

MONTHLY BUDGET STATEMENT: 31 DECEMBER 2015

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

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

Statement of Financial Performance (SFP)

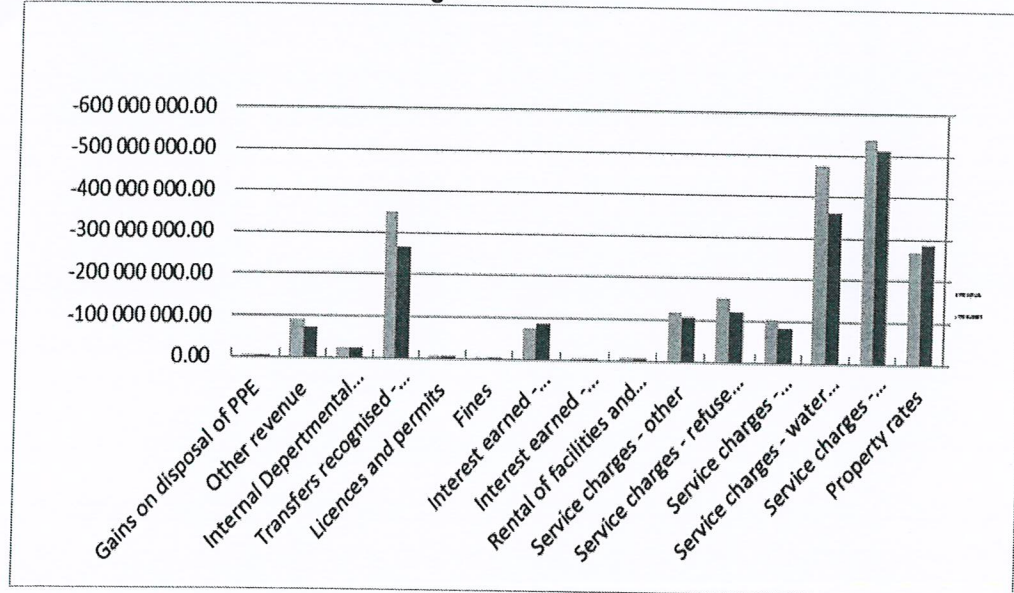
The SFP shown in Annexure A is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by category.

The summary report indicates the following:

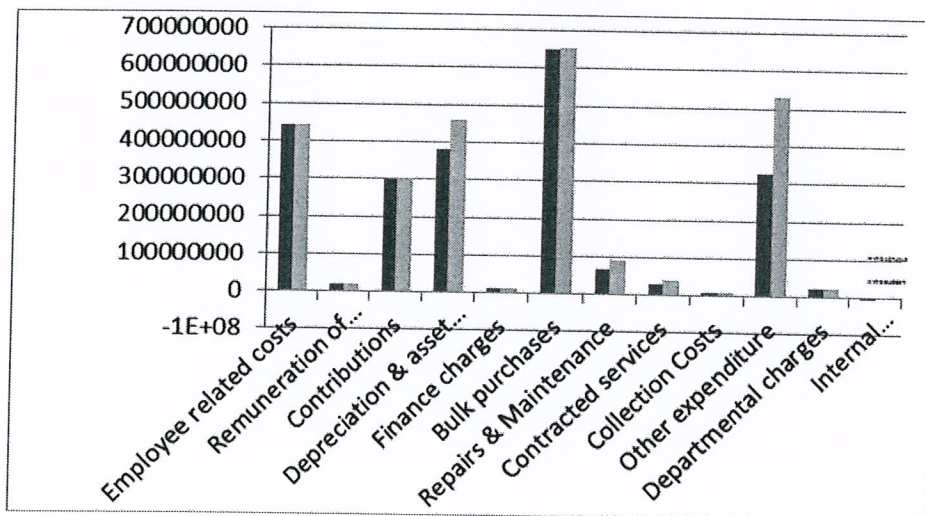
Summary statement of Financial Performance				
Description	YTD Budget	December Actual 2015	YTD Actual	Variance (Favourable) Unfavourable
Total Revenue By Source	(1,190,114,070)	(191,534,989)	(1,122,314,912)	67,799,157
Total Operating Expenditure	1,371,687,317	253,855,659	1,323,481,189	(48,206,128)
(SURPLUS)/ DEFICIT	181,573,247	62,320,669	201,166,276	19,593,029

- Expenditure on Operational budget is 47.38% and Income is 47.13%.
- Year to date actual is still in line with the none cash deficit budget, Council budgeted for.

