Mossel Bay Municipality Financial HeartBeat Report (Flow of Funds "Cash Flow").

Debtors collection period in days - "Heart Beat of MBM" performing 53.62% under the norm.

This ratio reflects the collection period. The debtor days refers to the average number of days required for the municipality to receive payment from its customers for bills/invoices issued to them for services. The ratio is also a good indication of the effectiveness of credit control procedures within the municipality. If the ratio is above the norm, it indicates that the municipality is exposed to significant cash flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition, this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve revenue and cash flow management. The norm is 30 days. The table below provides the measurement of the current year against the results of the previous years.

(Not Proglumated) Years 7 in total**

X The days as per the financial statements calculated incorrectly - Left in brown is the correct collection days.

Accounts Collect Funds In			Where to start saving		Esc %	To pay back loans are killing MBM		
Debtors Only	*Inflation*	*4.40%*	Only Human Related Expenses			Loans Debt & Interest to pay on Loan		
2024 - 47.00 Days	45.68 Days X	Actual	Employees	399 734 954	7.42%	Loans Value	245 944 919	29.45%
Outstanding	151 742 256	Esc %	Councillors	14 418 812	6.97%	Interest only	26 641 709	35.41%
Billed for year	1 212 413 641	10.14%	Bad Debt	19 382 743		Mayor	D kotse	% Change
Creditors To Pay	R165 632 746		Contractors	181 431 363	7.93%	Acc Officer	C Puren	in Loans
Accounts Collect Funds In			Where to start saving		Esc %	To pay back loans are killing MBM		
Debtors Only	*Inflation*	*3.40%*	Only Human Related Expenses			Loans Debt & Interest to pay on Loan		
2023 - 53.629 Days	52.6 Days X	Actual	Employees	370 069 039	9.40%	Loans Value	173 506 365	11.47%
Outstanding	160 038 671	Esc %	Councillors	13 413 696	4.53%	Interest only	17 206 908	7.36%
Billed for year	1 089 497 396	2.96%	Bad Debt	78 907 504		Mayor	D kotse	% Change
Creditors To Pay	R146 724 340		Contractors	167 046 389	-4.44%	Acc Officer	C Puren	in Loans
AFS 2023 Page 11, 13, 140			*AFS 2021 Page 26*			*AFS 2023Page 9, 17, 110 & 162*		
Debtors Only	*Inflation*	*6.50%*	Only Human Related Expenses			Loans Debt & Interest to pay on Loan		
2022 - 45.470 Days	44.6 Days X	Actual	Employees	335 289 732	-2.37%	Loans Value	153 613 273	24.92%
Outstanding	131 706 178	Esc %	Councillors	12 806 275	7.76%	Interest only	15 939 947	30.61%
Billed for year	1 057 232 319	9.85%	Bad Debt	16 914 122		Mayor	D Kotze	% Change
Creditors To Pay	R146 724 340		Contractors	174 456 208	-9.76%	Acc Officer	C Puren	in Loans
AFS 2023 Page 11, 13, 140			*AFS 2021 Page 26*			*AFS 2021 Page 9, 110 & 162*		
Debtors Only	*Inflation*	*4.41%*	Only Human Related Expenses			Loans Debt & Interest to pay on Loan		
2021 - 64.59 Days	42.3 Days X	Actual	Employees	343 244 477	13.86%	Loans Value	115 337 216	19.05%
Outstanding	169 617 041	Esc %	Councillors	11 812 156	-0.73%	Interest only	11 061 167	39.20%
Billed for year	953 061 644	9.40%	Bad Debt	16 180 452		Mayor	H J Levendal	% Change
Creditors To Pay	R146 724 340		Contractors	191 477 863	14.40%	Acc Officer	C Puren (Acting)	in Loans
AFS 2021 Page 12, 140			*AFS 2021 Page 26*			*AFS 2021 Page 10, 110 & 162*		
Debtors	*Inflation*	*3.22%*	Only Human Related Expenses					
2020 - 63.58 Days	55.4 Days X	Actual	Employees	295 682 916	-1.96%	Loans Value	93 368 382	66.98%
Outstanding	150 412 452	Esc %	Councillors	11 898 611	3.49%	Interest only	6 725 678	20.83%
Billed for year	863 453 434	11.51%	Bad Debt	27 684 530		Mayor	H J Levendal	% Change
Creditors To Pay	112 486 482		Contractors	163 905 466	16.59%	Acc Officer	Adv MG Giliomee	in Loans
AFS 2020 Page 11 & 79			*AFS 2020 Page 23*			*AFS 2020 Page 9, 23 and 100*		
Debtors	*Inflation*	*4.12%*	Only Human Related Expenses					
2019 - 51.35 Days	46,8 Days X	Actual	Employees	301 479 728	0.82%	Loans Value	30 830 781	-9.91%
Outstanding	107 493 357	Esc %	Councillors	11 483 339	4.72%	Interest only	5 324 474	-107.72%
Billed for year	764 058 987	6.45%	Bad Debt	18 244 993		Mayor	H J Levendal	% Change
Creditors To Pay	101 281 849		Contractors	136 711 286	15.58%	Acc Officer	Adv T Giliomee	in Loans
AFS 2020 Page 11 and 132			*AFS 2020 Page 23*			*AFS 2020 Page 9, 23 and 100*		
Debtors	*Inflation*	*4.50%*	Only Human Related Expenses					
2018 - 52.26 Days	41,4 Days X	Actual	Employees	299 014 416	18.51%	Loans Value	33 887 371	8.23%
Outstanding	102 338 674	Esc %	Councillors	10 941 298	10.56%	Interest only	11 060 174	35.26%
Billed for year	714 755 849	8.89%	Bad Debt	13 900 164		Mayor	H J Levendal	% Change
Creditors To Pay	66 927 421		Contractors	115 412 738	55.28%	Acc Officer	Adv T Gilliomee	in Loans
AFS 2019 Page 9 & 111			*AFS 2019 Page 20*			*AFS 2019 Page 6 & 7*		
Debtors	*Inflation*	*5.18%*	Only Human Related Expenses					
2017 - 47.32 Days	12.9 Days X	Actual	Employees	243 654 622	6.12%	Loans Value	31 099 759	10.67%
Outstanding	84 438 611	Esc %	Councillors	9 786 303	0.75%	Interest only	7 160 893	14.03%

