

QUARTERLY REPORT: OCTOBER - DECEMBER 2015

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

1. PURPOSE

To comply with section 52(d) of the MFMA, by the provision of a statement to the Executive Mayor containing certain financial particulars, as legislated.

2. BACKGROUND

Section 52(d) of the MFMA requires that:

The Mayor of a Municipality must within **30 days** after the end of each quarter submit a report to the **Council** on the implementation of the budget and the financial state of affairs.

3. QUARTERLY REPORT : OCTOBER – DECEMBER 2015

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

Statement of Financial Performance (SFP)

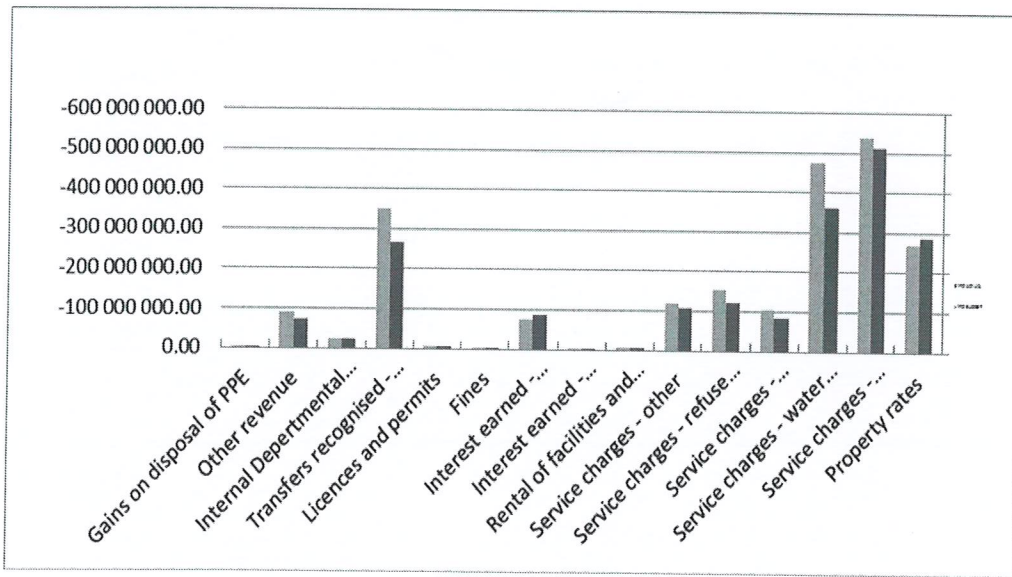
The SFP shown in Annexure A is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by category.

The summary report indicates the following:

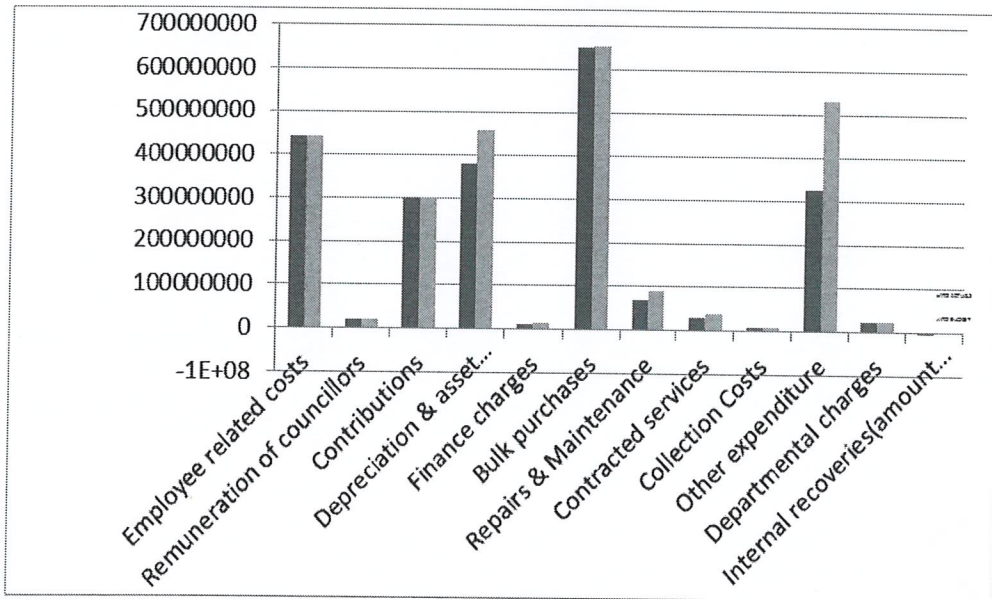
Summary statement of Financial Performance				
Description	YTD Budget	2nd Quarter 2015	YTD Actual	Variance (Favourable) Unfavourable
Total Revenue By Source	(1,190,114,070)	(587,552,812)	(1,123,384,240)	67,729,830
Total Operating Expenditure	1,371,687,317	880,955,359	1,299,675,977	(72,011,340)
(SURPLUS)/ DEFICIT	181,573,247	(294,471,875)	(117,361,064)	(5,281,511)