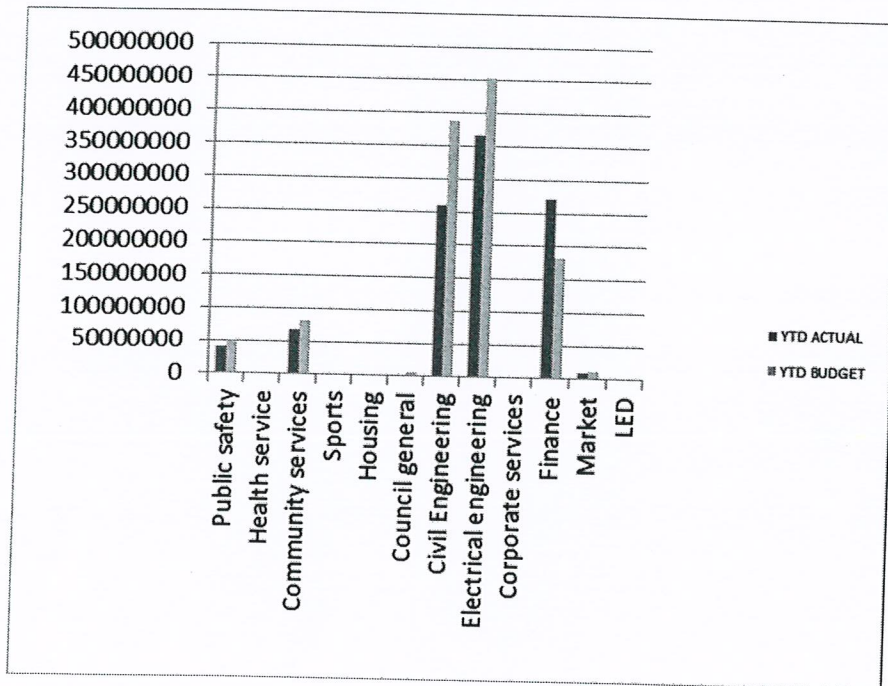
YTD Actual Income vs YTD Budget Income



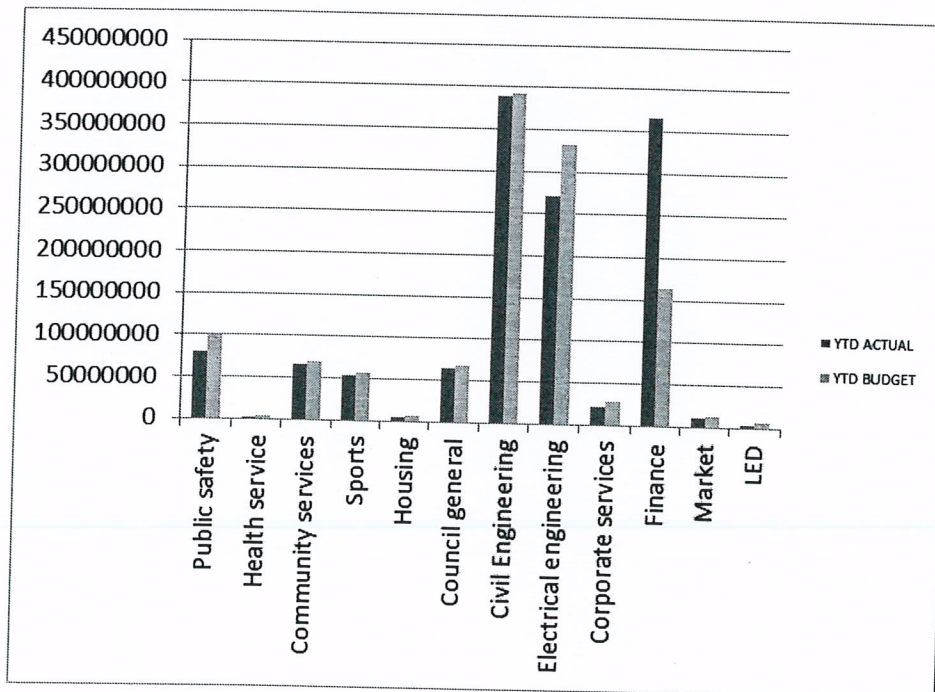
YTD Actual Expenditure vs YTD Budget Expenditure



Operating Income per department



Operating Expenditure per department



GRANTS AND SUBSIDIES**Operational allocation/ Grant received**

DESCRIPTION	BUDGET	DECEMBER RECEIVED 2015/16	YTD RECEIVED	YTD%
Equitable shares grants	339,737,080	0	232,925,000	68.56
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	1,000,000	100
PMU	4,224,650	0	0	0
EPWP	3,028,000	0	2,120,000	70.01
Museum Grant	0	0	0	0
TOTAL	350,594,730	0	238,650,000	68.07%

CAPITAL GRANT RECEIVED

DESCRIPTION	BUDGET	DECEMBER RECEIVED 2015/16	YTD RECEIVED	YTD%
MIG	80,268,350	36,578,000	70,976,000	88.42%
NDPG	25,000,000	0	23,212,000	92.85%
INEP	5,000,000	0	5,000,000	100%
TOTAL	110,268,350	36,578,000	99,188,000	89.95%

Grants

Included in our cash flow statement is an amount of R 36, 5 million received for MIG.

