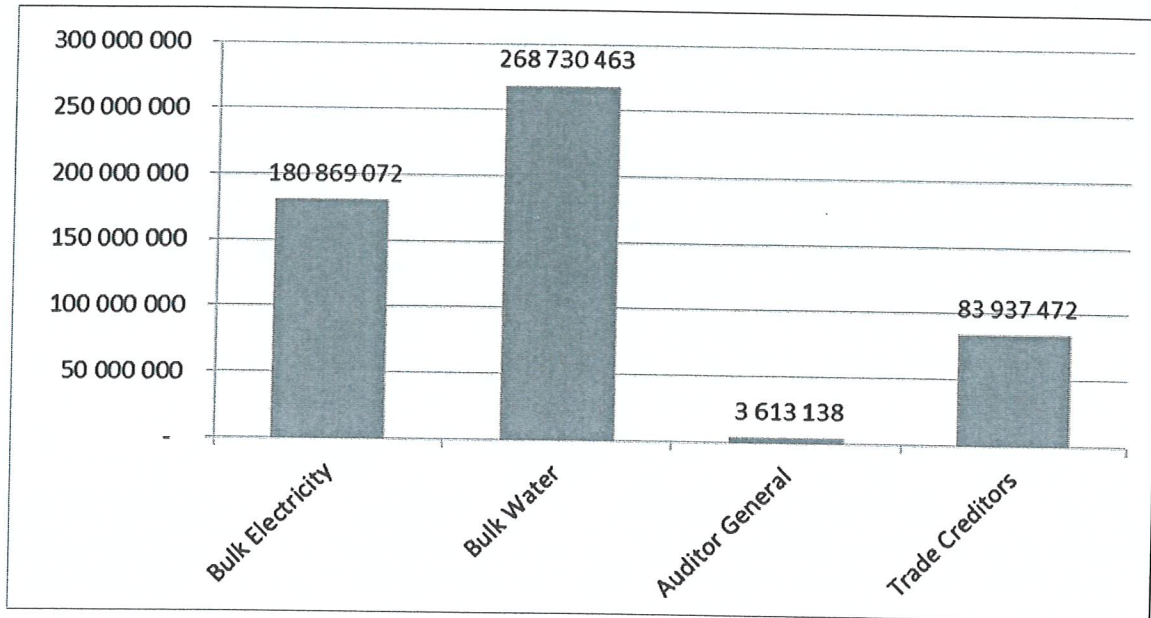
### **Debtors by Customer group – 30 November 2017**



- Debtors' book has increased by R59 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 94,942,249 as at 30 November 2017.

Investments					
	Fixed	Call	Long Term	Collateral	Total
Institution	R	R	R	R	R
ABSA		59,043,752			59,043,752
FNB			99,413		99,413
Investec		5,740,054			5,740,054
Nedcor				21,697,304	21,697,304
Sanlam (Policy)	8,361,725				8,361,725
	<b>8,361,725</b>	<b>64,783,806</b>	<b>99,413</b>	<b>21,697,304</b>	<b>94,942,249</b>



## **ANNEXURE G (BORROWINGS)**

The total amount outstanding on external loans at the end of November 2017 amount to R64,895,336.53

## **ANNEXURE I**

### **RATIOS**

### **FINANCIAL IMPLICATIONS**

The report covers the period from 1 July 2017 to 30 November

2017. 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 860 million is less than projected of R 1.232 million YTD budget (Pro-rata) and vary by R371 million.

Year to date actual expenditure of R 709 million is less than projected expenditure of R1.365 billion YTD budget (Pro-rata) and vary by R 657 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) - November 2017

