MONTHLY BUDGET STATEMENT: 31 MAY 2015

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

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

Statement of Financial Performance (SFP)

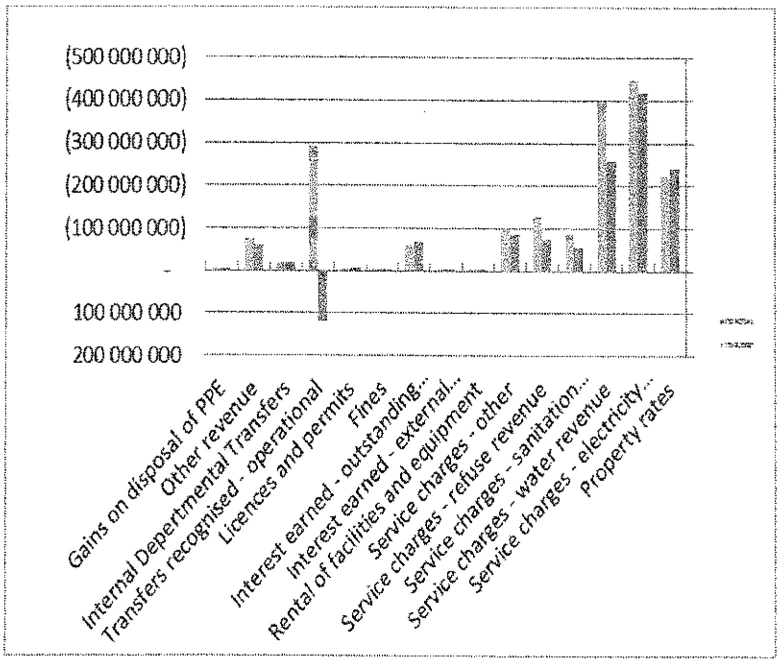
The SFP shown in Annexure A is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by category.

The summary report indicates the following:

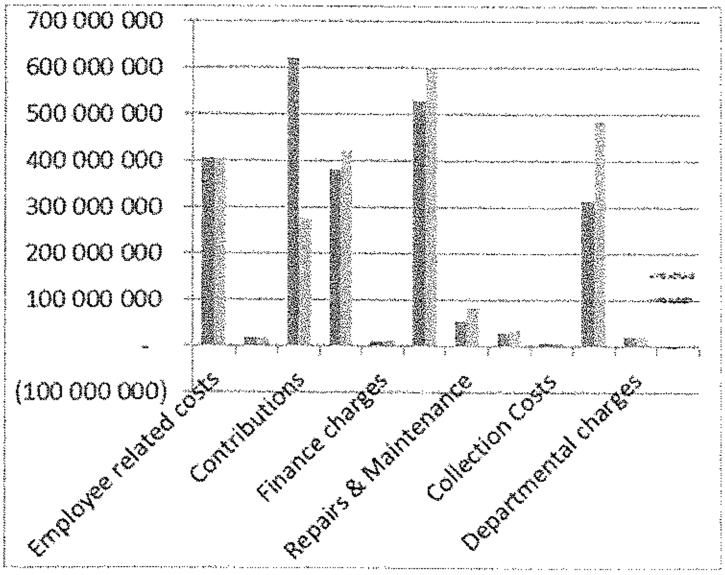
Summary statement of			**Financial Performance**	
Description	**YTD Budget**	**May Actual 2015**	**YTD Actual**	**Variance (Favourable) Unfavourable**
Total Revenue By Source	(1,942,069,509)	(239,308,361)	(1,749,664,905)	188,363,095
Total Operating Expenditure	2,367,002,316	330,595,207	2,397,830,657	30,828,341
(SURPLUS)/ DEFICIT	**424,932,808**	**91,286,847**	**648,165,752**	**219,191,437**

- The service charges levies shows a huge figure as compared with the previous months. This is due to the Free Basic journals that went through in May. The journals were for the period of July 2014 – May 2015.
- The contribution for bad debts shows a huge figure due to incorrect standard journal and this will be corrected before year end.

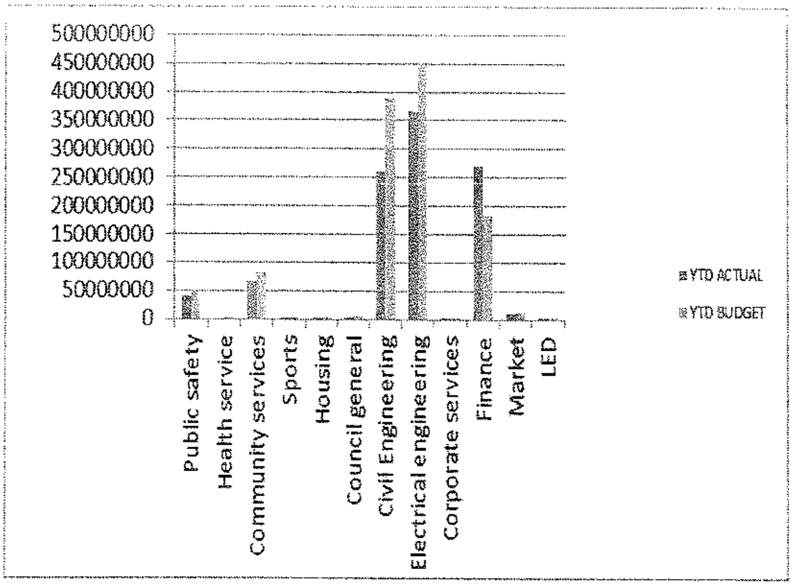
YTD Actual Income vs YTD Budget Income



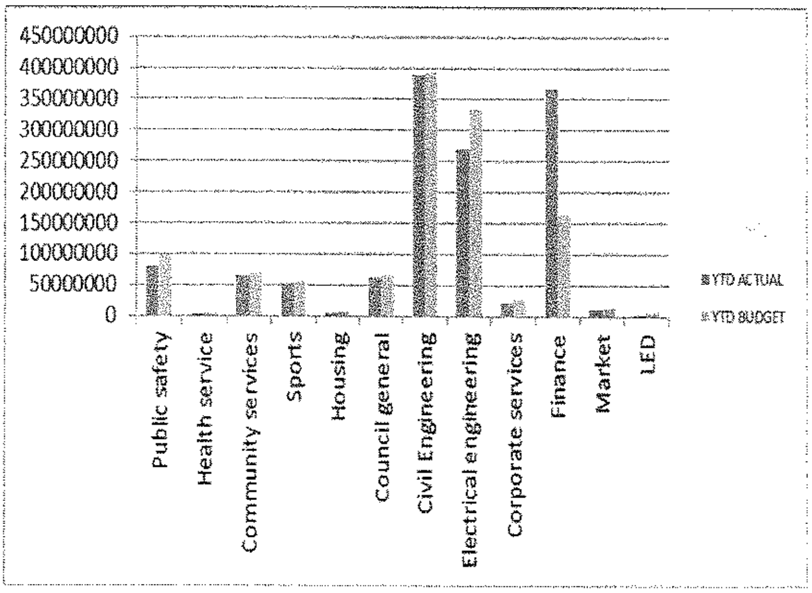
YTD Actual Expenditure vs YTD Budget Expenditure