Billed for year	**651 232 874**	**6.19%**	Bad Debt	20 384 942		Mayor	H J Levendal	**% Change**
Creditors To Pay	**73 226 811**		Contractors	51 610 637	**0.45%**	Acc Officer	Adv T Giliomee	**in Loans**
AFS 2017 Page 12 & 69			*AFS 2017 Page 35, 120, 121 & 122*			*AFS 2017 Page 8*		

Debtors	Inflation	6.59%	Only Human Related Expenses					
2016 - 44.12 Days	12.0 Days X	Actual	Employees	228 749 097	8.61%	Loans Value	27 779 918	11.94%
Outstanding	73 860 598	Esc %	Councillors	9 713 125	5.34%	Interest only	6 156 320	54.90%
Billed for year	610 950 322	7.66%	Bad Debt	28 025 300		Mayor	M Ferreira	% Change
Creditors To Pay	60 060 108		Contractors	51 376 781	10.10%	Acc Officer	Mr HC Hill (Acting)	in Loans
AFS 2017 Page 12 & 69			*AFS 2017 Page 35. 120, 121 & 122*			*AFS 2017 Page 8*		

Debtors	Inflation	4.51%	Only Human Related Expenses					
2015 - 58.18 Days	28.0 Days X	Actual	Employees	209 058 666	3.69%	Loans Value	24 463 557	-8.59%
Outstanding	89 935 163	Esc %	Councillors	9 193 967	5.57%	Interest only	2 776 215	3.51%
Billed for year	564 138 177	8.91%	Bad Debt	33 499 717		Mayor	M Ferreira	% Change
Creditors To Pay	59 328 636		Contractors	46 189 836	-6.74%	Acc Officer	Dr MR Gratz	in Loans
AFS 2015 Page 9, 103			*AFS 2015 Page 28, 111*			*AFS 2015 Page 8, 80 & 110*		