Current Year 2017/18

Description	Original Budget	November Actual 2018/17	YTD ACTUAL	YTD BUDGET	Variance	YTD %	Variance%
<b>Revenue By Source</b>							
Property rates	(378 837 000)	(26 135 981)	(162 506 151)	-157 848 750	(4 657 401)	42.90	2.95
Service charges - electricity revenue	(838 331 000)	(56 442 935)	(243 046 869)	-349 304 583	106 257 715	28.99	(30.42)
Service charges - water revenue	(639 296 000)	(42 744 036)	(172 836 933)	-266 373 333	93 536 401	27.04	(35.11)
Service charges - sanitation revenue	(173 694 000)	(9 424 513)	(37 584 029)	-72 372 500	34 788 471	21.64	(48.07)
Service charges - refuse revenue	(215 011 000)	(12 716 677)	(50 718 926)	-89 587 917	38 868 990	23.59	(43.39)
Service charges - other	(15 000 000)	5 525	(46 562)	-6 250 000	6 203 438	0.31	-
Rental of facilities and equipment	(6 586 640)	(204 020)	(1 427 694)	-2 744 433	1 316 739	21.68	(47.98)
Interest earned - external investments	(2 500 000)	-	-	-1 041 667	1 041 667	-	(100.00)
Interest earned - outstanding debtors	(161 884 000)	(16 210 496)	(70 768 121)	-67 451 667	(3 316 454)	43.72	4.92
Fines	(7 452 000)	(134 142)	(606 967)	-3 105 000	2 498 033	8.15	(80.45)
Licences and permits	(7 529 000)	-	-	-3 137 083	3 137 083	-	(100.00)
Transfers recognised - operational	(364 262 000)	(29 869 362)	(148 156 574)	-151 775 833	3 619 259	40.67	(2.38)
Internal Departmental Transfers	(26 505 731)	(2 667 668)	(10 735 887)	-11 044 055	308 168	40.50	(2.79)
Other revenue	(118 886 269)	(1 484 663)	(9 401 315)	-49 535 945	40 134 630	7.91	(81.02)
Gains on disposal of PPE	-	-	-	0	-	-	-
<b>Total Revenue</b>	<b>(2 955 774 640)</b>	<b>(198 028 968)</b>	<b>(907 836 028)</b>	<b>(1 231 572 767)</b>	<b>323 736 739</b>	<b>30.71</b>	<b>(26.29)</b>
<b>Expenditure By Type</b>							
Employee related costs	586 853 000	47 346 957	199 588 673	244 522 083	44 933 411	34.01	18.38
Remuneration of councillors	31 657 000	2 515 669	12 583 346	13 190 417	607 071	39.75	4.60
Contributions	462 621 000	-	28 192 685	192 758 750	164 566 065	6.09	85.37
Depreciation & asset impairment	492 000 000	34 212 995	171 064 974	205 000 000	33 935 026	34.77	16.55
Finance charges	11 000 000	221 876	2 358 116	4 583 333	2 225 217	21.44	48.55
Bulk purchases	837 563 000	37 252 435	178 740 368	348 984 583	170 244 215	21.34	48.78
Repairs & Maintenance	126 791 000	8 764 765	19 072 255	52 829 583	33 757 329	15.04	63.90
Contracted services	48 250 824	4 008 126	9 528 585	20 104 510	10 575 925	19.75	52.60
Collection Costs	13 500 000	1 360 159	2 518 759	5 625 000	3 106 241	18.66	55.22
Other expenditure	640 276 448	28 013 101	121 902 461	266 781 853	144 879 392	19.04	54.31
Departmental charges	26 505 728	2 577 270	10 634 433	11 044 053	409 621	40.12	3.71
Internal recoveries (amount charge ou	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>3 277 018 000</b>	<b>166 273 353</b>	<b>756 184 655</b>	<b>1 365 424 167</b>	<b>609 239 512</b>	<b>23.08</b>	<b>44.62</b>
<b>(Surplus)/Deficit</b>	<b>321 243 360</b>	<b>(31 755 615)</b>	<b>(151 651 373)</b>	<b>133 851 400</b>	<b>(285 502 773)</b>		
<b>TOTAL REVENUE</b>	<b>(2 955 774 640)</b>	<b>(198 028 968)</b>	<b>(907 836 028)</b>	<b>(1 231 572 767)</b>	<b>(323 736 739)</b>	<b>30.71</b>	<b>26.29</b>
<b>LESS REVENUE FOREGONE</b>	<b>-</b>	<b>3 618 334</b>	<b>47 410 795</b>	<b>-</b>	<b>(47 410 795)</b>		
<b>Income forgone on assessment rate</b>	<b>43 528 512</b>	<b>3 618 334</b>	<b>47 410 795</b>	<b>18 136 880</b>	<b>(29 273 915)</b>	<b>108.92</b>	<b>(161.41)</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>(194 410 634)</b>	<b>(860 425 233)</b>	<b>(1 231 572 767)</b>	<b>(371 147 534)</b>	<b>29.11</b>	<b>30.14</b>
<b>Total expenditure after deduct reve</b>	<b>3 277 018 000</b>	<b>162 655 019</b>	<b>708 773 860</b>	<b>1 365 424 167</b>	<b>656 650 307</b>	<b>21.63</b>	<b>48.09</b>
<b>TOTAL EXPENDITURE</b>	<b>3 277 018 000</b>	<b>166 273 353</b>	<b>756 184 655</b>	<b>1 365 424 167</b>	<b>609 239 512</b>	<b>23.08</b>	<b>44.62</b>
<b>Revenue foregone</b>	<b>-</b>	<b>(3 618 334)</b>	<b>(47 410 795)</b>	<b>-</b>	<b>47 410 795</b>		
<b>(Surplus)/ Deficit for the year</b>	<b>321 243 360</b>	<b>(31 755 615)</b>	<b>(151 651 373)</b>	<b>133 851 400</b>	<b>285 502 773</b>	<b>-47.21</b>	<b>4.36</b>