Operating Income per department



Operating Expenditure per department



GRANTS AND SUBSIDIES

Operational allocation/ Grant received

DESCRIPTION	BUDGET	ADJUSTED BUDGET	MAY RECEIVED 2014/15	YTD RECEIVED	YTD%
Equitable shares grants	339,135,990	339,135,990	38,000,000	222,375,000	65.57
Finance Management grant	1,600,000	1,600,000	0	1,600,000	100
Municipal System Improvement grant	934,000	934,000	0	934,000	100
Improvement of Library services	400,000	400,000	0	400,000	100
PMU	3,200,000	3,200,000	0	0	0
EPWP	1,913,000	1,913,000	0	1,913,000	100
TOTAL	**347,182,990**	**347,182,990**	**38,000,000**	**227,222,000**	**65.13%**

CAPITAL GRANT RECEIVED

DESCRIPTION	BUDGET	ADJUSTED BUDGET 2014/15	MAY RECEIVED 2014/15	YTD RECEIVED	YTD%
MIG	90,564,448	90,564,448	0	85,331,000	92.62%
NDPG	21,625,000	19,000,000	0	19,000,000	100.00 %
DME	1,100,000	1,100,000	0	1,100,000	100.00 %
PMU	1,566,552	1,566,552	0	0	0
TOTAL	**114,856,000**	**112,231,000**	**0**	**105,431,000**	**93.94%**

Cash Flow Statement (Annexure B)

- Total cash receipts by source reflect an amount of R143.5 million for the May 2015 month.
- Total cash payments indicate an amount of R135.4 million for the May 2015 month.

Capital expenditure report (Annexure C)

The summary report indicates the following:

Summary statement of Capital Expenditure				
Description	**YTD Budget**	**May Actual 2015**	**YTD Actual**	**Variance Favourable (Unfav)**
Total Capital Expenditure	**135,258,140**	**7,974,044**	**66,618,706**	**(68,639,434)**
Capital funding				
National government	93,711,752	7,974,044	65,937,102	(27,774,650)
Provincial Government	3,084,583			(3,084,583)
District Municipality				
Borrowing				
Internal Generated fund	38,461,805	0	681,605	(37,780,200)
Financial Total	**135,258,140**	**7,974,044**	**66,618,706**	**(68,639,434)**

The spending on MIG new capital for May month 2015 is R7, 335,291 and the Year to date actual is R52, 064,256.

MIG roll over expenditure for May month 2015 amount to R638, 753 and the Year to date actual is R13, 872,845.

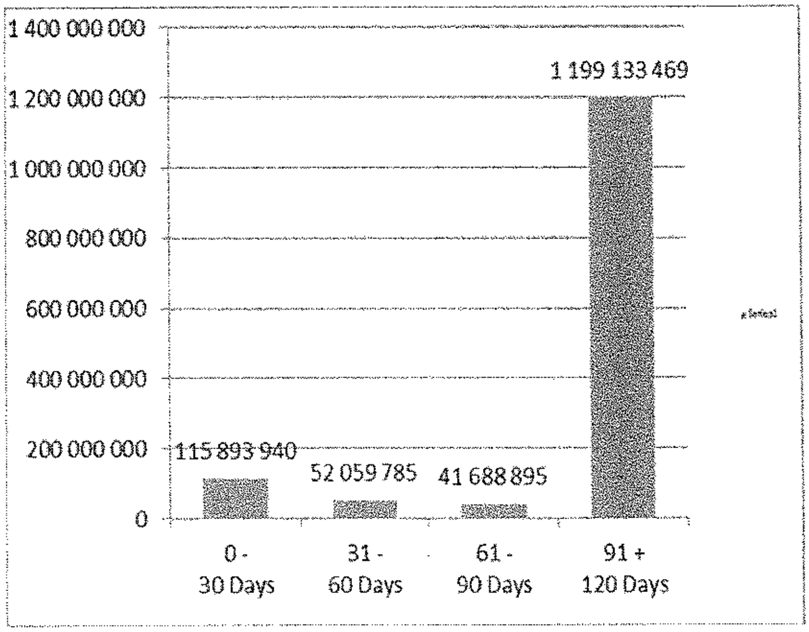
No spending on own funding for May month 2015, and the Year to date actual is R681, 604.

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 May 2015 amounts to R1292.9 billion.

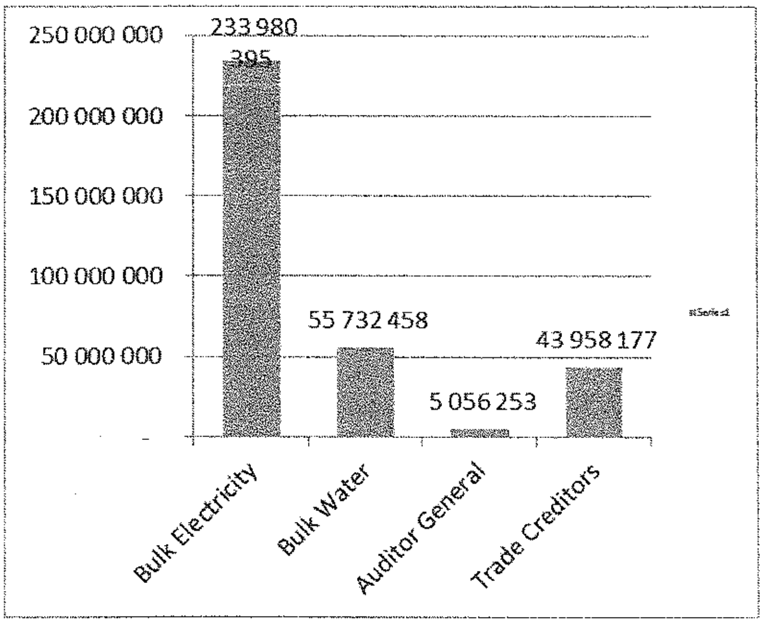
It increased with R21.7 million from the previous month.The detailed Age Analysis are on annexure D.

Debtors by Customer group – 31 May 2015



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.



Investment Portfolio (Annexure F)

The table indicates the status of the investment portfolio and detail of where invested, which amounts to **R72, 067,190** as at 31 May 2015.

	Investments				
	Fixed	Call	Long Term	Collateral	Total
Institution	R	R	R	R	R
ABSA		47,958,508			47,958,508
FNB			92,642		92,642
RMB					-
Investec					-
Nedcor				17,131,213	17,131,213
Sanlam (Policy)		6,884,827			6,884,827
	-	**54,843,335**	**92,642**	**17,131,213**	**72,067,190**

ANNEXURE G (BORROWINGS)

The total amount outstanding on external loans at the end of May 2015 is R99, 651,621.34.

