

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> R	<u>2008</u> R
1 HOUSING DEVELOPMENT FUND		
Housing Development Fund		
Unappropriated Surplus	511 395	511 395
represented by the following assets and		
Bank and cash	-	-
Total Housing Development Fund	511 395	511 395
2 LONG-TERM LIABILITIES		
Annuity Loans	3 148 124	3 424 752
<u>Less : Current portion transferred to current liabilities</u>	<u>(271 245)</u>	<u>(268 751)</u>
Total Liabilities - Annuity loans	2 876 879	3 156 001
2.1 Capitalised lease liability	186 163	346 806
<u>Less: Current portion transferred to current liabilities</u>	<u>(186 163)</u>	<u>(160 643)</u>
	-	186 163
Total Current portion	(457 408)	(429 394)
Total External Loans		
Refer to Appendix A for more detail on Local Registered Stock		
3 CONSUMER DEPOSITS		
Electricity and Water	974 233	785 301
Total Consumer Deposits	974 233	785 301
There are no Guarantees held in lieu of Electricity and Water Deposits		
4 PROVISIONS		
Audit Fees Provision	1 384 968	1 384 968
Leave provision	2 102 492	2 055 736
Bonus provision	759 839	759 840
Total Provisions	4 247 299	4 200 544
Total Provisions Assets and Liabilities	4 247 299	4 200 544

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
4.1 Reconciliation of current provisions		
1 Audit fees provision		
Balance at the beginning of the year	1 384 968	771 013
Contributions to provision	1 266 248	1 746 063
Use of provision	<u>(1 266 248)</u>	<u>(1 132 108)</u>
Balance at the end of the year	<u>1 384 968</u>	<u>1 384 968</u>
2 Bonus provision		
Balance at the beginning of the year	759 840	666 904
Contributions to provision	-	92 936
Use of provision	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>759 840</u>	<u>759 840</u>
3 Provison for leave		
Balance at the beginning of the year	2 055 736	2 272 198
Contributions to provision	902 835	-
Use of provision	<u>(856 079)</u>	<u>(216 462)</u>
Balance at the end of the year	<u>2 102 492</u>	<u>2 055 736</u>
5 ACCOUNTS PAYABLE		
Trade creditors	18 390 027	13 052 823
Salary creditors	<u>13 038 575</u>	<u>9 180 409</u>
Total Trade Creditors	31 428 602	22 233 232
Lotto: Sports Grounds Project	301 982	301 982
SITA Refund	-	25 758
Debtors in advance	-	157 985
Centlec Bank	-	3 173 785
DBSA Grant	26 171	26 171
Cash Control Account	-	136 559
Bethulie Housing Deposits	14 665	14 665
DBSA Creditor	7 346	1 642 754
Other creditors	350 164	5 479 659
Total Creditors	<u>31 778 766</u>	<u>27 712 891</u>
Included in the creditors salary is an amount Of R213 574 relating to discharged employees		
6 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
17.2 Financial Budget Reform	-	29 787
17.4 MIG	4 097 662	3 479 890
17.5 Local Government & Housing	248 312	248 312
17.6 MSIG	-	170 000
17.7 DWARF	-	3 594 141
17.9 DBSA - GIS 60% Grant	-	-
17.11 Department of Arts and Culture	500 000	500 000
	<u>4 845 974</u>	<u>8 022 130</u>
Total Conditional Grants and Receipts		
See Note 18 for reconciliation of grants from other spheres of government.		
These amounts are invested in a ring-fenced investment until utilized.		
7 VAT		
VAT	16 662 367	19 897 605
SARS (VAT)	<u>(16 427 838)</u>	<u>(15 239 487)</u>
	<u>234 529</u>	<u>4 658 118</u>