**GRANTS AND SUBSIDIES - November 2017**  
Operational allocation/grant received

	<b>BUDGET</b>	<b>NOV</b>	<b>YTD RECEIVED</b>	<b>YTD%</b>
Equitable shares grants	354 377 000		147 658 000	41.67
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	-	562 000	25.02
	<b>364 259 613</b>	<b>-</b>	<b>151 565 000</b>	<b>41.61</b>
<b>CAPITAL GRANT RECEIVED</b>				
MIG	84 588 950	-	31 164 000	36.84
NDPG	75 000 000	-	40 000 000	53.33
DME/INER	14 000 000	-	6 000 000	42.86
PMU	160 435	-	-	-
PIG Sewer	22 000 000	-	14 808 404	67.31
	<b>195 749 385</b>	<b>-</b>	<b>91 972 404</b>	<b>46.98</b>

**GRANTS AND SUBSIDIES - NOVEMBER 2017**

Operational allocation/grant spending

	<b>BUDGET</b>	<b>NOV</b>	<b>YTD EXPENDITURE</b>	<b>YTD%</b>
Equitable shares grants	354 377 000	29 531 417	147 657 084	41.67
Finance Management Grant	2 145 000	75 638	311 208	14.51
Improvement of library services	1 200 000	3 600	7 403	0.62
PMU	4 291 613	223 044	1 167 225	27.20
EPWP (arbour week)	2 246 000	293 969	293 969	13.09
	<b>364 259 613</b>	<b>30 127 668</b>	<b>149 436 890</b>	<b>41.02</b>
<b>CAPITAL GRANT EXPENDITURE</b>				
MIG	84 588 950	1 273 750	30 396 112	35.93
NDPG	75 000 000	6 695 783	24 720 663	32.96
DME/INER	14 000 000	-	4 629 392	33.07
PMU	160 435	-	-	-
PIG Sewer	22 000 000	-	14 808 403	67.31
	<b>195 749 385</b>	<b>7 969 533</b>	<b>74 554 570</b>	<b>38.09</b>

OPERATING INCOME PER DEPARTMENT AS AT NOVEMBER 2017

DESCRIPTION	BUDGET	NOV	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	95 330 893	238 196	752 809	39 721 205	(38 968 397)	-98.10	0.79
Health service	-	-	5 500	-	5 500	-	-
Community services	220 391 330	13 147 747	52 825 538	91 829 721	(39 004 183)	-42.47	23.97
Sports	2 232 079	107 194	279 605	930 033	(650 428)	-69.94	12.53
Housing	2 166 080	86 240	347 360	902 533	(555 173)	-61.51	16.04
Council general	3 203 182	35 374	273 696	1 334 659	(1 060 964)	-79.49	8.54
Civil Engineering	826 495 380	53 177 256	213 958 705	344 373 075	(130 414 370)	-37.87	25.89
Electrical engineering	861 685 278	59 265 221	253 337 694	359 035 533	(105 697 839)	-29.44	29.40
Corporate services	4 492 179	10 279	86 571	1 871 741	(1 785 170)	-95.37	1.93
Finance	918 209 218	68 343 126	334 281 405	382 587 174	(48 305 769)	-12.63	36.41
Market	21 569 021	-	4 275 911	8 987 092	(4 711 181)	-52.42	19.82
LED	-	-	439	-	439	-	-
<b>TOTAL</b>	<b>2 955 774 640</b>	<b>194 410 633</b>	<b>860 425 232</b>	<b>1 231 572 767</b>	<b>(371 147 535)</b>	<b>-30.14</b>	<b>29.11</b>

