

ELIAS MOTSOLEDI LOCAL MUNICIPALITY

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24 November 2022

MEDIA RELEASE

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TO: ALL MEDIA HOUSES

RE: VBS INVESTMENT WITH ELIAS MOTSOLEDI

The Municipality noted the developments following the arrest of the former Municipal Mayor and former Municipal Manager yesterday, on the investment of Municipal funds to the VBS Mutual Bank.

The Municipality wishes to inform the public that the Municipality had previously invested with VBS Mutual Bank and following the advice from Treasury, the Municipality has subsequently made withdrawals of its investments.

The status quo of the investment made by Elias Motsoaledi Local Municipality with VBS Bank is as follows:

1. The Municipality had previously invested the total amount R190 Million with VBS bank between 2016/2017 and 2017/2018 financial year.
2. The entire capital amount R190 million that was invested was withdrawn.
3. The total interest received by the municipality from VBS is R2, 559 Million.
4. Only an amount of R48, 247 relating to interest was not received and that amount is also disclosed under note 10 of 2017/2018 annual financial statements. (AFS)
5. To this end, the municipality confirms that no financial loss was experienced on the investment by this invested capital and furthermore that no service delivery programs or projects were negatively affected by this investment.

Issued by Communication Unit

Elias Motsoaledi Local Municipality