Cash Flow Statement (Annexure B)

- Total cash receipts by source reflect an amount of R 145, 3 million.
- Total cash payments indicate an amount of R 169, 1 million for the month of December 2015.

The main cost drivers:

- Salaries
- Eskom
- Midvaal

Capital expenditure report (Annexure C)

The summary report indicates the following:

Summary statement of Capital Expenditure				
Description	YTD Budget	DECEMBER Actual 2015	YTD Actual	Variance Favourable (Unfav)
Total Capital Expenditure	60,134,174	9,665,660	26,850,024	(33,284,150)
Capital funding				
National government	55,134,174	9,121,800	25,013,337	(30120837)
Provincial Government				
District Municipality				
Borrowing				
Internal Generated fund	5,000,000	543,859	1,836,687	(1005386)
Financial Total	60,134,174	9,665,660	26,850,024	(33,284,150)

The spending on capital for December 2015 is R 9,665,550 and the year to date actual is R 26,850,024.

Reasons for underspending on MIG.

There was a delay in the appointment of Contractors for 15/16 financial year due to SCM processes which led to decelerating of spending pattern.

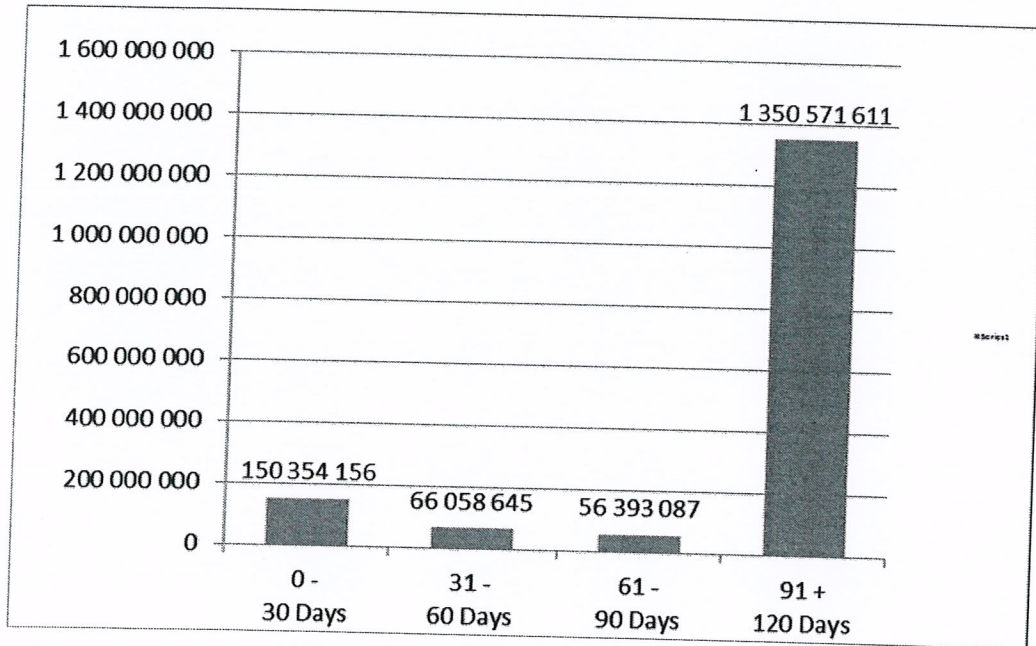
The matter has been subsequently resolved and Contractors are on site.

Outstanding Debtors report (Annexure D)

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 December 2015 amounts to R1, 5 billion

A detailed Age Analysis is on annexure D.

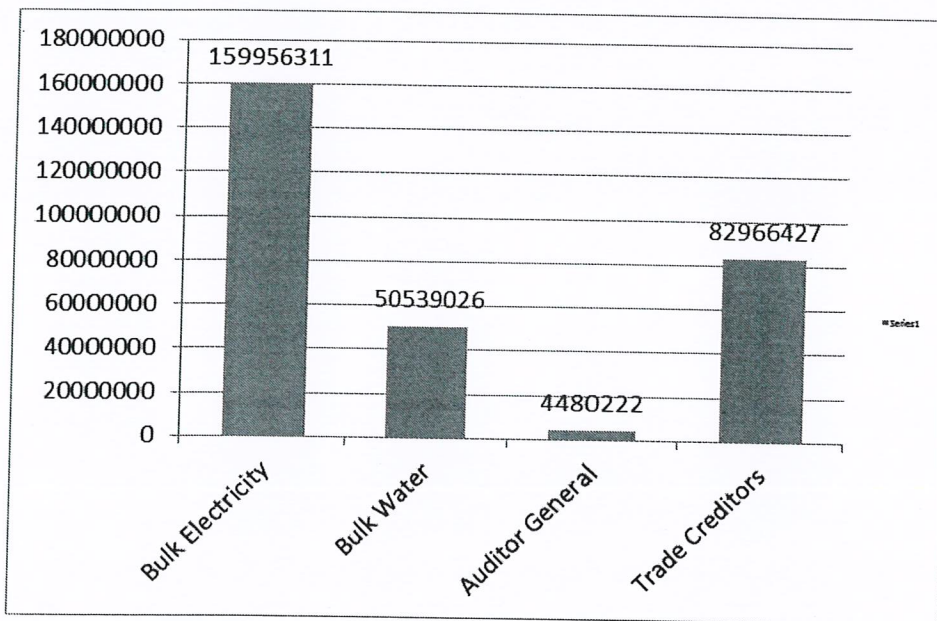
Debtors by Customer group – 31 DECEMBER 2015



Debtors' book has increased by R 25 million as compared to the previous month.