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	NOV	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	211 969 544	11 467 099	49 287 745	88 320 643	(39 032 899)	-44.19	23.25
Health service	9 649 658	500 984	2 350 548	4 020 691	(1 670 143)	-41.54	24.36
Community services	216 166 471	14 736 632	55 455 474	90 069 363	(34 613 889)	-38.43	25.65
Sports	114 357 160	9 476 442	40 780 624	47 648 817	(6 868 192)	-14.41	35.66
Housing	11 321 100	994 193	4 319 964	4 717 125	(397 161)	-8.42	38.16
Council general	169 956 453	12 350 275	45 410 688	70 815 189	(25 404 500)	-35.87	26.72
Civil Engineering	948 642 258	42 528 109	208 258 813	395 267 608	(187 008 795)	-47.31	21.95
Electrical engineering	859 939 220	52 974 964	235 609 734	358 308 008	(122 698 274)	-34.24	27.40
Corporate services	62 609 135	4 567 691	18 171 282	26 087 140	(7 915 857)	-30.34	29.02
Finance	632 554 006	9 664 962	38 302 425	263 564 169	(225 261 744)	-85.47	6.06
Market	25 050 555	2 911 300	8 659 641	10 437 731	(1 778 091)	-17.04	34.57
LED	14 802 440	482 368	2 166 921	6 167 683	(4 000 763)	-64.87	14.64
<b>TOTAL</b>	<b>3 277 018 000</b>	<b>162 655 019</b>	<b>708 773 860</b>	<b>1 365 424 167</b>	<b>(656 650 307)</b>	<b>-48.09</b>	<b>21.63</b>
<b>Surplus/Deficit</b>	<b>(321 243 360)</b>	<b>31 755 614</b>	<b>151 651 372</b>	<b>(133 851 400)</b>	<b>285 502 772</b>		

**ANNEXURE B**

**Cash Flow Statement for the month of November 2017**

<b>Cash Receipts by Source</b>	<b>Oct-17</b>	<b>November 2017</b>
Property rates	20 569 905	6 739 233
Service charges - electricity revenue	54 724 761	16 662 570
Service charges - water revenue	23 362 714	9 028 152
Service charges - sanitation revenue	5 469 734	1 819 055
Service charges - refuse revenue	5 048 323	1 755 348
Service charges - other	136 154 471	73 599 664
Rental of facilities and equipment	226 003	106 330
Interest earned - external investments	-	-
Interest earned - outstanding debtors	4 926	-
Fines	29 988	134 142
Licences and permits	-	-
Transfer receipts - operational grants	-	-
Other revenue	4 749 531	19 089 284
<b>Cash Receipts by Source</b>	<b>250 340 356</b>	<b>128 933 778</b>
Transfer receipts - capital grants	6 000 000	-
Proceeds on disposal of PPE	-	-
<b>Total Cash Receipts by Source</b>	<b>256 340 356</b>	<b>128 933 778</b>
Proceeds on disposal of PPE	0	0
Short term loan	0	0
Borrowing long term/ Refinancing	0	0
Increase (decrease) in consumer deposits	0	0
Decrease (increase) in non - current debtors	0	0
Decrease (increase) in non - current	0	0
Decrease (increase) in non-current investment	0	0
<b>Total Cash Receipts by Source</b>	<b>256 340 356</b>	<b>128 933 778</b>
<b>Cash Payments by Type</b>		
Employee related costs	46 131 196	47 346 957
Remuneration of councillors	2 515 669	2 515 669
Collection costs	33 711	1 162 844
Interest paid	227 173	395 221
Bulk purchases - Electricity	63 110 907	37 252 435
Bulk purchases - Water	-	-
Repairs and maintenance	1 566 329	4 718 377
Contracted services	1 564 478	4 008 126
General expenses	83 802 470	48 856 818
<b>Cash Payments by Type</b>	<b>198 951 933</b>	<b>146 256 447</b>
<b>Other Cash Flows/Payments by Type</b>		
Capital assets	6 275 068	7 969 534
Repayment of borrowing	391 548	395 221
<b>Other Cash Flows/Payments</b>	<b>6 666 616</b>	<b>8 364 755</b>
<b>Investment</b>	<b>67 314 670</b>	<b>33 000 000</b>
<b>Total Cash Payments by Type</b>	<b>205 618 549</b>	<b>154 621 202</b>
<b>Net Increase/(decrease) in cash held</b>	<b>(16 592 863)</b>	<b>(58 687 424)</b>
<b>Cash/ cash equivalent at the month begin</b>	<b>154 643 997</b>	<b>138 051 134</b>
<b>Cash/ cash equivalent at the month end</b>	<b>138 051 134</b>	<b>79 363 710</b>