Spending on Operational budget is 47.13% and income is 47.38 %.

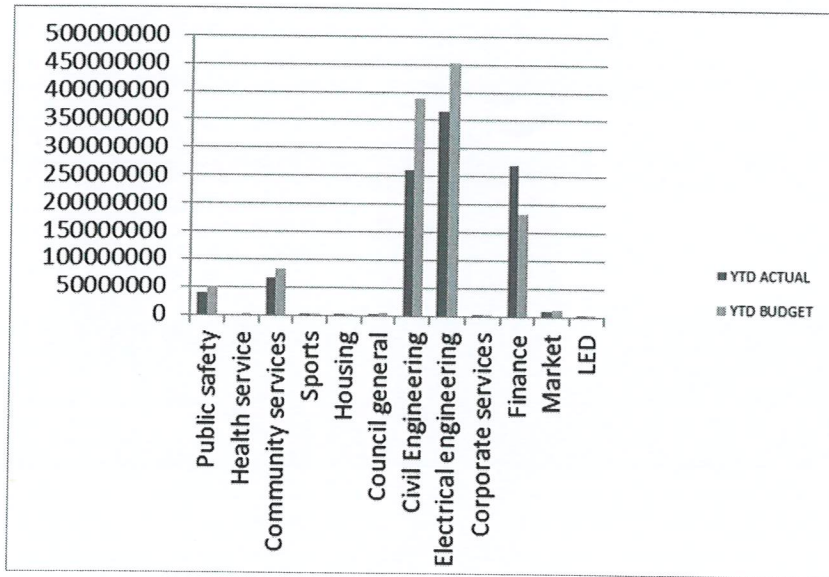
YTD Actual Income vs YTD Budget Income



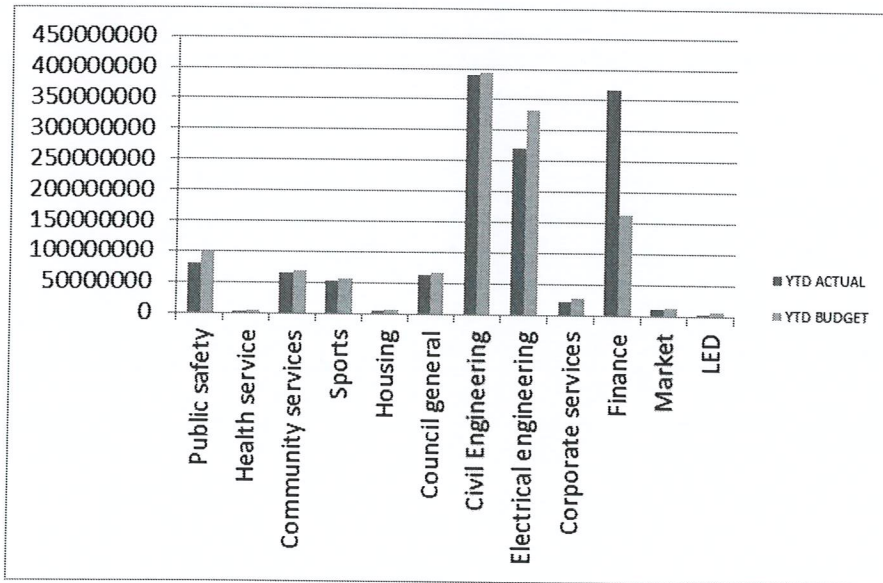
YTD Actual Expenditure vs YTD Budget Expenditure