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 has increase by R30.6 million 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 130,868,455** as at 31 December 2015.

Institution	Investments				
	Fixed	Call	Long Term	Collateral	Total
	R	R	R	R	R
ABSA		99,867,919			99,867,919
FNB			97,216		97,216
RMB					-
Investec		5,106,356			5,106,356
Nedcor				18,492,798	18,492,798
Sanlam (Policy)		7,304,167			7,304,167
	-	112,278,441	97,216	18,492,798	130,868,455

ANNEXURE G (BORROWINGS)

The total amount outstanding on external loans at the end of December 2015 is R 90,086,806.37

ANNEXURE I

RATIOS

FINANCIAL IMPLICATIONS

The report covers the period from 1 July 2015 to 31 December 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 1,122 billion is less than what is projected of R 1,190 billion YTD budget (Pro-rata) and vary by R 67 million.

Year to date actual expenditure of R 1,323 billion is less than projected expenditure of R 1,371 billion YTD budget (Pro-rata) and vary by R 48, 2 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) - DECEMBER 2015

Current Year 2015/16

Description	Original Budget	December Actual 2015/16	YTD ACTUAL	YTD BUDGET	Variance	YTD %	Variance%
Revenue By Source							
Property rates	(300 023 220)	(32 658 181)	(196 021 416)	(150 011 610)	(46 009 806)	65.34	30.67
Service charges - electricity revenue	(753 498 900)	(51 387 494)	(347 042 591)	(376 749 450)	29 706 859	46.06	(7.89)
Service charges - water revenue	(496 628 070)	(39 474 532)	(220 934 784)	(248 314 035)	27 379 251	44.49	(11.03)
Service charges - sanitation revenue	(129 136 260)	(7 948 128)	(46 758 361)	(64 568 130)	17 809 770	36.21	(27.58)
Service charges - refuse revenue	(159 485 860)	(11 070 774)	(66 213 782)	(79 742 930)	13 529 148	41.52	(16.97)
Service charges - other	(17 500 000)	(159 806)	(984 592)	(8 750 000)	7 765 408	5.63	(88.75)
Rental of facilities and equipment	(5 592 930)	(461 188)	(2 616 638)	(2 796 465)	179 828	46.78	(6.43)
Interest earned - external investments	(2 108 000)	-	(483 349)	(1 054 000)	570 651	22.93	(54.14)
Interest earned - outstanding debtors	(79 384 730)	(11 753 669)	(62 444 921)	(39 692 365)	(22 752 556)	78.66	57.32
Fines	(3 031 130)	(185 395)	(1 055 129)	(1 515 565)	460 436	34.81	(30.38)
Licences and permits	(7 271 320)	(446 096)	(3 527 057)	(3 635 660)	108 603	48.51	(2.99)
Transfers recognised - operational	(350 594 730)	(28 648 939)	(143 207 477)	(175 297 365)	32 089 888	40.85	(18.31)
Internal Departmental Transfers	(24 561 400)	(2 208 033)	(13 109 440)	(12 280 700)	(828 740)	53.37	6.75
Other revenue	(109 760 560)	(6 466 123)	(44 424 553)	(54 880 280)	10 455 727	40.47	(19.05)
Gains on disposal of PPE	-	-	(469 013)	-	(469 013)		
Total Revenue	(2 438 577 110)	(192 868 359)	(1 149 293 103)	(1 219 288 555)	69 995 452	47.13	(5.74)
Expenditure By Type							
Employee related costs	489 796 600	40 585 395	233 516 089	244 898 300.00	11 382 211	47.68	4.65
Remuneration of councillors	21 421 270	1 756 873	10 463 899	10 710 635.00	246 736	48.85	2.30
Contributions	378 022 590	31 126 883	186 761 295	189 011 295.00	2 250 000	49.40	1.19
Depreciation & asset impairment	463 943 670	38 466 911	230 801 465	231 971 835.00	1 170 370	49.75	0.50
Finance charges	10 934 050	2 218 761	5 585 567	5 467 025.00	(118 542)	51.08	(2.17)
Bulk purchases	747 356 860	74 301 508	343 232 107	373 678 430.00	30 446 324	45.93	8.15
Repairs & Maintenance	78 131 164	7 897 951	28 549 040	39 065 582.00	10 516 542	36.54	26.92
Contracted services	31 500 000	4 898 366	17 503 275	15 750 000.00	(1 753 275)	55.57	(11.13)
Collection Costs	8 000 000	152 309	5 962 885	4 000 000.00	(1 962 885)	74.54	(49.07)
Other expenditure	489 716 120	50 255 738	229 929 493	244 858 060.00	14 928 567	46.95	6.10
Departmental charges	24 552 310	2 208 341	13 200 166	12 276 155.00	(924 011)	53.76	(7.53)
Internal recoveries(amount charge out)	-	(13 375)	(34 948)	-	34 948		
Total Expenditure	2 743 374 634	253 855 659	1 299 675 977	1 371 687 317.00	66 182 036	47.38	4.82
(Surplus)/Deficit							
	304 797 524	60 987 300	150 382 874	152 398 762	136 177 488		
TOTAL REVENUE							
	(2 438 577 110)	(192 868 359)	(1 149 293 103)	(1 219 288 555)	69 995 452	47.13	(5.74)
LESS REVENUE FOREGONE							
	58 348 970	1 333 370	26 978 190	29 174 485.00	2 196 295	46.24	7.53
Income forgone on assessment rate							
	29 954 820	264 041.81	24 054 258	14 977 410.00	(9 076 848)	80.30	(60.60)
Income forgone on other							
	28 394 150	106 932 08	2 923 932	14 197 075.00			
TOTAL INCOME							
	(2 380 228 140)	(191 534 989)	(1 122 314 912)	(1 190 114 070)	67 799 158	47.15	(5.70)
TOTAL EXPENDITURE							
	2 743 374 634	253 855 659	1 299 675 977	1 371 687 317	(72 011 340)	47.38	(5.25)
(Surplus)/ Deficit for the year							
	363 146 494	62 320 670	177 361 064	181 573 247	(4 212 183)	48.84	(2.32)