## ANNEXURE C CAPITAL EXPENDITURE

## NW403 City Of Matlosana - Budgeted Capital Expenditure - November 2017

	Original Budget	November 2017	YTD Actual	YTD Budget	Variance	YTD %
<b>Capital Expenditure</b>						
<i>Council General</i>	35 000 000	-	-	14 583 333	(14 583 333)	-
Council General Admin	35 000 000	-	-	14 583 333	(14 583 333)	-
<i>Municipal &amp; Environmental Services</i>	10 952 000	-	-	4 563 333	(4 563 333)	-
Community and social services	-	-	-	-	-	-
Sport and recreation	10 952 000	-	-	4 563 333	(4 563 333)	-
Refuse removal	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Health	-	-	-	-	-	-
Cemetary	-	-	-	-	-	-
<i>Finance</i>	5 000 000	-	-	2 083 333	(2 083 333)	-
ICT Hard/software	5 000 000	-	-	2 083 333	(2 083 333)	-
<i>Macro city planning &amp; Development</i>	-	-	-	-	-	0
Market	-	-	-	-	-	0
<i>Civil Services &amp; Human Settlement</i>	140 891 000	7 969 533	54 395 639	58 704 583	(4 308 945)	38.61
Water	42 187 000	-	27 942 821	17 577 917	10 364 905	66.24
Waste water management(Sewer)	7 484 000	-	-	3 118 333	(3 118 333)	-
Roads	91 220 000	7 969 533	26 452 817	38 008 333	(11 555 516)	29.00
Housing	-	-	-	-	-	-
PMU Unit	-	-	-	-	-	-
Dumping side	-	-	-	-	-	-
<i>Electrical &amp; Mechanical Engineering</i>	21 904 000	-	4 629 393	9 126 667	(4 497 274)	21.13
lectrical	21 904 000	-	4 629 393	9 126 667	(4 497 274)	21.13
<b>Total Capital Expenditure</b>	<b>213 747 000</b>	<b>7 969 533</b>	<b>59 025 031</b>	<b>89 061 250</b>	<b>(30 036 219)</b>	<b>27.61</b>

## CAPITAL FUNDING

National government	173 747 000	7 969 533	59 025 031	72 394 583	(13 369 552)	33.97
Provincial government	-	-	-	-	-	-
District municipality	-	-	-	-	-	-
Borrowing	30 000 000	-	-	12 500 000	(12 500 000)	-
Internal Generated funds	10 000 000	-	-	4 166 667	(4 166 667)	-
<b>Financing Total</b>	<b>213 747 000</b>	<b>7 969 533</b>	<b>59 025 031</b>	<b>89 061 250</b>	<b>(30 036 219)</b>	<b>27.61</b>

**ANNEXURE D**  
**DEBTOR'S AGE ANALYSIS - November 2017**

<b>Detail</b>	<b>0 - 30 Days</b>	<b>31 - 60 Days</b>	<b>61 - 90 Days</b>	<b>91 + 120 Days</b>	<b>Total</b>
<b>Debtors Age Analysis By Income Source</b>					
Water Tariffs	32 377 358	27 421 245	24 258 919	758 328 229	842 385 751
Electricity Tariffs	30 628 996	11 344 941	9 292 182	188 469 869	239 735 988
Rates (Property Rates)	12 578 735	5 757 371	4 599 281	142 851 534	165 786 921
Sewerage/ Sanitation	5 660 796	4 226 787	3 805 988	135 319 440	149 013 011
Refuse Removal Tariffs	7 813 732	6 606 949	6 480 910	233 317 997	254 219 588
Other	39 227 735	30 224 869	20 378 332	823 518 908	913 349 844
<b>Total By Income Source</b>	<b>128 287 352</b>	<b>85 582 162</b>	<b>68 815 612</b>	<b>2 281 805 977</b>	<b>2 564 491 103</b>
<b>Debtors Age Analysis By Customer Group</b>					
Government	4 946 247	4 304 032	1 951 477	34 174 739	45 376 495
Business	38 243 115	11 944 300	10 068 531	241 521 353	301 777 299
Households	84 371 018	68 579 309	56 077 971	1 958 462 208	2 167 490 506
Other	726 972	754 521	717 633	47 647 677	49 846 803
<b>Total By Customer Group</b>	<b>128 287 352</b>	<b>85 582 162</b>	<b>68 815 612</b>	<b>2 281 805 977</b>	<b>2 564 491 103</b>