SUPPLY CHAIN MANAGEMENT

No deviations can be reported for the month of May 2015.

FINANCIAL IMPLICATIONS

The report covers the period from 1 July 2014 to 31 May 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 R1, 749 billion is below than what is projected of R1, 942 billion YTD budget (Pro-rata) and vary by R193m.

Year to date actual expenditure of R2, 397 billion is above than what is projected expenditure of R2, 367 billion YTD budget (Pro-rata) and vary by R30m.

- It must be noted that budget reported in this report is as per the adjustment budget CC12/03/2015 approved on 12 March 2015.
- Financial recovery plan in progress.

RECOMMENDATION

That the Accounting Officer submits to the Executive Mayor this statement as per section 71 of the

ANNEXURE A - FINANCIAL PERFORMANCE

Budgeted Financial Performance (revenue and expenditure) - May 2015

	Current Year 2014/15							
Description	Original Budget	Adjusted Budget	May 2014/15	YTD Actual	YTD Budget	Variance	Variance %	YTD %
Revenue By Source								
Property rates	(281 145 162)	(269 129 680)	(23 554 259)	(263 543 881)	-246 702 206.67	(16 841 675)	6.83	97.92
Service charges - electricity revenue	(584 282 257)	(536 931 226)	(51 860 594)	(471 470 237)	-492 186 957.17	20 716 720	(4.21)	87.81
Service charges - water revenue	(426 387 853)	(473 122 399)	(77 438 631)	(336 248 367)	-433 695 532.42	97 447 166	(22.47)	71.07
Service charges - sanitation revenue	(46 507 548)	(103 162 341)	(21 388 222)	(77 712 293)	-94 565 479.25	16 853 187	(17.82)	75.33
Service charges - refuse revenue	(70 563 856)	(152 764 234)	(38 982 419)	(113 567 022)	-140 033 881.17	26 466 859	(18.90)	74.34
Service charges - other	(158 476 644)	(119 203 070)	(11 294 743)	(98 759 049)	-109 269 480.83	10 510 432	(9.62)	82.85
Rental of facilities and equipment	(6 424 778)	(5 272 630)	(469 489)	(4 939 778)	-4 833 244.17	(106 534)	2.20	93.69
Interest earned - external investments	(5 348 000)	(2 500 000)	(471)	(167 044)	-2 291 666.67	2 124 622	(92.71)	6.68
Interest earned - outstanding debtors	(38 650 000)	(76 321 890)	(9 426 858)	(78 840 228)	-69 961 732.50	(8 878 496)	12.69	103.30
Fines	(7 500 000)	(2 150 000)	(266 707)	(1 887 195)	-1 970 833.33	83 639	(4.24)	87.78
Licences and permits	(7 000 000)	(5 756 560)	(622 491)	(6 166 448)	-5 276 846.67	(889 601)	16.86	107.12
Transfers recognised - operational	(347 182 990)	(348 849 543)	(301 024)	119 111 374	-319 778 747.75	438 890 122	(137.25)	(34.14)
Internal Depertmental Transfers	(24 219 238)	(23 616 730)	(1 897 670)	(21 023 334)	-21 648 669.17	625 335	(2.89)	89.02
Other revenue	(99 855 534)	(88 520 269)	(5 712 736)	(65 256 963)	-81 143 579.92	15 886 617	(19.58)	73.72
Gains on disposal of PPE	(421 600)	(1 000 000)	-	(4 000 000)	-916 666.67	(3 083 333)	336.36	400.00
Total Revenue	**(2 103 965 460)**	**(2 208 300 572)**	**(243 216 313)**	**(1 771 056 760)**	**(2 024 275 524)**	**599 805 059**	**(29.63)**	**80.20**
Expenditure By Type								
Employee related costs	453 698 224	443 393 077	36 760 206	407 032 052	406 443 654	588 398	0.14	91.80
Remuneration of councillors	21 314 479	20 401 210	1 718 205	18 720 719	18 701 109	19 610	0.10	91.76
Contributions	127 885 274	303 100 000	82 751 597	620 630 772	277 841 667	342 789 105	123.38	204.76
Depreciation & asset impairment	439 206 526	458 489 699	-	382 074 746	420 282 224	(38 207 478)	(9.09)	83.33
Finance charges	12 533 679	12 926 980	523 161	10 026 848	11 849 732	(1 822 883)	(15.38)	77.57
Bulk purchases	605 600 130	653 260 153	58 898 672	529 890 618	598 821 807	(68 931 189)	(11.51)	81.11
Repairs & Maintenance	98 919 123	90 000 000	8 657 213	54 324 708	82 500 000	(28 175 292)	(34.15)	60.36
Contracted services	79 397 968	39 450 460	3 195 282	29 277 341	36 162 922	(6 885 581)	(19.04)	74.21
Collection Costs	7 432 000	7 432 000	1 007 334	7 190 016	6 812 667	377 349	5.54	96.74
Other expenditure	250 280 502	530 114 033	135 191 504	316 537 036	485 937 864	(169 400 828)	(34.86)	59.71
Departmental charges	23 616 703	23 616 733	1 892 033	22 151 064	21 648 672	502 392	2.32	93.79
Internal recoveries(amount charge out)	-			(25 262)	-	(25 262)	-	
Total Expenditure	**2 119 884 608**	**2 582 184 345**	**330 595 207**	**2 397 830 657**	**2 367 002 316**	**30 828 341**	**1.30**	**92.86**
(Surplus)/Deficit	**15 919 148**	**373 883 773**	**87 378 894**	**626 773 898**	**342 726 792**	**284 047 106**		
TOTAL REVENUE	**(2 103 965 460)**	**(2 208 300 572)**	**(239 630 052)**	**(1 775 300 918)**	**(2 024 275 524)**	**248 974 607**		
LESS REVENUE FOREGONE	**88 860 155**	**89 679 290**	**3 907 952**	**21 594 505**	**82 206 016**	**(60 611 511)**	(73.73)	24.08
Income forgone on assessment rate	50 666 747	51 486 150	321 691	17 803 159	47 195 638	(29 392 478)	(62.28)	34.58
Income forgone on other	38193408	38 193 140	3 586 261	4041508	35010378.33	(30 968 870)	(88.46)	10.58
TOTAL INCOME	**(2 015 105 305)**	**(2 118 621 282)**	**(239 308 361)**	**(1 749 664 905)**	**(1 942 069 509)**	**188 363 095**	**(74)**	**24**
TOTAL EXPENDITURE	**2 119 884 608**	**2 582 184 345**	**330 595 207**	**2 397 830 657**	**2 367 002 316**	**30 828 341**		
(Surplus)/ Deficit for the year	**104 779 303**	**463 563 063**	**91 286 847**	**648 165 752**	**424 932 808**	**219 191 437**	51.58	**24**