Debtors	Inflation	6.14%	Only Human Related Expenses					
2014 -64.14 Days	26.0 Days X	Actual	Employees	201 346 005	6.02%	Loans Value	26 565 036	-7.56%
Outstanding	90 303 573	Esc %	Councillors	8 681 744	7.00%	Interest only	2 678 808	24.99%
Billed for year	513 876 848	1.26%	Bad Debt	29 929 681		Mayor	M Ferreira	% Change
Creditors To Pay	60 906 188		Contractors	49 305 223	19.55%	Acc Officer	Dr MR Gratz	in Loans
AFS 2015 Page 9, 103			*AFS 2015 Page 28, 111*			*AFS 2015 Page 8, 80 & 110*		

Debtors	Inflation	5.78%	Only Human Related Expenses					
2013 - Rates Only	77 561 543	Legal Claim of Property Owners					Political Party	DA
2013 - 46.33 Days **	23.0 Days X	Actual	Employees	189 218 147	9.83%	Loans Value	28 573 426	-7.10%
Outstanding	64 412 059	Esc %	Councillors	8 073 770	3.96%	Interest only	2 009 250	-5.75%
Billed for year	507 409 059	6.19%	Bad Debt	18 725 706		Mayor	M Ferreira	% Change
Creditors To Pay	81 937 353		Contractors	39 666 865	14.89%	Acc Officer	Dr MR Gratz	in Loans
AFS 2013 Page 10, 85, 26			*AFS 2015 Page 28, 111 &102*			*AFS 2013 Page 27, 73*		

Debtors	Inflation	5.72%	Only Human Related Expenses					
2012 - Rates Only	71 386 891	Legal Claim of Property Owners					Political Party	DA
2012 - 53.04 Days **	30.0 Days X	Actual	Employees	170 609 849	5.91%	Loans Value	30 601 677	97.84%
Outstanding	70 243 788	Esc %	Councillors	7 753 895	19.59%	Interest only	2 124 810	92.15%
Billed for year	475 987 423	15.87%	Bad Debt	15 091 483		Mayor	M Ferreira	% Change
Creditors To Pay	34 157 415		Contractors	33 758 536	16.94%	Acc Officer	Mr. HF Botha	in Loans
AFS 2013 Page 10, 85, 26			*AFS 2013 Page 28, 111 & 102*			*AFS 2012 Page 27, 101, 60*		

Debtors	Inflation	5.02%	Only Human Related Expenses					
2011 - Rates Only	64 540 291	Legal Claim of Property Owners					Political Party	DA
2011 - 62.62 Days **	35.0 Days X	See Financial	Employees	160 528 226	4.09%	Loans Value	662 124	-10.33%
Outstanding	68 706 207	Statements	Councillors	6 234 907	7.28%	Interest only	166 718	5.71%
Billed for year	400 459 072	-51.41%	Bad Debt	22 303 353		Mayor	M Ferreira	% Change
Creditors To Pay	70 244 372	Correction	Contractors	28 039 564	13.83%	Acc Officer	Mr. HF Botha	in Loans
AFS 2012 Page 8, 27, 71		of Errors	*AFS 2012 Page 27, 88 & 95*			*AFS 2012 Page 3, 101, 60*		

Debtors	Inflation	4.06%	Only Human Related Expenses					
2010 - 36.60 Days	64.0 Days X	Actual	Employees	153 957 930	17.09%	Loans Value	730 504	-33.77%
Outstanding	62 090 013	Esc %	Councillors	5 781 129	6.12%	Interest only	157 196	-2.39%
Billed for year	606 350 478	26.01%	Bad Debt	10 135 596		Mayor	M Ferreira	% Change
Creditors To Pay	40 400 524		Contractors	24 161 232	0.64%	Acc Officer	Mr. HF Botha	in Loans
AFS 2010 Page 6, 7, 10, 48			*AFS 2010 Page 17, 60 &63*			*AFS 2010 Page 12, 39, 93*		