OPERATING INCOME PER DEPARTMENT AS AT 31 DECEMBER 2015

DESCRIPTION	BUDGET	DEC	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	79 976 360	4 128 724	32 726 692	39 988 180	(7 261 488)	-18.16	40.92
Health service	300 000		4 362	150 000	(145 638)	-	1.45
Community services	223 946 840	11 382 797	68 950 947	111 973 420	(43 022 473)	-38.42	30.79
Sports	1 801 600	82 497	482 652	900 800	(418 148)	-46.42	26.79
Housing	1 859 910	89 252	634 499	929 955	(295 456)	-31.77	34.11
Council general	4 652 000	239 487	1 790 574	2 326 000	(535 426)	-23.02	38.49
Civil Engineering	779 276 620	47 176 121	269 334 393	389 638 310	(120 303 917)	-30.88	34.56
Electrical engineering	817 337 220	53 361 565	359 152 847	408 668 610	(49 515 763)	-12.12	43.94
Corporate services	493 430	131 446	500 131	246 715	253 416	102.72	101.36
Finance	448 883 570	73 242 564	380 236 472	224 441 785	155 794 687	69.41	84.71
Market	21 695 300	1 700 536	8 501 170	10 847 650	(2 346 480)	-21.63	39.18
LED	5 290		175	2 645	(2 470)	-	3.31
TOTAL	2 380 228 140	191 534 989	1 122 314 913	1 190 114 070	(67 799 157)	-5.70	47.15

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	DEC	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	170 416 254	11 941 642	76 614 147	85 208 127	(8 593 980)	-10.09	44.96
Health service	5 273 966	437 571	2 244 562	2 636 983	(392 421)	-14.88	42.56
Community services	181 127 948	10 455 172	57 268 407	90 563 974	(33 295 567)	-36.76	31.62
Sports	97 420 152	8 626 019	47 628 826	48 710 076	(1 081 250)	-2.22	48.89
Housing	10 671 256	785 454	4 699 330	5 335 628	(636 298)	-11.93	44.04
Council general	104 741 762	9 210 683	45 712 310	52 370 881	(6 658 571)	-12.71	43.64
Civil Engineering	892 812 689	58 735 904	335 982 723	446 406 345	(110 423 622)	-24.74	37.63
Electrical engineering	698 460 898	69 471 919	322 787 965	349 230 449	(26 442 484)	-7.57	46.21
Corporate services	49 552 170	3 187 230	24 317 279	24 776 085	(458 807)	-1.85	49.07
Finance	503 875 372	78 795 379	370 235 068	251 937 686	118 297 382	46.96	73.48
Market	21 473 717	1 656 875	9 300 027	10 736 859	(1 436 832)	-13.38	43.31
LED	7 548 450	551 812	2 885 333	3 774 225	(888 892)	-23.55	38.22
TOTAL	2 743 374 634	253 855 660	1 299 675 977	1 371 687 317	(72 011 340)	-5.25	47.38