GRANTS AND SUBSIDIES - MAY 2015
Operational allocation/grant received

	BUDGET	ADJUSTED	MAY	YTD RECEIVED	YTD%
Equitable shares grants	339 135 990	339 135 993	38 000 000	222 375 000	65.57
Finance Management Grant	1 600 000	1 600 000	-	1 600 000	100.00
Municipal System Improvement Grant	934 000	934 000	-	934 000	100.00
Improvement of library services	400 000	400 000	-	400 000	100.00
PMU	3 200 000	4 766 550	-	-	-
EPWP (arbour week)	1 913 000	1 913 000	-	1 913 000	100.00
Meseum Grant	-	100 000		-	-
Mayoral enviromental grant	-	-	-	-	-
District assessment(Fire)	-	-	-	-	-
				-	-
	347 182 990	**348 849 543**	**38 000 000**	**227 222 000**	**65.13**

CAPITAL GRANT RECEIVED

MIG	92 131 000	92 131 000	-	85 331 000	92.62
NDPG	21 625 000	19 000 000	-	19 000 000	100.00
DME/INER	1 100 000	1 100 000		1 100 000	100.00
PMU					
	114 856 000	**112 231 000**	**-**	**105 431 000**	**93.94**

OPERATING INCOME PER DEPARTMENT AS AT 31 MAY 2015

DESCRIPTION	BUDGET	ADJUSTED	MAY	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	84 708 545	76 769 879	5 548 709	62 164 071	70 372 389	(8 208 318)	-11.66	80.97
Health service	65 000	-		-	-	-	-	-
Community services	139 675 992	144 831 498	42 979 653	145 121 469	132 762 207	12 359 262	9.31	100.20
Sports	1 514 066	1 439 620	57 137	833 405	1 319 652	(486 246)	-36.85	57.89
Housing	2 584 702	1 633 830	88 892	1 074 466	1 497 678	(423 211)	-28.26	65.76
Council general	8 802 025	7 507 850	356 418	7 190 056	6 882 196	307 861	4.47	95.77
Civil Engineering	665 477 323	834 514 642	107 239 472	501 445 819	764 971 755	(263 525 936)	-34.45	60.09
Electrical engineering	777 085 456	698 841 563	65 223 657	584 151 087	640 604 766	(56 453 679)	-8.81	83.59
Corporate services	2 711 129	3 732 260	99 141	804 568	3 421 238	(2 616 671)	-76.48	21.56
Finance	312 887 471	332 989 360	16 532 210	434 202 598	305 240 247	128 962 351	42.25	130.40
Market	19 588 596	16 359 800	1 377 046	15 035 569	14 996 483	39 086	0.26	91.91
LED	5 000	980		1 370	898	472	-	139.81
TOTAL	**2 015 105 305**	**2 118 621 282**	**239 308 361**	**1 749 664 905**	**1 942 069 509**	**(188 363 095)**	**-9.70**	**82.59**

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	ADJUSTED	MAY	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANCE	YTD %
Public safety	169 953 084	171 985 536	15 348 402	136 879 971	157 653 408	(20 773 437)	-13.18	79.59
Health service	6 134 075	4 423 310	324 047	3 978 576	4 054 701	(76 125)	-1.88	89.95
Community services	118 284 237	196 655 907	40 892 215	133 112 782	180 267 915	(47 155 132)	-26.16	67.69
Sports	97 555 184	93 291 121	2 970 708	76 582 786	85 516 861	(8 934 075)	-10.45	82.09
Housing	10 435 082	9 664 028	601 217	11 003 632	8 858 692	2 144 940	24.21	113.86
Council general	115 495 608	105 260 511	7 743 495	93 145 871	96 488 802	(3 342 930)	-3.46	88.49
Civil Engineering	673 315 531	837 399 270	90 974 983	666 392 585	767 615 998	(101 223 413)	-13.19	79.58
Electrical engineering	570 596 379	658 721 585	71 210 393	476 267 515	603 828 120	(127 560 605)	-21.13	72.30
Corporate services	46 542 417	38 380 233	3 071 033	33 863 239	35 181 880	(1 318 641)	-3.75	88.23
Finance	279 959 009	439 061 075	96 149 593	744 606 438	402 472 652	342 133 786	85.01	169.59
Market	21 735 532	20 850 899	1 114 671	15 361 386	19 113 324	(3 751 938)	-19.63	73.67
LED	9 878 470	6 490 870	516 140	6 957 567	5 949 964	1 007 603	16.93	107.19
TOTAL	**2 119 884 608**	**2 582 184 345**	**330 595 207**	**2 397 830 657**	**2 367 002 316**	**30 828 341**	**1.30**	**92.86**

ANNEXURE B

Cash Flow Statement for the month of May 2015

Cash Receipts by Source	May 2015
Property rates	20 786 374
Service charges - electricity revenue	34 576 584
Service charges - water revenue	15 347 497
Service charges - sanitation revenue	4 558 812
Service charges - refuse revenue	3 999 284
Service charges - other	15 801 211
Rental of facilities and equipment	220 056
Interest earned - external investments	2 510
Interest earned - outstanding debtors	-
Fines	227 553
Licences and permits	617 069
Transfer receipts - operational grants	38 000 000
Other revenue	9 569 134
Cash Receipts by Source	**143 706 084**
Transfer receipts - capital grants	-
Proceeds on disposal of PPE	-
Total Cash Receipts by Source	**143 706 084**
Proceeds on disposal of PPE	
Short term loan	
Borrowing long term/ Refinancing	(259 663)
Increase (decrease) in consumer deposits	67 566
Decrease (increase) in non - current debtors	
Decrease (increase) in non - current	1 956
Decrease (increase) in non- current investment	
Total Cash Receipts by Source	143 515 943
Cash Payments by Type	
Employee related costs	36 760 207
Remuneration of councillors	1 718 204
Collection costs	785 825
Interest paid	523 161
Bulk purchases - Electricity	44 370 390
Bulk purchases - Water	16 622 837
Repairs and maintanance	3 871 629
Contracted services	3 110 233
General expenses	19 231 350
Cash Payments by Type	**126 993 836**
Other Cash Flows/Payments by Type	
Capital assets	7 974 044
Repayment of borrowing	391 412
Other Cash Flows/Payments	**8 365 456**
Investment	-
Total Cash Payments by Type	**135 359 292**
Net increase/(decrease) in cash held	**8 156 651**
Cash/ cash equivalent at the month begin	43 198 392
Cash/ cash equivalent at the month end	**51 355 043**