Operating Income per department



Operating Expenditure per department



GRANTS AND SUBSIDIES

Operational allocation/ Grant received

DESCRIPTION	BUDGET	2 nd Quarter 2015	YTD RECEIVED	YTD%
Equitable shares grants	339,737,080	91,368,000	141,557,000	41.67
Finance Management grant	1,675,000	0	1,675,000	100
Municipal System Improvement grant	930,000	0	930,000	100
Improvement of library	1 000,000	600,000	600,000	100
PMU	4,224,650	0	0	0
EPWP	3,028,000	909 000	2,120,000	70.01
Museum Grant	0	0	0	0
TOTAL	350,594,730	92,877,000	238,650,000	68.07%

CAPITAL GRANT RECEIVED

DESCRIPTION	BUDGET	2 nd Quarter 2015	YTD RECEIVED	YTD%
MIG	80,268,350	36,578,000	70,976,000	88.42%
NDPG	25,000,000	2,836,000	23,212,000	92.85%
INEP	5,000,000	0	5,000,000	100%
TOTAL	110,268,350	39,414,000	99,188,000	89.95%

Grants

Grants received for the second Quarter 2016

- Operational Grant - Council has received an amount of
- R 91.3 million for Equitable share
 - R 600 Thousand for Improvement of Library
 - R 909 million for EPWP
- Capital Grant – Council has received an amount of
- R 36.5 million for MIG
 - R 2.8 million for NDPG

Cash Flow Statement (Annexure B)

- Total cash receipts by source reflect an amount of R 145, 3 million for the month of December 2015.
- 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	2nd Quarter 2015	YTD Actual	Variance Favourable (Unfav)
Total Capital Expenditure	60,134,174	21,557,866	26,850,024	(33,284,150)
Capital funding				
National government	55,134,174	17,574,186	22,855,411	(32,278,763)
Provincial Government				
District Municipality				
Borrowing				
Internal Generated fund	5,000,000	3,983,681	3,994,614	(1,005,386)
Financial Total	60,134,174	21,557,866	26,850,024	(33,284,150)

- The spending on capital for the second quarter ended on December 2015 is R 21,557,866.

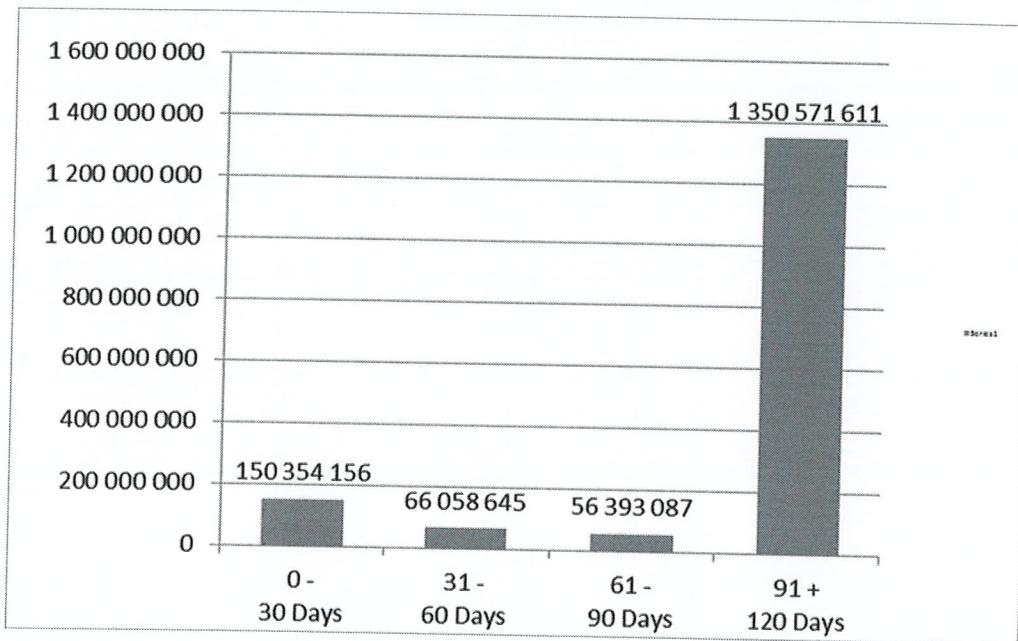
MIG Spending

<u>BUDGET</u>	<u>RECEIVED</u>	<u>SPENDING</u>	<u>BALANCE</u>	<u>%spending</u>
80,263,350	70,976,000	20,527,493	50,448,507	28.9

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, 4 billion.