GRANTS AND SUBSIDIES - DECEMBER 2015

Operational allocation/grant received

	BUDGET	DEC	YTD RECEIVED	YTD%
Equitable shares grants	339 737 080	-	232 925 000	68.56
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	-	1 000 000	100.00
PMU	4 224 650	-	-	-
EPWP (arbour week)	3 028 000	-	2 120 000	70.01
Meseum Grant	-	-	-	-
Mayoral enviromental grant	-	-	-	-
District assessment(Fire)	-	-	-	-
	350 594 730	-	238 650 000	68.07

CAPITAL GRANT RECEIVED

MIG	80 268 351	36 578 000	70 976 000	88.42
NDPG	25 000 000	-	23 212 000	92.85
DME/INER	5 000 000	-	5 000 000	100.00
PMU	-	-	-	-
	110 268 351	36 578 000	99 188 000	89.95

ANNEXURE B
Cash Flow Statement for the month of December 2015

Cash Receipts by Source	December 2015
Property rates	15 156 514
Service charges - electricity revenue	42 868 394
Service charges - water revenue	17 585 114
Service charges - sanitation revenue	4 194 978
Service charges - refuse revenue	3 806 285
Service charges - other	16 073 155
Rental of facilities and equipment	221 494
Interest earned - external investments	-
Interest earned - outstanding debtors	-
Fines	92 046
Licences and permits	455 653
Transfer receipts - operational grants	-
Other revenue	11 432 071
Cash Receipts by Source	111 885 704
Transfer receipts - capital grants	36 578 000
Proceeds on disposal of PPE	-
Total Cash Receipts by Source	148 463 704
Proceeds on disposal of PPE	
Short term loan	
Borrowing long term/ Refinancing	(3 387 032)
Increase (decrease) in consumer deposits	252 121
Decrease (increase) in non - current debtors	
Decrease (increase) in non - current	3 957
Decrease (increase) in non- current investment	
Total Cash Receipts by Source	145 332 750
Cash Payments by Type	
Employee related costs	40 585 394
Remuneration of councillors	1 756 873
Collection costs	152 309
Interest paid	2 218 761
Bulk purchases - Electricity	57 894 737
Bulk purchases - Water	16 406 771
Repairs and maintenance	4 976 808
Contracted services	3 865 852
General expenses	26 143 823
Cash Payments by Type	154 001 328
Other Cash Flows/Payments by Type	
Capital assets	9 665 660
Repayment of borrowing	5 464 463
Other Cash Flows/Payments	15 130 123
Investment	-
Total Cash Payments by Type	169 131 450
Net increase/(decrease) in cash held	(23 798 701)
Cash/ cash equivalent at the month begin	133 041 928
Cash/ cash equivalent at the month end	109 243 227

ANNEXURE C CAPITAL EXPENDITURE

NW403 City Of Matlosana - Budgeted Capital Expenditure -December 2015

R thousand	Original Budget	December 2015	YTD Actual	YTD Budget	Variance	YTD %
Capital Expenditure						
Council General	8 000 000	543 860	3 983 681	4 000 000	(16 319)	49.80
Council General Admin	8000000	543 860	3 983 681	4 000 000	(16 319)	49.80
				-	-	
				-	-	
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	1 000 000	(989 067)	0.5467
ICT Hard/software	2 000 000		10 933	1 000 000.00	(989 067)	0.5467
			-	-	-	0
Macro city planning & Development	-	-	-	-	-	0
Planning and development			-	-	-	-
Market			-	-	-	-
			-	-	-	-
Civil Services & Human Settlement	100 268 348	7 521 801	19 644 135	50 134 174	(30 490 039)	19.59
Water	25 464 399.00	1 037 843	9 813 255	12 732 200	(2 918 944)	38.54
Waste water management(Sewer)	24 863 329	4 599 497	5 555 787	12 431 665	(6 875 878)	22.35
Roads	49 940 620.00	1 884 461	4 275 093	24 970 310	(20 695 217)	8.56
Housing			-	-	-	
PMU Unit			-	-	-	
Dumping side			-	-	-	
			-	-	-	
Electrical & Mechanical Engineering	10 000 000	1 600 000	1 600 000	5 000 000	(3 400 000)	16.00
Electrical	10 000 000	1 600 000	1 600 000	5 000 000.00	(3 400 000)	-
				-	-	-
Total Capital Expenditure	120 268 348	9 665 660	26 850 024	60 134 174	(33 284 150)	22.33
CAPITAL FUNDING						
National government	110 268 348	9 121 801	22 855 411	55 134 174	(32 278 763)	20.73
Provincial government			-	-	-	
District municipality			-	-	-	
Borrowing			-	-	-	
Internal Generated funds	10 000 000	543 860	3 994 614	5 000 000	(1 005 386)	39.95
				-	-	-
Financing Total	120 268 348	9 665 660	26 850 024	60 134 174	(33 284 150)	22.33