ANNEXURE C CAPITAL EXPENDITURE

NW403 City Of Matlosana - Budgeted Capital Expenditure - MAY 2015

R thousand	Original Budget	Adjusted Budget	May 2015	YTD Actual	YTD Budget	Variance	YTD %
<u>Capital Expenditure</u>							
Council General	-	5 200 000	-	-	4 766 667	(4 766 667)	-
Council General Admin	-	5 200 000	-	-	4 766 667	(4 766 667)	0
Municipal & Environmental Services	12 032 129	16 446 057	-	6 307 054	15 075 552	(8 768 498)	38.35
Community and social services				-	-	-	-
Sport and recreation	11 863 129	15 631 830		6 307 054	14 329 178	(8 022 123)	40.35
Refuse removal	-	-	-	-	-	-	-
Public Safety	169 000	814 227	-	-	746 375	(746 375)	0
Health	-		-	-	-	-	0
Cemetary	-			-	-	-	0
				-	-	-	0
Finance	1 037 810	1 237 810		681 605	1 134 659	(453 054)	0
ICT Hard/software	1 037 810	1 237 810		681 605	1 134 659	(453 054)	0
				-	-	-	0
Macro city planning & Development	-	-	-	-	-	-	0
Planning and development			-	-	-	-	-
Market				-	-	-	
					-		
Civil Services & Human Settlement	127 639 034	121 628 696	7 974 044	58 918 186	111 492 971	(52 574 786)	48.44
Water	30 861 587	34 226 247	656 389	16 671 851	31 374 060	(14 702 209)	48.71
Waste water management(Sewer)	25 598 124	22 326 570	2 961 663	10 709 417	20 466 023	(9 756 606)	47.97
Roads	71 179 323	65 075 879	4 355 992	31 536 918	59 652 889	(28 115 971)	48.46
Housing			-	-	-	-	-
PMU Unit				-	-	-	-
Dumping side					-		-
Electrical & Mechanical Engineering	5 592 961	3 041 772	-	711 861	2 788 291	(2 076 430)	23.40
Electrical	5 592 961	3 041 772		711 861	2 788 291	(2 076 430)	-
							-
Total Capital Expenditure	146 301 934	147 554 335	7 974 044	66 618 706	135 258 140	(68 639 434)	45.15

CAPITAL FUNDING

National government	136 591 879	102 231 002	7 974 044	65 937 102	93 711 752	(27 774 650)	64.50
Provincial government	-	3 365 000	-	-	3 084 583	(3 084 583)	-
District municipality	-		-	-	-	-	-
Borrowing	-		-	-	-	-	-
Internal Generated funds	9 710 055	41 958 333	-	681 605	38 461 805	(37 780 200)	1.62
					-	-	-
Financing Total	146 301 934	147 554 335	7 974 044	66 618 706	135 258 140	(68 639 434)	45.15

ANNEXURE D

DEBTOR'S AGE ANALYSIS - May 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 + 120 Days	Total -
Debtors Age Analysis By Income Source					
Water Tariffs	27 114 694	15 134 522	12 975 376	364 258 011	419 482 603
Electricity Tariffs	36 868 153	9 574 860	4 757 797	136 661 299	187 862 109
Rates (Property Rates)	17 379 362	5 705 689	3 813 865	79 811 644	106 710 560
Sewerage/ Sanitation	5 533 397	2 670 739	2 261 141	72 375 456	82 840 733
Refuse Removal Tariffs	7 201 817	4 566 008	4 203 467	104 163 912	120 135 204
Other	21 796 517	14 407 967	13 677 249	441 863 147	491 744 880
Total By Income Source	**115 893 940**	**52 059 785**	**41 688 895**	**1 199 133 469**	**1 408 776 089**
Debtors Age Analysis By Customer Group					
Government	4 300 505	1 537 471	1 083 635	15 788 425	22 710 036
Business	31 107 563	8 935 900	4 305 538	82 111 701	126 460 702
Households	79 814 947	41 027 866	35 557 948	1 067 498 353	1 223 899 114
Other	670 925	558 548	741 775	33 734 989	35 706 237
Total By Customer Group	**115 893 940**	**52 059 785**	**41 688 895**	**1 199 133 469**	**1 408 776 089**

ANNEXURE E
OUTSTANDING CREDITORS STATEMENT -MAY 2015

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total -
Bulk Electricity	37 656 527	35 859 193	-	75 077 402	85 387 273	233 980 395
Bulk Water	19 847 387	1 537 896	13 790 167	16 082 632	4 474 376	55 732 458
Auditor General	173 297	189 340	83 505	180 776	4 429 335	5 056 253
Trade Creditors	13 147 931	3 378 528	2 148 760	25 282 958	-	43 958 177
Total	**70 825 142**	**40 964 957**	**16 022 432**	**116 623 768**	**94 290 984**	**338 727 283**

ANNEXURE F

Investment Portfolio:31 May 2015
City of Matlosana

INSTITUTION	INTEREST RATE	PERIOD	APRIL 2015	MAY 2015	MATURITY DATE	EXPLANATION
Call Investment						
ABSA: 3854	3.30%		31 678 153	36 843 038		
ABSA: 5047	3.25%		43 123	43 123		
ABSA: 6177	4.47%		269 155	270 371		
ABSA: 2264	3.25%		399 123	400 326		
ABSA: 4682	5.15%		199 615	200 501		
ABSA: 4063	2.80%		167 771	167 847		
ABSA: 1223	5.50%		33 151	10 033 301		
TOTAL Call Investment			**32 790 091**	**47 958 507**		
Collateral						
SANLAM	Policy	Guaranteed Capital	6 452 932	6 452 932	2018-12-01	Policy
SANLAM	Policy	Guaranteed Capital	431 895	431 895	2019-08-01	Policy
NEDCOR	Minimum 5%		17 131 213	17 131 213	30/06/2019	Security
TOTAL			**24 016 041**	**24 016 041**		
Long Term Investment						
FNB	10.00%	1 YEAR	78 642	78 642		Housing Collateral
FNB	9.50%	1 YEAR	14 000	14 000		Housing Collateral
TOTAL			**92 642**	**92 642**		
TOTAL INVESTMENTS			**56 898 773**	**72 067 190**		

Invest R10m with ABSA on Call (MIG) on 12 May 2015
Invest R30m with ABSA on call on 12 May 2015
Withdraw R1 135 004 from ABSA call (MIG) on 21 May 2015
Withdraw R18 000 000 from ABSA on 21 May 2015
Withdraw R3 792 282 from ABSA call (MIG) on 28 May 2015
Withdraw R2m from ABSA call on 29 May 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

INTERNAL CHEQUE PRESENTATION ENQUIRY

INTERNAL USE ONLY

ABSA

ACCOUNT NUMBER : 40-7303-3854
CIF KEY : CMATLOS001

STATEMENT FOR PERIOD : 01/05/2015 - 31/05/2015

DATE	TRAN DESCRIPTION	REFERENCE	CHARGES	TRAN AMOUNT	BALANCE
010515	BALANCE B/FORWARD				31678153,10
010515	CREDIT INTEREST	HEADOFFIC		92170,41	31770323,51
120515	TRANSFER FROM	BUS W/CAP	0,00	10000000,00	41770323,51
		10-0010-0176		1000100176	
210515	TRANSFER TO	BUS W/CAP	0,00	1135004,00-	40635319,51
		10-0010-0176			
280515	TRANSFER TO	BUS W/CAP	0,00	3792282,00-	36843037,51
		10-0010-0176			