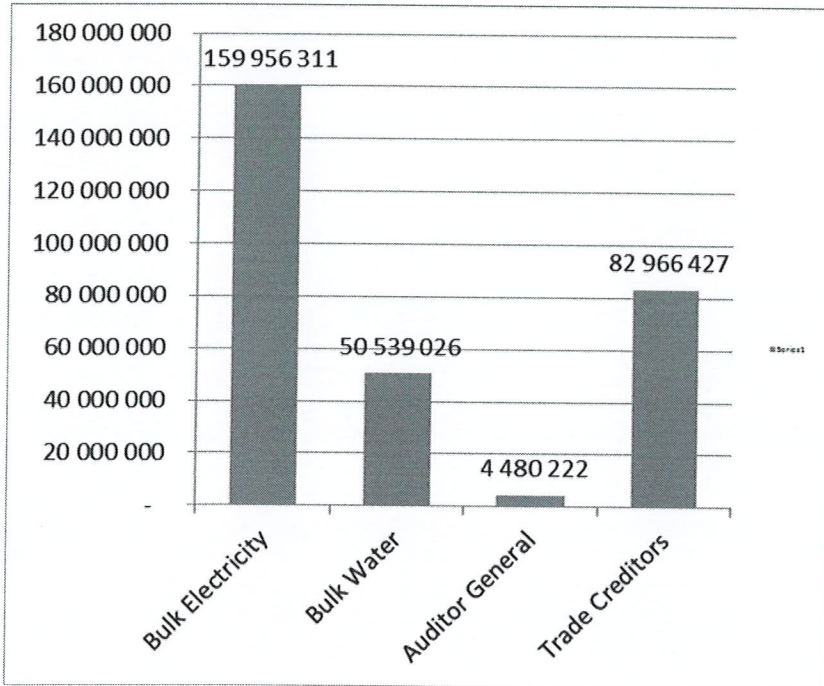
Debtors by Customer group – 31 December 2015



Debtor's book is increasing and remains a concern.

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.



Third party payments is up to date (SARS, PENSIONS, MEDICAL etc.)

Arrangements with Eskom and Midvaal is honored.

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		99,967,919			99,967,919
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 Executive Mayor submits to the Council this statement as per section 52(d) of the MFMA.

ANNEXURE A - FINANCIAL PERFORMANCE

Budgeted Financial Performance (revenue and expenditure) - 2nd Quarter ended on December 2015