ANNEXURE E  
 OUTSTANDING CREDITORS STATEMENT - NOVEMBER 2017

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total
Bulk Electricity	44 318 120	44 367 968	-	-	92 182 984	180 869 072
Bulk Water	37 241 993	-	-	-	231 488 470	268 730 463
Auditor General	1 806 569	1 386 036	389 731	4 256	26 546	3 613 138
Trade Creditors	6 272 059	-	5 539 668	226 572	71 899 173	83 937 472
<b>Total</b>	<b>89 638 741</b>	<b>45 754 004</b>	<b>5 929 399</b>	<b>230 828</b>	<b>395 597 173</b>	<b>537 150 145</b>



ANNEXURE F

Investment Portfolio: 30 November 2017  
City of Matlosana

INSTITUTION	INTEREST RATE	PERIOD	OCTOBER 2017	NOVEMBER 2017	MATURITY DATE	EXPLANATION
<b>Call Investment</b>						
ABSA: 3854	3.73%		12 242.96	12 314.96		
ABSA: 5047	4.70%		5 140 058.36	3 450 475.19		INEP
ABSA: 6177	6.75%		11 827 444.57	4 512 958.03		MIG
ABSA: 2264	4.70%		5 660 992.74	4 574 667.19		
ABSA: 4682	6.65%		38 587 684.58	24 541 414.10		NDPG
ABSA: 4063	1.55%		173 097.85	173 288.97		
ABSA: 1223	6.75%		58 363 251.72	21 778 634.02		
INVESTEC	6.80%		5 709 217.34	5 740 053.90		
<b>TOTAL Call Investment</b>			<b>125 473 990.12</b>	<b>64 783 806.36</b>		
<b>Collateral</b>						
SANLAM	Policy	Guaranteed Capital	7 837 616.22	7 837 616.22	2018/12/01	Policy
SANLAM	Policy	Guaranteed 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	85 413.28		Housing Collateral
FNB	9.50%	1 YEAR	14 000.00	14 000.00		Housing Collateral
<b>TOTAL</b>			<b>99 413.28</b>	<b>99 413.28</b>		
<b>TOTAL INVESTMENTS</b>			<b>155 632 432.66</b>	<b>94 942 248.90</b>		

Withdraw R169 762 from ABSA call (NDPG) - 01 November 2017  
Invest R2 000 000 with ABSA on call - 01 November 2017  
Withdraw R94 068 from ABSA call (MIG) - 03 November 2017  
Withdraw R4 000 000 from ABSA call - 03 November 2017  
Withdraw R15 000 000 from ABSA call - 06 November 2017  
Withdraw R189 421 from ABSA call (INEP) - 06 November 2017  
Withdraw R344 156 from ABSA call (MIG) - 07 November 2017  
Withdraw R873 522 from ABSA call - 07 November 2017  
Withdraw R1 515 374 from ABSA call (INEP) - 07 November 2017  
Invest R10 000 000 with ABSA on call - 09 November 2017  
Withdraw R204 194 from ABSA call (MIG) - 09 November 2017  
Invest R5 000 000 with ABSA on call - 14 November 2017  
Invest R8 000 000 with ABSA on call - 14 November 2017  
Withdraw R5 417 576 from ABSA call (NDPG) - 15 November 2017  
Withdraw R1 073 553 from ABSA call (MIG) - 15 November 2017  
Invest R8 000 000 with ABSA on call - 16 November 2017  
Withdraw R1 107 721 from ABSA call (MIG) - 23 November 2017  
Withdraw R76 719 from ABSA call (MIG) - 23 November 2017  
Withdraw R15 000 000 from ABSA call - 23 November 2017  
Withdraw R4 766 634 from ABSA call (MIG) - 24 November 2017