*** END OF ENQUIRY 01/06/2015 09:41:29 ***

CHQQ PRES

ABSA Bank Limited Reg. No. 1986/004794/06 BUSINESS BANKING SERVICES 2015 -06- 01 BESIGHEIDS BANKDIENSTE RUSTENBURG

CITY OF MATLOSANA MUNICIPALITY
PO BOX 99
KLERKSDORP
2570

ABSA BANK P SECTOR NW ABSA
CALL ACCOUNT

ACCOUNT NUMBER	:	90 5632 5047
ACCOUNT STATUS	:	OPEN
BALANCE	:	43123,29
AVAILABLE BALANCE	:	42123,29
UNCLEARED AMOUNT	:	0,00
AVAIL UNCLEARED AMT	:	0,00

STATEMENT FOR PERIOD 01/05/2015 TO 31/05/2015

DATE	TRAN DESCRIPTION	TRAN BRANCH	AMOUNT	BALANCE
01/05/2015	CREDIT INTEREST	P SECTOR NW	131,14	43254,43
01/05/2015	INTEREST TRANSFER ABSA BANK 1000100176	SETTLEMENT/C	131,14-	43123,29

POST DATED ITEMS

NO POSTDATED ITEMS DUE TODAY FOR THIS ACCOUNT

ACCRUED INTEREST AS AT 01/06/2015 : 0,00 savq pres

ABSA
Bank Limited Beperk
Reg. No. 1986/004794/06
BUSINESS BANKING SERVICES
2015 -06- 01
BESIGHEIDS BANKDIENSTE
RUSTENBURG
N3679

INTERNAL CHEQUE PRESENTATION ENQUIRY 1

INTERNAL USE ONLY

ACCOUNT NUMBER : 40-7826-6177
CIF KEY : CMATLOS001

STATEMENT FOR PERIOD : 01/05/2015 - 31/05/2015

DATE	TRAN DESCRIPTION	REFERENCE	CHARGES	TRAN AMOUNT	BALANCE
010515	BALANCE B/FORWARD				269154,70
010515	CREDIT INTEREST	HEADOFFIC		1216,73	270371,43

*** END OF ENQUIRY 01/06/2015 09:42:18 ***

CHQQ PRES

ABSA Bank Limited
BUSINESS BANKING SERVICES
2015 -06- 01

CITY OF MATLOSANA MUNICIPALITY
PO BOX 99
KLERKSDORP
2570

ABSA BANK P SECTOR NW

CALL ACCOUNT

ACCOUNT NUMBER	:	90 9007 2264
ACCOUNT STATUS	:	OPEN
BALANCE	:	400326,42
AVAILABLE BALANCE	:	399326,42
UNCLEARED AMOUNT	:	0,00
AVAIL UNCLEARED AMT	:	0,00

STATEMENT FOR PERIOD 01/05/2015 TO 31/05/2015

DATE	TRAN DESCRIPTION	TRAN BRANCH	AMOUNT	BALANCE
11/05/2015	CREDIT INTEREST	P SECTOR NW	1213,74	400326,42

POST DATED ITEMS

NO POSTDATED ITEMS DUE TODAY FOR THIS ACCOUNT

ACCRUED INTEREST AS AT	01/06/2015 :	852,20
ACCRUED BONUS AS AT	01/06/2015 :	0,00

savq pres

ABSA Bank Limited
BUSINESS BANKING SERVICES
2015 -06- 01
BESIGHEIDS BANKDIENSTE RUSTENBURG
N3879

INTERNAL CHEQUE PRESENTATION ENQUIRY

INTERNAL USE ONLY

ACCOUNT NUMBER : 40-8149-4682
CIF KEY : CMATLOS001

STATEMENT FOR PERIOD : 01/05/2015 - 31/05/2015

DATE	TRAN DESCRIPTION	REFERENCE	CHARGES	TRAN AMOUNT	BALANCE
010515	BALANCE B/FORWARD				199614,92
010515	CREDIT INTEREST	HEADOFFIC		885,96	200500,88

*** END OF ENQUIRY 01/06/2015 09:42:43 ***

CHQQ PRES

ABSA Bank Limited Reg. No. 1986/004794/06 BUSINESS BANKING SERVICES 2015 -06- 01 BESIGHEIDS BANKDIENSTE RUSTENBURG N3679

CITY OF MATLOSANA MUNICIPALITY
PO BOX 99
KLERKSDORP
2570

ABSA BANK P SECTOR NW

CALL ACCOUNT

ACCOUNT NUMBER	:	90 7420 4063
ACCOUNT STATUS	:	OPEN
BALANCE	:	167847,23
AVAILABLE BALANCE	:	166847,23
UNCLEARED AMOUNT	:	0,00
AVAIL UNCLEARED AMT	:	0,00

STATEMENT FOR PERIOD 01/05/2015 TO 31/05/2015

DATE	TRAN DESCRIPTION	TRAN BRANCH	AMOUNT	BALANCE
06/05/2015	CREDIT INTEREST	P SECTOR NW	75,84	167847,23

POST DATED ITEMS

NO POSTDATED ITEMS DUE TODAY FOR THIS ACCOUNT

ACCRUED INTEREST AS AT	01/06/2015 :	65,75
ACCRUED BONUS AS AT	01/06/2015 :	0,00

savq pres

ABSA
Bank Limited Beperk
Reg. No 1986/004794/06
BUSINESS BANKING SERVICES
2015 -06- 01
BESIGHEIDS BANKDIENSTE
RUSTENBURG
NSRTE

INTERNAL CHEQUE PRESENTATION ENQUIRY

INTERNAL USE ONLY ABSA

ACCOUNT NUMBER : 40-8611-1223
CIF KEY : CMATLOS001

STATEMENT FOR PERIOD : 01/05/2015 - 31/05/2015

DATE	TRAN DESCRIPTION	REFERENCE	CHARGES	TRAN AMOUNT	BALANCE
010515	BALANCE B/FORWARD				33150,68
010515	CREDIT INTEREST	HEADOFFIC		149,86	33300,54
120515	TRANSFER FROM	BUS W/CAP	0,00	30000000,00	30033300,54
			10-0010-0176	100100176	
210515	TRANSFER TO	BUS W/CAP	0,00	18000000,00-	12033300,54
			10-0010-0176		
290515	TRANSFER TO	BUS W/CAP	0,00	2000000,00-	10033300,54
			10-0010-0176		

*** END OF ENQUIRY 01/06/2015 09:43:11 ***

CHQQ PRES

ABSA
BUSINESS BANKING SERVICES
2015 -06- 01
RUSTENBURG

Return to:
PO Box 1, Sanlamhof 7532, South Africa

Life
2 Strand Road, Bellville, South Africa
PO Box 1, Sanlamhof 7532, South Africa
Tel 0860 726 526 or (021) 916-5000
Fax (021) 947-9440
Web: http://www.sanlam.co.za
E-mail: stratus@sanlam.co.za

Our reference: 040644725X0
11/08/2014

THE MANAGER
CITY COUNCIL OF KLERKSDORP
PO BOX 99
KLERKSDORP
2570

Dear Sir/Madam

Values information of the plan

Product name Stratus Continuation

Plan number 040644725X0

Current value

We refer to your enquiry about values and would like to provide you with the information.