Current Year 2015/16

Description	Original Budget	SECOND QUARTER	YTD ACTUAL	YTD BUDGET	Variance	YTD %	Variance%
Revenue By Source							
Property rates	(300 023 220)	(77 225 981)	(196 021 416)	(150 011 610)	(46 009 806)	65.34	30.67
Service charges - electricity revenue	(753 498 900)	(161 582 893)	(347 042 591)	(376 749 450)	29 706 859	46.06	(7.89)
Service charges - water revenue	(496 628 070)	(115 196 063)	(220 934 784)	(248 314 035)	27 379 251	44.49	(11.03)
Service charges - sanitation revenue	(129 136 260)	(22 897 857)	(46 758 361)	(64 568 130)	17 809 770	36.21	(27.58)
Service charges - refuse revenue	(159 485 860)	(33 151 409)	(66 213 782)	(79 742 930)	13 529 148	41.52	(16.97)
Service charges - other	(17 500 000)	(492 513)	(984 592)	(8 750 000)	7 765 408	5.63	(88.75)
Rental of facilities and equipment	(5 592 930)	(1 218 350)	(2 616 638)	(2 796 465)	179 828	46.78	(6.43)
Interest earned - external investments	(2 108 000)	(161 135)	(483 349)	(1 054 000)	570 651	22.93	(54.14)
Interest earned - outstanding debtors	(79 384 730)	(33 169 366)	(62 444 921)	(39 692 365)	(22 752 556)	78.66	57.32
Fines	(3 031 130)	(561 408)	(1 055 129)	(1 515 565)	460 436	34.81	(30.38)
Licences and permits	(7 271 320)	(1 461 791)	(3 527 057)	(3 635 660)	108 603	48.51	(2.99)
Transfers recognised - operational	(350 594 730)	(114 431 609)	(143 207 477)	(175 297 365)	32 089 888	40.85	(18.31)
Internal Departmental Transfers	(24 561 400)	(6 518 389)	(13 109 440)	(12 280 700)	(828 740)	53.37	6.75
Other revenue	(109 760 560)	(21 031 134)	(44 424 553)	(54 880 280)	10 455 727	40.47	(19.05)
Gains on disposal of PPE	-	(469 013)	(469 013)	-	(469 013)		
Total Revenue	(2 438 577 110)	(589 568 910)	(1 149 293 103)	(1 219 288 555)	69 995 452	47.13	(5.74)
Expenditure By Type							
Employee related costs	489 796 600	119 943 506	233 516 089	244 898 300	11 382 210.64	47.68	4.65
Remuneration of councillors	21 421 270	5 251 284	10 463 899	10 710 635	246 735.76	48.85	2.30
Contributions	378 022 590	93 380 648	186 761 295	189 011 295	2 250 000.00	49.40	1.19
Depreciation & asset impairment	463 943 670	230 801 465	230 801 465	231 971 835	1 170 370.49	49.75	0.50
Finance charges	10 934 050	2 728 212	5 585 567	5 467 025	-118 542.24	51.08	(2.17)
Bulk purchases	747 356 860	215 272 964	343 232 107	373 678 430	30 446 323.50	45.93	8.15
Repairs & Maintenance	78 131 164	19 003 898	28 549 040	39 065 582	10 516 541.72	36.54	26.92
Contracted services	31 500 000	12 477 633	17 503 275	15 750 000	-1 753 275.08	55.57	(11.13)
Collection Costs	8 000 000	3 667 074	5 962 885	4 000 000	-1 962 884.80	74.54	(49.07)
Other expenditure	489 716 120	171 821 972	229 929 493	244 858 060	14 928 566.79	46.95	6.10
Departmental charges	24 552 310	6 620 079	13 200 166	12 276 155	-924 011.23	53.76	(7.53)
Internal recoveries(amount charge out)	-	(13 375)	(34 948)	-	34 947.67		
Total Expenditure	2 743 374 634	880 955 359	1 299 675 977	1 371 687 317	66 182 035.55	47.38	4.82
(Surplus)/Deficit	304 797 524	291 386 448	150 382 874	152 398 762	136 177 488		
TOTAL REVENUE	(2 438 577 110)	(589 568 910)	(1 149 293 103)	(1 219 288 555)	69 995 452	47.13	(5.74)
LESS REVENUE FOREGONE	58 348 970	2 016 099	25 908 862	29 174 485	3 265 622.66	44.40	11.19
Income forgone on assessment rate	29 954 820	946770.72	24 054 258	14 977 410	-9 076 848.26	80.30	(60.60)
Income forgone on other	28 394 150	1 069 328	1 854 604	14 197 075			
TOTAL INCOME	(2 380 228 140)	(587 552 812)	(1 123 384 240)	(1 190 114 070)	66 729 830	47.20	(5.61)
TOTAL EXPENDITURE	2 743 374 634	880 955 359	1 299 675 977	1 371 687 317	(72 011 340)	47.38	(5.25)
(Surplus)/ Deficit for the year	363 146 494	293 402 547	176 291 736	181 573 247	(5 281 511)	48.55	(2.91)

OPERATING INCOME PER DEPARTMENT - 2nd QUARTER AS ENDED ON 31 DECEMBER 2015

DESCRIPTION	BUDGET	2nd QUARTER	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANC	YTD %
Public safety	79 976 360	14 012 625	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	34 386 225	68 950 947	111 973 420	(43 022 473)	-38.42	30.79
Sports	1 801 600	287 168	482 652	900 800	(418 148)	-46.42	26.79
Housing	1 859 910	255 570	634 499	929 955	(295 456)	-31.77	34.11
Council general	4 652 000	1 447 989	1 790 574	2 326 000	(535 426)	-23.02	38.49
Civil Engineering	779 276 620	138 643 681	269 334 393	389 638 310	(120 303 917)	-30.88	34.56
Electrical engineering	817 337 220	167 765 961	359 152 847	408 668 610	(49 515 763)	-12.12	43.94
Corporate services	493 430	143 041	500 131	246 715	253 416	102.72	101.36
Finance	448 883 570	224 850 574	380 236 472	224 441 785	155 794 687	69.41	84.71
Market	21 695 300	4 679 064	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	586 471 898	1 122 314 913	1 190 114 070	(67 799 157)	-5.70	47.15