ANNEXURE D
DEBTOR'S AGE ANALYSIS - DECEMBER 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total
Debtors Age Analysis By Income Source					
Water Tariffs	36 774 895	22 481 076	19 457 348	407 315 460	486 028 779
Electricity Tariffs	43 728 101	10 186 914	6 639 524	139 427 048	199 981 587
Rates (Property Rates)	27 406 442	5 287 860	4 569 615	101 944 771	139 208 688
Sewerage/ Sanitation	6 729 781	3 943 994	3 452 989	81 749 784	95 876 548
Refuse Removal Tariffs	9 006 482	6 482 644	6 039 945	125 982 728	147 511 799
Other	26 708 455	17 676 157	16 233 666	494 151 820	554 770 098
Total By Income Source	150 354 156	66 058 645	56 393 087	1 350 571 611	1 623 377 499
Debtors Age Analysis By Customer Group					
Government	4316036	1784103	1932091	29863643	37 895 873
Business	51139556	10353998	8834581	150094493	220 422 628
Households	94230093	53297382	45044058	1133802665	1 326 374 198
Other	668471	623162	582357	36810810	38 684 800
Total By Customer Group	150 354 156	66 058 645	56 393 087	1 350 571 611	1 623 377 499

ANNEXURE D
DEBTOR'S AGE ANALYSIS - NOVEMBER 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total -
Debtors Age Analysis By Income Source					
Water Tariffs	35 998 912	22 391 369	18 371 636	404 055 934	480 817 851
Electricity Tariffs	43 630 901	10 414 907	8 142 997	138 516 374	200 705 179
Rates (Property Rates)	17 402 862	5 576 697	3 918 594	100 286 810	127 184 963
Sewerage/ Sanitation	6 865 311	4 103 540	3 680 875	80 528 459	95 178 185
Refuse Removal Tariffs	9 302 952	6 747 637	6 299 539	123 354 300	145 704 428
Other	25 514 249	17 922 555	15 940 658	489 398 737	548 776 199
Total By Income Source	138 715 187	67 156 705	56 354 299	1 336 140 614	1 598 366 805
Debtors Age Analysis By Customer Group					
Government	4 359 376	2 810 350	2 020 438	29 129 198	38 319 362
Business	40 719 138	11 843 029	8 643 829	145 907 655	207 113 651
Households	92 888 503	51 902 938	45 192 983	1 124 562 959	1 314 547 383
Other	748 170	600 388	497 049	36 540 802	38 386 409
Total By Customer Group	138 715 187	67 156 705	56 354 299	1 336 140 614	1 598 366 805

ANNEXURE E
OUTSTANDING CREDITORS STATEMENT -DECEMBER 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total
Bulk Electricity	67501284	0	0	0	92455027	159 956 311
Bulk Water	24990160	22990307	2000000	0	558559	50 539 026
Auditor General	955926	1580871	995552	768815	179058	4 480 222
Trade Creditors	9387870	13344096	10816503	49417958	0	82 966 427
Total	102 835 240	37 915 274	13 812 055	50 186 773	93 192 644	297 941 986

ANNEXURE E
OUTSTANDING CREDITORS STATEMENT -NOVEMBER 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	16 678 587	14 195 153	17 155 936	39 161 906	-	87 191 582
Total	88 339 146	15 233 013	27 024 048	39 268 858	97 458 673	267 323 737

ANNEXURE F

Investment Portfolio: 31 December 2015
City of Matlosana

INSTITUTION	INTEREST RATE	PERIOD	NOVEMBER 2015	DECEMBER 2015	MATURITY DATE	EXPLANATION
Call Investment						
ABSA: 3854	3.30%		7,658,601	411,688		
ABSA: 5047	3.25%		43,123	43,123		
ABSA: 6177	4.47%		25,970,708	62,652,749		
ABSA: 2264	3.25%		5,440,739	5,458,805		
ABSA: 4682	5.15%		18,652,426	18,652,426		
ABSA: 4063	2.80%		168,410	168,529		
ABSA: 1223	5.50%		30,407,888	12,480,600		
INVESTEC	5.80%		5,080,251	5,106,356		
TOTAL Call Investment			93,422,146	104,974,275		
Collateral						
SANLAM	Policy	Guaranteed Capital	6,846,094	6,846,094	01/12/2018	Policy
SANLAM	Policy	Guaranteed Capital	458,072	458,072	01/08/2019	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			119,316,327	130,868,455		

Withdraw R5 495 949 from ABSA call - 04 December 2015 (MIG rollover)
 Withdraw R36 465 from ABSA on call - 04 December 2015 (MIG current allocation)
 Invest R5 000 000 with ABSA on call - 04 December 2015
 Withdraw R1 750 964 from ABSA on call - 23 December 2015 (MIG rollover)
 Invest R36 578 000 with ABSA on call - 23 December 2015 (MIG current allocation)
 Withdraw R20 000 000 from ABSA call - 23 December 2015
 Withdraw R30 000 000 from ABSA call - 30 December 2015