Current investment balance		
Investment fund	**Unit balance**	**Fund value**
Guaranteed Capital Fund	2 176 588.541	R6 452 932.05
TOTAL		R6 452 932.05

The current cash value of the plan is R6 452 932.05. Please note that the cash value of the plan fluctuates with changing market conditions.

Illustrative values

The illustrative value of the investment on 01/12/2018 is:

Possible values at a low inflation scenario	R7 984 200
Possible values at a high inflation scenario	R10 304 300

	Low inflation scenario	**High inflation scenario**
Range of inflation	4% to 6%	8% to 10%
Assumed illustration rate	6.5%	13.0%

2/...

Return to:
PO Box 1, Sanlamhof 7532, South Africa

Our reference: 040710409X0
11/08/2014

Life
2 Strand Road, Bellville, South Africa
PO Box 1, Sanlamhof 7532, South Africa
Tel 0860 726 526 or (021) 916-5000
Fax (021) 947-9440
Web: http://www.sanlam.co.za
E-mail: stratus@sanlam.co.za

THE MANAGER
CITY COUNCIL OF KLERKSDORP
PO BOX 99
KLERKSDORP
2570

Dear Sir/Madam

Values information of the plan

Product name Stratus Continuation

Plan number 040710409X0

Current value

We refer to your enquiry about values and would like to provide you with the information.

Current investment balance		
Investment fund	**Unit balance**	**Fund value**
Guaranteed Capital Fund	145 679.323	R431 895.49
TOTAL		R431 895.49

The current cash value of the plan is R431 895.49. Please note that the cash value of the plan fluctuates with changing market conditions.

Illustrative values

The illustrative value of the investment on 01/08/2019 is:

Possible values at a low inflation scenario	R551 400
Possible values at a high inflation scenario	R740 300

	Low inflation scenario	High inflation scenario
Range of inflation	4% to 6%	8% to 10%
Assumed illustration rate	6.5%	13.0%

2/...

NEDBANK | CAPITAL

09/07/2014

KLERKSDORP MUNICIPALITY - FK183349
(CITY OF MATLOSANA)

CERTIFICATE OF BALANCE AS AT 30 JUNE 2014

We detail below the required information on the account of KLERKSDORP MUNICIPALTY in our books as at **30 JUNE 2014**

We hereby confirm the following:

Investment Amount	R 3,700,000.00
Start Date	25 June 2001
Maturity Date	30 June 2019
Market Value	R 17 131 213.00
Book value	R 19 070 876.22
Amount on maturity	R 25,000,000.00

AUTHORISED SIGNATORY

TREASURY OPERATIONS

5th Floor Corporate Place Nedbank Sandton 135 Rivonia Road Sandown 2196 Private Bag X25 Benmore 2010 South Africa
www.nedbank.co.za

FNB
First National Bank

CERTIFICATE OF BALANCE

*Delete whichever is not applicable

Klerksdorp Branch

I/We certify that the account balance of:

Stadsraad Stilfontein

(Full name of account)

7	1	0	3	7	4	1	1	6	6	9		

(Account number)

is in Credit/~~Debit~~* as at 30th June 2014

(Date)

amounted to R 32 840 · 59

Thirty two thousand Eight Hundred & forty Rand & 59/100.

(Amount in words)

interest ~~accrued~~/Paid*

amounted to R 1601-90 (Yearly)

One thousand Six Hundred & One Rand & 90/100.

(Amount in words)

For FNB - a division of FirstRand Bank Limited
KLERKSDORP 240 - 238

(Signature) DEPARTMENTAL HEAD

First National Bank, a division of FirstRand Bank Limited. Reg.No.1929/001225/06.
An Authorised Financial Services and Credit Provider (NCRCP20)

Certificate of Balance
Item No: 2640 Form (Dual) (0807)

FNB
First National Bank

CERTIFICATE OF BALANCE

*Delete whichever is not applicable

Klerksdorp Branch

I/We certify that the account balance of:

Botha de Wet & Rood TKV
(Full name of account)

71039866474
(Account number)

is in Credit/~~Debit~~* as at 30 th June 2014
(Date)

amounted to R 45 802.02.

Forty five thousand Eight Hundred & two Rand & 2/100.
(Amount in words)

interest ~~accrued~~/Paid*

amounted to R 2164-43 (From 17/10/14 - 17/4/14) Every six months:

Two thousand One Hundred & Sixty four Rand & 43/100.
(Amount in words)

For FNB - a division of FirstRand Bank Limited
KLERKSDORP 240 - 238

(SIGNATURE) DEPARTMENTAL HEAD

FNB
First National Bank

CERTIFICATE OF BALANCE

*Delete whichever is not applicable

Klerksdorp Branch

I/We certify that the account balance of:

Stilfontein Stadsraad
(Full name of account)

7	0	3	7	9	0	2	0	8	7	3	

(Account number)

is in Credit/~~Debit~~* as at 30th June 2014.
(Date)

amounted to R 14000-00

Fourteen thousand Rand
(Amount in words)

interest accrued/~~Paid~~*

amounted to R 710.59. (Every 3 month's) From Aug 13 to May 14.

Seven Hundred & ten Rand & 59/100.
(Amount in words)

For FNB - a division of FirstRand Bank Limited
KLERKSDORP 240 - 238

.....(Signature of Bank Official).........
DEPARTMENTAL HEAD

First National Bank, a division of FirstRand Bank Limited. Reg.No.1929/ 001225/ 06.
An Authorised Financial Services and Credit Provider (NCRCP20)

Certificate of Balance
Item No: 2640 Form (Dual) (0807)