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u>		<u>2008</u>			
	<u>R</u>		<u>R</u>			
8 PROPERTY, PLANT AND EQUIPMENT						
Jun-09						
Reconciliation of Carrying Value	<u>Land and buildings</u>	<u>Infrasstructure</u>	<u>Community assets</u>	<u>Heritage</u>	<u>Other Assets</u>	<u>Total</u>
	R	R	R	R	R	R
Carrying values at 1 July 2008	19 067 388	177 322 127	5 307 959	13 472	1 439 650	203 150 596
Cost	19 795 337	234 263 983	7 647 210	16 681	3 285 916	265 009 127
Correction of error (note 27)	-	-	3 165	-	-	-
Accumulated depreciation	(727 949)	(56 941 856)	(2 342 416)	(3 209)	(1 846 266)	(61 858 531)
Acquisitions	210 000	26 687 188	90 500	-	4 762 221	31 749 909
Capital under Construction						
Depreciation	70 133	9 692 460	561 922	433	608 997	10 933 945
Cost	20 005 337	260 951 171	7 740 875	16 681	8 048 137	296 762 201
Accumulated depreciation	(657 816)	(47 249 396)	(1 780 494)	(2 776)	(1 237 269)	(50 927 751)
Carrying values at 30 June 2009	19 207 255	194 316 855	4 836 537	13 039	5 592 874	223 966 560
Cost	20 005 337	260 951 171	7 740 875	16 681	8 048 137	296 762 201
Accumulated depreciation	(798 082)	(66 634 316)	(2 904 338)	(3 642)	(2 455 263)	(72 795 641)
Jun-08						
Reconciliation of Carrying Value	<u>Land and buildings</u>	<u>Infrasstructure</u>	<u>Community assets</u>	<u>Heritage</u>	<u>Other Assets</u>	<u>Total</u>
	R	R	R	R	R	R
Carrying values at 1 July 2007	19 426 137	179 948 089	7 647 210	16 681	2 725 144	209 763 261
Cost	19 091 137	179 948 089	7 647 210	16 681	1 307 446	208 010 563
Change in accounting policy	335 000				1 417 698	1 752 698
Acquisitions	369 200	54 315 894	-	-	560 772	55 245 866
Depreciation	727 949	56 941 856	2 342 416	3 209	1 846 266	61 861 696
Carrying values at 30 June 2008	19 067 388	177 322 127	5 304 794	13 472	1 439 650	203 147 431
Cost	19 795 337	234 263 983	7 647 210	16 681	3 285 916	265 009 127
Accumulated depreciation	(727 949)	(56 941 856)	(2 342 416)	(3 209)	(1 846 266)	(61 861 696)

Refer to Appendix B for more detail on property, plant and equipment.
 Total cash investment

9 INVESTMENTS

Financial Instruments

Fixed Deposits	2 264 641	2 192 373
Total cash investment	<u>2 264 641</u>	<u>2 192 373</u>
Total Investments	<u>2 264 641</u>	<u>2 192 373</u>

685 550 is ceded to FNB to cover the current overdraft facility.
 No investments had been written off during the financial year
 The average interest rate on the cash investments was 7.69%

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
10 LONG-TERM RECEIVABLES		
Gariep Dam Housing Scheme	39 782	49 667
	39 782	49 667
<u>Less : Current portion transferred to current receivables</u>	14 508	15 220
Consumer Loans	14 508	15 220
Gariep Dam Housing Scheme	14 508	15 220
Total Long-term Receivables	25 274	34 447
Gariep Dam Housing Selling Scheme <small>The former Gariep Dam Transitional Local Council sold houses to the community and</small>		
11 INVENTORY		
Consumables	-	396 360
Water	13 066 988	2 101 780
Game	133 600	135 450
	13 200 588	2 633 590
12 ACCOUNTS RECEIVABLE		
	Gross Balances	Gross Balances
<u>As at 30 June 2009</u>	<u>R</u>	<u>R</u>
<u>Service debtors</u>	48 499 418	38 209 606
Rates	9 995 581	10 206 673
Centlec Electricity	786 799	849 398
Water	13 145 591	8 141 869
Sewerage	12 389 649	8 360 059
Drain Blockages	373	687
Refuse Removal	9 120 442	6 188 913
Arrears SAMRAS	-	454 852
Arrears SAMRAS (VAT)	-	1 094 019
Arrears	247 858	165 357
Arrears Vat	2 813 125	2 747 779
Sundry	3 057	2 298 881
House Rent	2 746 141	-
less: Payment in advance	(1 964 651)	(2 257 203)
Less: Cash Control	(2 238 103)	(1 152 754)
Total	47 045 862	37 098 530

