

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 2150 [NW2470E]
DATE OF PUBLICATION: 14 OCTOBER 2016**

2150. Mr K J Mileham (DA) to ask the Minister of Finance:

Whether any municipalities have (a) deposited funds with and/or (b) made loans to VBS Mutual Bank in the past five municipal financial years; if not, in each case, what is the position in this regard; if so, in each case, (i) which municipality (aa) deposited funds with and/or (bb) made loans to the specified bank, (ii) when was each (aa) deposit and/or (bb) loan made and (iii) what was the amount in each case?

NW2470E

REPLY:

- (a) According to National Treasury's database of Section 71 reports submitted by the municipality as at 30 June 2016, investments with VBS Mutual Bank were made by the following municipalities:
- i. West Rand District Municipality
 - ii. Capricorn District Municipality
- (b) Municipalities do not make loans to financial institutions and /or banks as a standard practice as they are not allowed to lend money to financial institutions. There is also no municipality that has a primary bank account with VBS Mutual Bank.
- (c) There are no other municipalities that have invested with VBS Mutual Bank according to the National Treasury's database.
- (d) According to National Treasury's database of Section 71 reports submitted by the municipality as at 30 June 2016, investments with VBS Mutual Bank were made by the following municipalities:

Name of Municipality	Start Date	End date	Amount	Balance
West Rand District Municipality	24/02/2015	23/08/2015	R21 million	R0
West Rand District Municipality	22/03/2016	23/09/2016	R10 million	R10 million
West Rand District Municipality	30/03/2016	30/04/2016	R15 million	R0
West Rand District Municipality	08/04/2016	07/06/2016	R15 million	R0
Capricorn District Municipality	01/04/2016	30/06/2016	R120 million	R0