OPERATING EXPENDITURE PER DEPARTMENT

DESCRIPTION	BUDGET	2nd QUARTER	YTD ACTUAL	YTD BUDGET	VARIANCE	VARIANC	YTD %
Public safety	170 416 254	41 185 144	76 614 147	85 208 127	(8 593 980)	-10.09	44.96
Health service	5 273 966	1 149 242	2 244 562	2 636 983	(392 421)	-14.88	42.56
Community services	181 127 948	31 366 492	57 268 407	90 563 974	(33 295 567)	-36.76	31.62
Sports	97 420 152	39 105 006	47 628 826	48 710 076	(1 081 250)	-2.22	48.89
Housing	10 671 256	5 537 643	4 699 330	5 335 628	(636 298)	-11.93	44.04
Council general	104 741 762	24 202 542	45 712 310	52 370 881	(6 658 571)	-12.71	43.64
Civil Engineering	892 812 689	254 886 112	335 982 723	446 406 345	(110 423 622)	-24.74	37.63
Electrical engineering	698 460 898	214 738 948	322 787 965	349 230 449	(26 442 484)	-7.57	46.21
Corporate services	49 552 170	13 479 626	24 317 279	24 776 085	(458 807)	-1.85	49.07
Finance	503 875 372	250 465 770	370 235 068	251 937 686	118 297 382	46.96	73.48
Market	21 473 717	6 123 414	9 300 027	10 736 859	(1 436 832)	-13.38	43.31
LED	7 548 450	1 544 128	2 885 333	3 774 225	(888 892)	-23.55	38.22
TOTAL	2 743 374 634	883 784 066	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	2nd Quarter	YTD RECEIVED	YTD%
Equitable shares grants	339 737 080	91 368 000	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	600 000	1 000 000	100.00
PMU	4 224 650	-	-	-
EPWP (arbour week)	3 028 000	909 000	2 120 000	70.01
Meseum Grant	-	-	-	-
Mayoral enviromental grant	-	-	-	-
District assessment(Fire)	-	-	-	-
	350 594 730	92 877 000	238 650 000	68.07

CAPITAL GRANT RECEIVED

MIG	80 268 351	36 578 000	70 976 000	88.42
NDPG	25 000 000	2 836 000	23 212 000	92.85
DME/INER	5 000 000	-	5 000 000	100.00
PMU	-	-	-	-
	110 268 351	39 414 000	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 - 2nd Quarter ended on December 2015

R thousand	Original Budget	2nd Quarter	YTD Actual	YTD Budget	Variance	YTD %
Capital Expenditure						
Council General	8 000 000	3 983 681	3 983 681	4 000 000	(16 319)	49.80
Council General Admin	8000000	3 983 681	3 983 681	4 000 000	(16 319)	49.80
Municipal & Environmental Services						
Community and social services	-	-	-	-	-	-
Sport and recreation	-	-	-	-	-	-
Refuse removal	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Health	-	-	-	-	-	-
Cemetery	-	-	-	-	-	-
Finance	2 000 000	-	10 933	1 000 000	(989 067)	0.55
ICT Hard/software	2 000 000	-	10 933	1 000 000.00	(989 067)	0.55
Macro city planning & Development						
Planning and development	-	-	-	-	-	-
Market	-	-	-	-	-	-
Civil Services & Human Settlement	100 268 348	15 974 185	19 644 134	50 134 174	(28 878 764)	19.59
Water	25 464 399.00	6 126 386	9 813 254	12 732 200	(2 918 945)	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	3 637 026	4 275 093	24 970 310	(20 695 217)	8.56
Housing	-	-	-	-	-	-
PMU Unit	-	-	-	-	-	-
Dumping side	-	1 611 276	1 611 276	-	1 611 276	-
Mechanical & Electrical 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	21 557 866	26 850 024	60 134 174	(33 284 150)	22.33

CAPITAL FUNDING

National government	110 268 348	17 574 186	22 855 411	55 134 174	(32 278 763)	20.73
Provincial government						
District municipality						
Borrowing						
Internal Generated funds	10 000 000	3 983 681	3 994 614	5 000 000	(1 005 386)	-
Financing Total	120 268 348	21 557 866	26 850 024	60 134 174	(33 284 150)	22.33