Consumer Debtors of R1 374 722 had been written off during the year (2008: R26 066 978)

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
Provision for bad debts		
As at 30 June 2009		
Service debtors	R	
	13 552 282	15 127 014
Rates	2 793 084	4 852 584
Centlec Electricity	60 241	297 172
Water	3 673 297	2 848 525
Sewerage	3 462 063	2 924 862
Drain Blockages	104	240
Refuse Removal	2 708 158	2 165 261
Arrears SAMRAS	23 675	454 852
Arrears SAMRAS (VAT)	45 584	1 094 019
Arrears	42 004	27 780
Arrears Vat	744 072	461 719
House Rent	767 361	804 290
Total	14 319 643	15 931 304
Net Accounts Receivables	32 726 219	21 167 226
12.1 Rates: Ageing		
Current (0 – 30 days)	851 623	636 370
31 - 60 Days	570 748	629 941
61 - 90 Days	505 776	547 209
+ 120 Days	8 067 433	12 056 500
Total	9 995 580	13 870 020
and Other): Ageing		
Current (0 – 30 days)	2 328 637	1 835 894
31 - 60 Days	1 493 705	1 360 992
61 - 90 Days	1 421 734	1 111 650
+ 120 Days	36 008 959	18 838 010
Total	41 253 035	23 146 546
Reconciliation of the Bad Debt Provision		
Balance at beginning of the year	15 931 304	34 632 055
Contributions to provision	236 939	5 078 886
Bad debts written off against provision	1 374 722	(23 779 637)
Balance at end of year	14 793 521	15 931 304
13 OTHER RECEIVABLES		
CENTLEC DME Projects	165 339	161 019
Stores - Auction Money	127 498	-
DBSA - Grant GIS	667 548	-
Centlec Bank	96 691	-
Health Debtor Provision	1 618 688	1 027 097
VAT to be Claimed	1 982 750	5 625 685
Deposit Telephone Line	2 800	2 800
Total	4 661 314	6 816 601
14 CASH AND CASH EQUIVALENTS		
The Municipality has the following bank accounts: -		
Current Account (Primary Bank Account)		
FNB - Trompsburg Branch		
Account Number:62021950276		
Cashbook Balance at the beginning of the year - Overdraw	3 042 517	2 800 355
Cashbook Balance at the end of the year - Overdrawn	5 662 038	3 042 516

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
Bank Statement Balance at the beginning of the year - Ove	2 817 476	
Bank Statement Balance at the end of the year - Overdraw	4 270 559	2 817 476
Interest paid on Overdraft	104 395.00	121 382.00
 <u>Current Account</u>		
<u>Account No. 04 191 730 8</u>		
Standard Bank - Jagersfontein Branch		
Cashbook Balance at the beginning of the year	20 927	14 877
Cashbook Balance at the end of the year	28 071	20 927
Bank Statement Balance at the beginning of the year	28 071	20 927
Bank Statement Balance at the end of the year	28 071	20 927
 <u>Current Account</u>		
ABSA Bank - Edenburg Branch		
<u>Account number: 24 6014 2140</u>		
Cashbook Balance at the beginning of the year	20 784	19 835
Cashbook Balance at the end of the year	43 178	20 784
Bank Statement Balance at the beginning of the year	20 784	19 835
Bank Statement Balance at the end of the year	43 178	20 784
Petty cash float	15 084	15 084
 <u>TOTAL CASHBOOK (OVERDRAFT)</u>		
<u>BALANCE</u>	<u>5 575 705</u>	<u>2 985 721</u>