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

Borrowing Reference No	Start Date	End Date	Borrowing Period - Years	Lender	Purpose	% Interest Rate (6 dec) Per Annum	Interest Paid This quarter	Outstanding Balance 01/07/2015	Debt Repaid or Re-estimated	Additional Principal Accrued	Balance at 31/12/2015	Reconciliation 2015/16
ANNUITY LOANS												
NW1959	1/10/1997	30/09/2017	20	7432371	Development Bank of SA	15	181,568.93	2,414,304.32	415,406.21	0.00	1,988,938.31	862,053.22
NW1182	1/10/1998	30/09/2018	20	7434566	Development Bank of SA	15.25	250,841.57	3,380,137.23	371,658.77	0.00	2,909,478.46	771,734.16
NW1387	1/10/2000	30/09/2020	20	3905100	Development Bank of SA	15.5	189,281.00	2,420,949.21	148,679.28	0.00	2,272,269.93	504,851.95
NW1387/41	1/10/2000	30/09/2019	18	3905100	Combination	15.25	101,214.00	2,322,222.20	277,777.77	0.00	1,944,444.43	555,555.56
NW1387/42	1/7/2001	30/09/2019	18	14888128	Development Bank of SA	14.75	682,109.12	14,988,125.00	6,900.00	0.00	14,988,125.00	0.00
NW101297/1	30/09/2019	15	287,000.00	Development Bank of SA	Combination	11.2	696,629.45	12,220,888.14	1,356,586.29	0.00	10,864,299.85	2,594,979.85
NW101297/2	1/7/2004	30/09/2019	15	37,000.00	Combination	11.2	879,481.22	16,417,566.29	1,974,851.80	0.00	14,442,714.49	3,247,136.88
NW103877/1	1/1/2015	1/1/2025	10	3524978	Development Bank of SA	14.75	345,288.34	2,515,486.24	805,186.11	0.00	1,710,299.13	1,870,743.73
16866	3/12/1285	30/09/2019	20	13380746	Development Bank of SA	14.75	367,872.21	4,759,935.36	656,627.67	0.00	4,103,307.69	1,352,637.13
19066	30/09/1999	30/09/2019	20	6687000	Development Bank of SA	15.25	184,026.85	2,530,385.92	206,231.87	0.00	2,324,154.05	429,231.40
19812	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	15.25	271,424.85	3,759,207.41	335,894.35	0.00	3,423,312.56	654,191.77
10913	30/09/1999	30/09/2019	20	6780000	Development Bank of SA	15.25	221,214.63	2,893,248.83	255,984.35	0.00	2,638,164.48	488,101.46
7446	30/09/1995	30/09/2015	20	1384545	Development Bank of SA	10	5,493.26	189,546.46	189,546.46	0.00	0.00	13,109,541.97
TOTAL ANNUITIES												
							6,382,567.24	98,529,632.49	6,442,826.12	0.00	90,086,806.37	13,109,541.97

ANNEXURE I

Calculation of Uniform Financial Ratios and Norms 31 December 2015

RATIO	FORMULA	DATA INPUTS	MUNICIPAL COMMENTS (#)
1. FINANCIAL POSITION			
A. Asset Management/Utilisation			
		0.019496362	
		1350331212	
		26850024	
1 Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Op		The ratio is decreasing from an already
B. Debtors Management			
		2.062962142	
		1439776425	
		1626537720	
1 Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gr	175698915	The budgeted collection rate is lower for
C. Liquidity Management			
		1.007371607	
2 Current Ratio	Current Assets / Current Liabilities	5302445706	
		5263644192	Improvement not enough but on the way
D. Liability Management			
		0.004072041	
		5585567	
		1371687317	
1 Capital Cost(Interest Paid and Redemption) as a % of Total C	Capital Cost(Interest Paid and Redemption) / Total Op		This do not indicate the capacity for furth
		0.088771505	8.87715048
		90086806	
		1014816705	
2 Debt (Total Borrowings) / Revenue	(Overdraft + Current Finance Lease Obligation + Non c		0 Also as per above.
2. FINANCIAL PERFORMANCE			
		-0.179242274	
		1122314912	
		1323481189	
1 Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditu		The restated assets register and the acc
D. Expenditure Management			

1 Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Oper:	Improvement, but still way behind accep
		0.184347152
		243979988

2 Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillo	1323481189
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0.013225179

17503275

2 Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x10	1323481189	The proposed lower ratio is a product of
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E. Grant Dependency

1 Own funded Capital Expenditure (Internally generated funds + Own funded Capital Expenditure (Internally generated i	26850024	There should be an increase in the ratio
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0.99318979

1122314912

7643200

0

2 Own Source Revenue to Total Operating Revenue(Including / Own Source Revenue (Total revenue - Government gr	Improvement reflects less reliance on gr
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3. BUDGET IMPLEMENTATION

1 Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditur	0.223251144	26850024	120268248 Low Capital Spending
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0.964856329

2 Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Ex	1323481189	1371687317 Within the budget limit
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0.943031576

3 Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue	1122314912	1190114070 Should be atleast 92%
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