Debtors	Inflation	7.26%	Only Human Related Expenses					
2009 - Rates Only	44 142 322	Legal Claim of Property Owners					Political Party	DA
2009 - 44.96 Days **	65.0 Days X	Actual	Employees	127 640 232	20.42%	Loans Value	977 215	-36.20%
Outstanding	55 268 186	Esc %	Councillors	5 427 079	9.78%	Interest only	160 957	-49.09%
Billed for year	448 638 281	40.71%	Bad Debt	14 699 448		Mayor	M Ferreira	% Change
Creditors To Pay	52 221 282		Contractors	24 005 894	27.96%	Acc Officer	Mr. HF Botha	in Loans
AFS 2010 Page 6, 7, 10, 48			*AFS 2010 Page 17, 60 & 63*			*AFS 2010 Page 12, 39, 93*		

Debtors	*Inflation*	*10.06%*	**Only Human Related Expenses**					
2008- Rates Only	39 213 422	Legal Claim of Property Owners				Political Party		DA
2008 - 39.60 Days **	84 Days X	Actual	Employees	101 581 414	-42.15%	Loans Value	1 330 945	-11.85%
Outstanding	28 861 827	Esc %	Councillors	4 896 255	7.12%	Interest only	239 972	-22.30%
Billed for year	265 985 846	9.27%	Bad Debt	3 980 442		Mayor	M Ferreira	% Change
Creditors To Pay	32 994 589		Contractors	17 294 692	19.26%	Acc Officer	Mr. HF Botha	in Loans
AFS 2008 Page 7,13, 12, 14			*AFS 2008 Page 14*			*AFS 2008 Page 3, 63, 33*		

Debtors	*Inflation*	*6.18%*	**Only Human Related Expenses**					
2007 - Rates Only	35 767 367	Legal Claim of Property Owners				Political Party		DA
2007 - 35.74 Days **	100 Days X	Actual	Employees	144 396 464	46.17%	Loans Value	1 488 698	-39.26%
Outstanding	23 631 586	Esc %	Councillors	4 547 490	30.46%	Interest only	293 493	-25.15%
Billed for year	241 323 980	11.79%	Bad Debt	5 719 626		Mayor	M Ferreira	% Change
Creditors To Pay	29 815 640		Contractors	13 964 489	34.52%	Acc Officer	K Nicol	in Loans
AFS 2007 Page 2, 7, 12, 14			*AFS 2008 Page 14*			*AFS 2007 Page 63, 33*		

Debtors	*Inflation*	*3.20%*	**Only Human Related Expenses**					
2006 - Rates Only	32 855 033	Legal Claim of Property Owners				Political Party		DA
2006 -33.24 Days **	65.0 Days X		Employees	77 729 779		Loans Value	2 073 190	
Outstanding	19 387 012		Councillors	3 162 351		Interest only	367 295	
Billed for year	212 863 544		Bad Debt	10 827 434		Mayor	M Ferreira	
Creditors To Pay	23 830 203		Contractors	9 144 322		Acc Officer	K Nicol	
AFS 2007 Page 1, 2, 26 Note 18			*AFS 2006 Page 3*			*AFS 2006 Page 2, 27 Appendix A*		

(Not Proglumated) Total Claim if all owners sign the dispute document for the 7 Years: R365 466 869**

The equation to calculate Debtor Days is as follows: Debtor Days = (accounts receivable/annual credit sales) * 365 days

Notes on Cashflow:

Why is cash flow important? Cash flow is defined as the amount of money entering and leaving the Municipality over a given period of time. Cash flow is important because it enables you to meet your existing financial obligations as well as plan for the future. **HOW MUCH OF THE LOANS ARE TO MEET MBM EXPENSES?**

American Express on Cashflow:

Understanding your cash flow will help manage accounts and ensure you always have enough funds available to pay your bills as the economy goes up or down. **FINANCIAL HEALTH ARE DETERMEND BY CASHFLOW THE SAME AS THE BLOOD IN OUR BODY TAKE THE BLOOD AWAY AND THE BODY DIES.**