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
15 <u>PROPERTY RATES</u>		
<i>Actual</i>		
Residential	4 739 091	4 954 535
Commercial	1 104 411	912 532
Government	2 290 669	2 172 057
Total Assessment Rates	8 134 171	8 039 124
Rebates of 30% given to Government Property	687 200	651 617
<i>Valuations</i>		
Residential	190 473 824	174 789 234
Commercial	33 565 675	33 724 025
Government	80 608 150	80 832 850
Municipal	35 784 225	35 624 025
Total Property Valuations	340 431 874	324 970 134
<p>Valuations on land and buildings are performed every five years. The last general valuation came into effect on 1 July Rebate of 30% was granted to Government Institutions.</p>		
16 <u>SERVICE CHARGES</u>	<u>2009</u>	<u>2008</u>
Sale of electricity	26 119 702	16 463 397
Sale of water	7 382 840	7 726 343
Refuse removal	8 804 550	5 105 796
Sewerage and sanitation charges	7 608 404	7 043 007
Total Service Charges	49 915 496	36 338 543
17 <u>GOVERNMENT GRANTS AND SUBSIDIES</u>		
Equitable Share	44 256 850	34 946 937
Conditional Grants	32 238 257	55 001 960
MIG	13 098 000	33 896 322
Financial Budget Reform	500 000	500 000
Financial Help : LG & H	599 643	-
Provincial Health & Environment Subsidies	605 751	554 914
DBSA - GIS 60% Grant	925 811	-
Local Government & Housing	210 000	584 000
MSIG	735 000	1 000 000
Provincial Treasury	-	715 301
DWARF	14 495 732	17 000 000
Electricity grant	4 320	751 423
Water Operating Grant	1 064 000	-
Total Government Grant and Subsidies	76 495 107	89 948 897

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
17.1 EQUITABLE SHARE		
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy of R181.60 (2008: R169.90), which is funded from this grant.	<u>44 256 850</u>	<u>34 946 937</u>
17.2 Financial Budget Reform		
Balance unspent at beginning of year	29 787	29 787
Current year receipts - included in <u>5100/5540/0000</u> vote	500 000	500 000
Conditions met - transferred to revenue	<u>(529 787)</u>	<u>(500 000)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>29 787</u>
This grant was used to improve the finance management within the municipality for example training of finance personnel and the implementation of GAMAP/GRAP. No funds have been withheld and the conditions of the grant have been met.		
17.3 Water Operating Grant		
Balance unspent at beginning of year	-	-
Current year receipts - included in <u>5100/5540/0000</u> vote	1 064 000	-
Conditions met - transferred to revenue	<u>(1 064 000)</u>	-
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>
This grant was used to construct infrastructure. Other than the unspent amount, the conditions of the grant were met. No funds have been withheld		

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
17.4 MIG		
Balance unspent at beginning of year	3 479 890	1 200 612
Current year receipts - included in <u>5100/5540/0000</u> vote	13 098 000	33 896 322
Conditions met - transferred to revenue	<u>(12 480 228)</u>	<u>(31 617 044)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>4 097 662</u>	<u>3 479 890</u>
<p>This grant was used to eradicate buckets infrastructure, to upgrade oxidation ponds and for the new water pipeline for Jagersfontein Fauresmith. No funds have been withheld and the conditions of the grant have been met.</p>		
17.5 Local Government & Housing		
Balance unspent at beginning of year	248 312	554 981
Current year receipts - included in <u>5100/5540/0000</u> vote	-	584 000
Conditions met - transferred to revenue liabilities (see note 6)	<u>-</u> <u>248 312</u>	<u>(890 669)</u> <u>248 312</u>
<p>The grant is used for the surveying of new erven. No funds were withheld and all conditions were met.</p>		
17.6 MSIG		
Balance unspent at beginning of year	170 000	-
Current year receipts - included in <u>5100/5540/0000</u> vote	735 000	1 000 000
Conditions met - transferred to revenue liabilities (see note 6)	<u>(905 000)</u> <u>-</u>	<u>(830 000)</u> <u>170 000</u>
<p>This grant was used to alleviate draught in Jagersfontein and Fauresmith - to resuscitate boreholes. No funds have been withheld and the conditions of the grant have been met.</p>		
17.7 DWARF		
Balance unspent at beginning of year	3 594 141	1 816 570
Current year receipts - included in <u>5100/5540/0000</u> vote	14 495 732	17 000 000
Conditions met - transferred to revenue	<u>(18 089 873)</u>	<u>(15 222 429)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>3 594 141</u>
<p>This grant was used to construct infrastructure. Other than the unspent amount, the conditions of the grant were met. No funds have been withheld</p>		