Annexure G as at 31 May 2015

Borrowing Reference No	Start Date	End Date	Borrowing Period Years	Orignal Loan	Lender	Interest Paid This quarter	Opening Balance 01/07/2014	Debt Repaid or Re-deemed	Additional Principal Accrued	Balance at 31/05/2015	Redemption 2014/15
ANNUITY LOANS											
JBC09588	1/10/1994	30/09/2014	20	34357586	Development Bank of SA	148,912.18	2,475,088.44	2,475,088.68	0.00	-0.24	2,475,088.66
NW10959	1/10/1997	30/09/2017	20	7436371	Development Bank of SA	447,276.63	3,160,977.75	746,673.65	0.00	2,414,304.10	746,673.63
NW11182	1/10/1998	30/09/2018	20	7435456	Development Bank of SA	577,694.94	3,948,052.64	667,305.73	0.00	3,280,746.91	667,305.74
NW13637	1/10/2000	30/09/2020	20	3951600	Development Bank of SA	408,770.55	2,683,200.26	263,151.03	0.00	2,420,049.23	263,151.01
NW13874/1	1/10/2001	30/09/2019	18	10000000	Development Bank of SA	178,151.52	2,777,777.75	277,777.77	0.00	2,499,999.98	555,555.54
NW13874/2	1/7/2001	30/06/2019	18	14998125	Development Bank of SA	994,941.09	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	827,187.31	14,650,784.61	1,127,008.01	0.00	13,523,776.60	2,330,096.46
NW101297/2	1/7/2004	30/06/2019	15	37000000	Development Bank of SA	1,035,071.52	18,332,739.91	1,410,241.50	0.00	16,922,498.41	2,915,683.62
NW103677/1	1/11/2010	1/11/2025	15	35269878	Development Bank of SA	2,929,658.34	30,827,935.86	1,375,878.17	0.00	29,452,057.69	1,511,549.61
10556	31/3/1998	31/3/2018	20	13360746	Development Bank of SA	848,601.99	5,940,488.93	1,180,593.57		4,759,895.36	1,180,593.57
10906	30/09/1999	30/09/2019	20	5587000	Development Bank of SA	430,080.92	2,908,909.15	370,543.53		2,538,365.62	370,543.55
10912	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	636,930.85	4,307,966.02	548,758.61		3,759,207.41	548,758.61
10913	30/09/1999	30/09/2019	20	5780000	Development Bank of SA	490,209.57	3,315,597.22	422,348.39		2,893,248.83	422,348.39
9743	30/09/1995	30/09/2015	20	3191331	Development Bank of SA	27,777.68	367,033.47	367,033.47		0.00	367,033.47
9746	30/09/1995	30/09/2015	20	3194345	Development Bank of SA	45,583.13	541,442.70	352,096.26		189,346.44	352,096.29
TOTAL ANNUITIES						10,026,848.22	111,236,119.71	11,584,498.37	0.00	99,651,621.34	14,706,478.15

Certificate of Expenditure and Revenue

MUNICIPALITY: Matlosana LM
MIS NO:
2014/2015 R 95,331,000
BANK ACCOUNT NO: 1000100176
BANK NAME: ABSA BANK, KLERKSDORP

ALLOCATION 2014/15

ALLOCATION 14/15	R 85,331,000
SPENT 14/15	R 49,692,660
TO BE SPEND	R 35,638,340
% SPENT	58%

DATE	BUDGETARY ESTIMATE	ADVANCES REQUESTED	AMOUNT RECEIVED	ACTUAL EXPENDITURE	BALANCE
	Total	Total	Total	Total	Total
July-14	R 10,000,000	R 10,000,000	R 10,000,000	R 887,662	R 9,112,338
August-14				R 6,427,695	R 2,684,643
September-14				R 4,603,100	R -1,918,457
October-14	R 34,132,000	R 34,132,000		R 2,586,890	R -4,505,347
November-14			R 34,132,000	R 10,015,800	R 19,610,853
December-14				R 5,356,758	R 14,254,095
January-15				R 4,705,997	R 9,548,098
February-15				R 402,913	R 9,145,185
March-15	R 41,199,000	R 41,199,000	R 41,199,000	R 6,371,219	R 43,972,966
April-15				R 1,324,751	R 42,648,215
May-15				R 7,009,875	R 35,638,340
June-15				R -	R 35,638,340
July-15				R -	R 35,638,340
TOTAL	R 85,331,000	R 85,331,000	R 85,331,000	R 49,692,660	R 35,638,340

I hereby certify that the provisions / specifications of the financial administration of the Municipal Infrastructure Grant Programme have been complied with.
All funds made available were used exclusively for the Municipal Infrastructure Grant Programme.

02/06/2015
DATE
ACTING PMU MANAGER
CITY OF MATLOSANA LOCAL MUNICIPALITY

4/6/15
DATE
ACTING CHIEF FINANCIAL OFFICER
CITY OF MATLOSANA LOCAL MUNICIPALITY

03/06/15
DATE
MUNICIPAL MANAGER
CITY OF MATLOSANA LOCAL MUNICIPALITY

DATE
PROVINCIAL MIG MANAGER
Department of Local Government & Housing

Template for Calculation of Uniform Financial Ratios and Norms

RATIO		FORMULA	May-15	MUNICIPAL COMMENTS (#)

1. FINANCIAL POSITION

A. Asset Management/Utilisation

1	Capital Expenditure to Total Expenditure	Total Capital Expenditure / Total Expenditure (Total Operating expenditure + Capital expenditure) × 100	4% 2 115 381 82 237	The ratio is decreasing from an already low base.

B. Debtors Management

1	Collection Rate	(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue x 100	75% 1 893 776 1 580 750 1 275 364	The budgeted collection rate is lower for the future year and is a concern. Interventions should realise a higher collection rate to enable a quicker turnaround for the CoM.

C. Liquidity Management

need analyses of uncashed payments and it is not possible now

2	Current Ratio	Current Assets / Current Liabilities	0.5 226 800 427 676	Improvement not enough but on the way to meet the target.

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 00	2% 10 027 34 833 2 115 381	This do not indicate the capacity for further borrowing, rather the precorious 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	6% 84 945 1 767 343 227 930	Also as per above.

2. FINANCIAL PERFORMANCE

1	Net Operating Surplus Margin	(Total Operating Revenue - Total Operating Expenditure)/Total Operating Revenue	20% 1 767 343 2 115 381	The restated assets register and the accompanying higher depreciation have a significant impact on financial performance of the municipality.

D. Expenditure Management

1	Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365	108 days 284 058 29 277 54 325 344 114 529 890	Improvement, but still way behind acceptable.

2	Remuneration as % of Total Operating Expenditure	Remuneration (Employee Related Costs and Councillors' Remuneration) /Total Operating Expenditure x100	20% 406 862 18 721 2 115 381	

2	Contracted Services % of Total Operating Expenditure	Contracted Services / Total Operating Expenditure x100	1% 29 277 2 115 381	The proposed lower ratio is a product of a change to create in 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	1% 681 605 66 618 706	There should be an increase in the ratio as the current capital spending do not address the previous underspending and there is no growth in the grant funded capital projects.

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	87% 1 767 343 291 345 - 63 415	Improvement reflects less reliance on grants as well as the adjustment in tariffs to the norm.

3. BUDGET IMPLEMENTATION

1	Capital Expenditure Budget Implementation Indicator	Actual capital Expenditure / Budget Capital Expenditure x 100	[illegible] 66 618 706 147 153 407	Low Capital Spending

2	Operating Expenditure Budget Implementation Indicator	Actual Operating Expenditure / Budgeted Operating Expenditure x 100	[illegible] 2 397 830 657 2 582 184 345	Within the budget limit

3	Operating Revenue Budget Implementation Indicator	Actual Operating Revenue / Budget Operating Revenue x 100	[illegible] 1 749 664 905 2 118 621 282	Should be atleast 92%