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

**NB:** 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

Annexure AS AT 30 NOVEMBER 2017

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Original Loan	Lender	Purpose	% Interest Rate (2 deo) Per Annum	Interest Paid This quarter	Opening Balance 01/07/2015	Debt Repaid or Redeemed	Additional Principal Accrued	Balance at 28/02/2017	Redemption 2017/2018
NW10659	1/10/1987	30/09/2017	20	7438371	Development Bank of SA	Provision of Infrastructure	15	41 755.56	555 218.59	555 218.59	0.00	0.00	555 218.59
NW11182	1/10/1988	30/09/2018	20	7434656	Development Bank of SA	Provision of Infrastructure	15.25	123 395.28	1 613 877.18	499 105.05	0.00	1 114 772.12	1 036 316.74
NW13937	1/10/2000	30/09/2020	20	3951900	Development Bank of SA	Provision of Infrastructure	15.6	137 656.53	1 700 005.32	198 304.25	0.00	1 501 701.06	412 486.82
NW13974/1	1/10/2001	30/09/2019	18	10000000	Development Bank of SA	Combination	14.75	28 354.17	1 111 111.11	0.00	0.00	1 111 111.11	555 555.54
NW13974/2	1/10/2001	30/09/2019	18	14998125	Development Bank of SA	Combination	14.75	363 138.40	14 998 125.00	0.00	0.00	14 998 125.00	555 555.54
NW101297/1	1/10/2004	30/09/2019	15	29979900	Development Bank of SA	Combination	11.2	0.00	6 530 258.54	0.00	0.00	6 530 258.54	3 229 308.10
NW10297/1	1/10/2010	1/11/2025	15	35299878	Development Bank of SA	Combination	11.2	0.00	8 546 927.00	0.00	0.00	8 546 927.00	4 046 880.20
10555	31/07/1998	31/07/2018	20	13360746	Development Bank of SA	Provision of Infrastructure	14.75	1 151 305.15	25 781 177.28	829 970.23	0.00	24 951 207.05	2 971 046.12
10905	30/09/1999	30/09/2019	20	5567700	Development Bank of SA	Provision of Infrastructure	15	138 539.74	1 820 874.49	877 658.04	0.00	943 216.45	1 530 674.49
10912	30/09/1999	30/09/2019	20	7477900	Development Bank of SA	Provision of Infrastructure	15.25	123 338.42	1 613 133.45	278 973.90	0.00	1 334 159.55	852 065.70
10913	30/09/1999	30/09/2019	20	3760000	Development Bank of SA	Provision of Infrastructure	15.25	162 663.75	2 398 879.41	410 185.98	0.00	1 988 693.42	657 786.67
TOTAL ANNUITIES								2 429 155.08	68 858 650.39	3 963 113.85	0.00	64 895 536.53	15 804 002.80

## Template for Calculation of Uniform Financial Ratios and Norms

RATIO	FORMULA	Nov-17		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	708 773 860 59 025 031 0	8%	The ratio will increasing as capital expenditure accelerates.
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#### 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	0.003327036 2 358 116 708 773 860	0.0033	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.
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	0.026905813 64 895 337 2 260 169 000 -151 775 833	0.027	

### 2. FINANCIAL PERFORMANCE

1 Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure) / Total Operating Revenue	0.686406896 2 260 169 000 708 773 860	0.6864	The restated assets register and the accompanying higher depreciation have a significant impact on financial performance of the municipality.
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#### D. Expenditure Management

1 Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) x 365	245.7397532 537 150 145 797 835 110	245.74	Still way behind acceptable.
2 Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x100	0.36360328 257 712 500 708 773 860	0.36	Below NT norm
2 Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	0.013443759		The proposed lower ratio is a product of a change to create in

9 528 585  
708 773 860

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 59 025 031	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	0.90 860 425 233 88 727 650 0	

**3. BUDGET IMPLEMENTATION**

1 Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	0.276144373 59 025 031 213 747 000	0.28 Should be at 42%.
2 Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	0.519086945 708 773 860 1 365 424 167	0.52
3 Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	0.698639379 860 425 233 1 231 572 767	0.70