NATIONAL TREASURY

Age Analysis - Creditors

(AC)

(Version 200505_0900)

Purpose

This return provides a summary of aged creditors sorted in two different ways.

The creditors summary will indicate the following: -

- The extent to which creditors terms are being met - from a customer service perspective (creditors are customers as well as being suppliers).
- Efficiency of the creditors systems and/or ability to meet current commitments - prospective lenders will be interested in the ability to meet current commitments.

Creditors Age Analysis by Expenditure Type

The first section of this return looks at creditors amounts still to be paid grouped by common expenditure type. As an example, this can show that payments for bulk electricity are not being made according to terms or the municipality is behind in paying the Auditor General.

Top 10 Creditors

This section of the return should only be completed if systems are not in place to collect the information required for the first section. It should be much easier to complete than the first section and it could be done manually. It is useful in that it may show if there are any issues with large creditors. However, municipalities must put systems in place to complete the first section.

Format of Return Form

This return will be specified as monthly in-year reporting documentation to be provided as part of the MFMA section 71 monthly reports.

All the information required for completing this form should be based on the accounting records, specifically the creditors and purchasing systems.

The .xls template conforms to the following specification. Municipalities should not change the template.

The database is expecting specific data with specific attributes. If this is not found, problems will arise.

- All figures are to be entered in whole Rands.
- All figures are to be entered as positive.
- If and only if Creditors per function are not available, provide a list of TOP 10 Creditors by Name (change the detail column to the name of the creditor).

Municipality are expected to provide numbers for the following months: 31-60 Days, 61-90 Days, 91-120 Days, 121-150 Days, 151-180 Days, 181 Days - 1 Year and Over 1 Year.

Submission Process

Electronic Submission

Ensure the file is saved in the correct format (Muncde_AC_ccyy_Mnn.xls) by selecting the correct **Year End**, **Month End** and **MunCode** from drop-down lists and using the inbuilt macro to automatically save using the correct file name. Simultaneously press **Shift+Ctrl+S** (with "**Caps Lock**" off) to invoke the macro. The file will be saved in the current active directory.

The file will be saved with the correct naming convention:

➢ GT001_AC_2006_M01

Email the Excel (.xls) file to lgdatabase@treasury.gov.za with a subject heading of **Financial Reporting Database Input**.

Timing of Submission

This monthly return form is to be submitted not later than the 10th day of every month following the end of the month being reported on.