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	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 E
OUTSTANDING CREDITORS STATEMENT -DECEMBER 2015**

Detail	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 +Days	Total
Bulk Electricity	67 501 284	-	-	-	92 455 027	159 956 311
Bulk Water	24 990 160	22 990 307	2 000 000	-	558 559	50 539 026
Auditor General	955 926	1 580 871	995 552	768 815	179 058	4 480 222
Trade Creditors	9 387 870	13 344 096	10 816 503	49 417 958	-	82 966 427
Total	102 835 240	37 915 274	13 812 055	50 186 773	93 192 644	297 941 986

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

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 A AS AT 31 DECEMBER 2015

Borrowing Reference No	Start Date	End Date	Borrowing Period - Years	Original Loan	Lender	Purpose	% Interest Rate (P. Dec) Per Annum	Interest Paid This quarter	Opening Balance 31/12/2015	Debt Repaid or Re-estimated	Additional Principal Accrued	Balance at 31/12/2015	Redemption 2016/16
ANNUITY LOANS													
NM10988	1/10/1997	30/09/2017	20	7483271	Development Bank of SA	Provision of Infrastructure	15	181,288.93	2,414,304.92	418,408.21	0.00	1,898,896.31	862,805.22
NM11182	1/10/1998	30/09/2018	20	7456466	Development Bank of SA	Provision of Infrastructure	15.25	289,241.97	3,280,737.23	371,688.77	0.00	2,909,078.46	771,724.16
NM11837	1/10/2000	30/09/2020	20	3981600	Development Bank of SA	Provision of Infrastructure	15.5	182,281.00	2,420,048.21	146,673.79	0.00	2,273,394.42	394,631.95
NM13874/1	1/10/2001	30/09/2019	18	1800000	Development Bank of SA	Combination	14.75	101,214.00	2,222,222.20	277,777.77	0.00	1,944,444.43	656,666.54
NM13874/2	1/7/2001	30/06/2019	18	1498175	Development Bank of SA	Combination	14.75	683,199.12	14,898,126.00	0.00	0.00	14,214,926.88	583,199.12
NM101297/1	1/7/2004	30/06/2019	15	2877000	Development Bank of SA	Combination	11.2	696,679.43	12,320,888.14	1,268,668.89	0.00	11,052,219.25	2,984,979.95
NM10387/1	1/1/2010	31/12/2015	15	3700000	Development Bank of SA	Combination	11.2	879,451.22	15,417,056.29	1,574,861.80	0.00	13,842,194.49	3,247,136.88
10986	31/01/1998	31/12/2013	20	13580746	Development Bank of SA	Provision of Infrastructure	14.75	1,542,288.24	29,316,386.24	805,186.11	0.00	28,511,200.13	1,670,143.73
10986	30/09/1999	30/09/2019	20	6687000	Development Bank of SA	Provision of Infrastructure	15	357,970.21	4,759,896.36	666,627.67	0.00	4,103,268.79	1,362,637.13
10913	30/09/1999	30/09/2019	20	7477000	Development Bank of SA	Provision of Infrastructure	15.25	194,090.65	2,538,868.62	286,621.97	0.00	2,352,246.65	428,291.40
9748	30/09/1995	30/09/2015	20	6780000	Development Bank of SA	Provision of Infrastructure	15.25	297,424.88	3,789,207.41	305,417.85	0.00	3,483,789.56	624,191.77
				3184345	Development Bank of SA	Provision of Infrastructure	10	221,214.63	2,893,348.93	235,044.38	0.00	2,658,304.55	488,191.46
TOTAL ANNUITIES									86,529,621.49	1,189,346.44	6,442,826.12	90,086,806.37	13,109,541.97

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 fo
C. Liquidity Management			
		1.007371607	
		5302445706	
		5263644192	Improvement not enough but on the way
2 Current Ratio	Current Assets / Current Liabilities		
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
E. Expenditure Management			

1 Creditors Payment Period (Trade Creditors)	Trade Creditors Outstanding / Credit Purchases (Oper	0.184347152 243979988	Improvement, but still way behind accep
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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	
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The proposed lower ratio is a product of

E. Grant Dependency

Own funded Capital Expenditure (Internally generated funds + Own funded Capital Expenditure (Internally generated)	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 gra			Improvement reflects less reliance on g
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B. 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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0.943031378

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