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
17.8 Electricity Grant		
Balance unspent at beginning of year	-	-
Current year receipts - included in <u>5100/5540/0000</u> vote	4 320	751 423
Conditions met - transferred to revenue	<u>(4 320)</u>	<u>(751 423)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>
<p>The grant was used for the electrification of erven and conections. No funds were withheld and all conditions were met.</p>		
17.9 DBSA - GIS 60% Grant		
Balance unspent at beginning of year	-	-
Current year receipts - included in <u>5100/5540/0000</u> vote	925 811	-
Conditions met - transferred to revenue	<u>(925 811)</u>	<u>-</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>
<p>The grant was used to improve the municipal systems, for example, IDP and PMS. No funds were withheld and all conditions was met.</p>		
17.10 Financial Help : LG & H		
Balance unspent at beginning of year	-	-
Current year receipts - included in <u>5100/5540/0000</u> vote	599 643	-
Conditions met - transferred to revenue	<u>(599 643)</u>	<u>-</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>
<p>This grant was made directly by Provincial Treasury to the Auditor-General for payment of their account. There was no conditions and also no funds were held back as this was a once of grant.</p>		
17.11 Department of Arts and Culture		
Balance unspent at beginning of year	500 000	-
Current year receipts - included in <u>5100/5540/0000</u> vote	-	500 000
Conditions met - transferred to revenue	<u>-</u>	<u>-</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>500 000</u>	<u>500 000</u>

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> R	<u>2008</u> R	
18 EMPLOYEE RELATED COSTS			
Employee related costs - Salaries and Wages	26 988 315	20 813 571	
Employee related costs - Contributions for UIF, pensions and medical aids	5 044 256	4 046 517	
subsistence and other allowances			
Housing benefits and allowances	204 174	222 750	
Overtime payments	800 887	621 633	
Performance bonus	113 591	21 114	
Long-service awards	-	-	
Total Employee Related Costs	33 151 223	25 725 586	
There were no advances to employees. Loans to employees are set out in note 10.			
Remuneration of the Municipal Manager			
Annual Remuneration	546 636	336 744	
Leave Bonus	30 392	28 062	
Leave Money	-	-	
Car allowance	-	141 408	
Traveling Claims	-	69 549	
Contributions to UIF, Medical and Pension Funds	-	28 421	
Total	577 028	604 184	
Remuneration of the Strategic Executive: Finance			
Annual Remuneration	357 386	252 072	
Leave Bonus	-	21 006	
Leave Money	30 575	-	
Housing Allowance	28 155	33 792	
Car Allowance	-	113 256	
Travelling Claims	4 719	16 474	
Contributions to UIF, Medical and Pension Funds	1 248	1 440	
Total	387 962	438 040	
Remuneration of Individual Strategic Executives			
	<u>Infrastructure</u>		<u>Community</u>
	<u>Development</u>	<u>Corporate Services</u>	<u>Services</u>
	R	R	R
30 June 2009			
Annual Remuneration	456 521	413 318	225 503
Leave Bonus	22 750	22 750	15 675
Leave Money	-	-	0
Acting Allowance	-	-	29 523
Housing Allowance	-	-	8 168
Car Allowance	-	-	0
Cell Phone Allowance	-	3 600	3 600
Travelling Claims	-	2 811	15 915
Contributions to UIF, Medical and Pension Funds	10 466	10 466	38 269
Total	479 271	452 945	336 653
30 June 2008			
Annual Remuneration	422 771	252 072	204 863
Leave Bonus	21 006	21 006	41 282
Leave Money	-	-	0
Acting Allowance	-	-	0
Housing Allowance	-	-	28 150
Car Allowance	-	132 588	94 380
Cell Phone Allowance	-	3 600	0
Travelling Claims	-	5 054	5 698
Contributions to UIF, Medical and Pension Funds	10 374	10 374	18 696
Total	443 777	424 694	393 069

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>	
19 REMUNERATION OF COUNCILLORS			
Executive Mayor	232 306	369 308	
Speaker	250 676	294 781	
Executive Committee Members	330 397	307 122	
Councillors	1 175 569	2 359 134	
Total Councillors Remuneration	1 988 948	3 330 345	
The Salaries, allowance and benefits paid to all			
20 INTEREST PAID			
External loans	832 070	603 154	
Finance leases	47 835	66 937	
Bank overdrafts	104 395	121 382	
Total Interest on External Borrowings	984 300	791 473	
21 BULK PURCHASES			
Electricity	16 687 495	16 147 170	
Water	18 876 354	24 257 933	
Total Bulk Purchases	35 563 849	40 405 103	
22 GENERAL EXPENSES			
Included in general expenses are the following:-			
	54 085 302	43 951 423	
23 CASH GENERATED BY OPERATIONS			
Surplus/(Deficit) for the year		33 741 989	241 740 437
Adjustment for non cash items			
Depreciation		7 550 073	4 714 084
Reversal of depreciation - through Grant		158 098	
Contribution to bad debt provision		1 611 661	-
Transfer to Capital		(591 479)	57 850 355
Transfer to Provisions			-
Correction of an error		3 892 321	477 966
Interest paid		984 300	791 473
Investment income		(3 892 869)	(2 881 770)
Operating surplus before working capital changes:		43 454 095	302 692 545
Decrease in Inventories		(10 566 998)	(52 176 529)
(Increase)/Decrease in Debtors		(9 947 332)	(21 167 226)
Decrease/(Increase) in other Debtors		2 155 285	(6 816 601)
(Decrease)/Increase in conditional grants and receipts		(3 176 156)	8 022 130
Increase in Provisions		46 755	4 200 544
Increase in Payables		4 065 875	27 712 891
Increase in VAT		4 423 589	-
Cash generated by/(utilised in) operations		30 455 112	262 467 754
24 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the cash flow statement comprise the			
Bank balances and cash		86 333	56 795
Bank overdrafts		(5 662 038)	(3 042 516)
Call investment deposits		2 264 641	2 192 373
Total cash and cash equivalents		(3 311 064)	(793 348)

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
25 PRIOR YEAR ADJUSTMENT		
25.1 Statutory Funds		
Balance previously reported: -		24 118 075
External Financing Fund		9 787 369
Ervern Trust Fund		5 428 291
Capital development fund		8 902 415
Transfer to unspent grants		-7 074 031
		<u>(17 044 044)</u>
		<u>-</u>
25.2 Reserves		
Balance previously reported		248 378 963
Transferred to Government Grant Reserve (see 25.7)		<u>(112 318 344)</u>
Transferred to Unspent Conditional Grants and Receipts		<u>(13 060 619)</u>
Transferred to Accumulated Surplus (Deficit) (see 25.7)		<u>(131 566 334)</u>
		<u>(8 566 334)</u>
25.3 Inventory		
Balance previously reported		-
Implementation of GRAP		2 101 780
Potable Water		-
Total		<u>2 101 780</u>
Transferred to Accumulated Surplus/(Deficit) (see 25.7 below)		
29.5 Unspent Conditional Grants and Receipts		
Balance previously reported		-
Implementation of GRAP		
Transfer from the Non Distributable Reserve		948 099
Total		<u>948 099</u>
Transferred from Statutory Funds (see 25.1 above)		7 074 031
25.6 Accumulated Surplus/(Deficit)		
Balance previously reported		
Implementation of GRAP		
Adjustments to Statutory Funds		<u>(25 784 350)</u>
Adjustments to Reserves		17 044 044
Adjustments to Provisions and Reserves		136 060 619
Adjustments to Inventory		2 101 780
		<u>129 422 093</u>
Total		<u>129 422 093</u>
26 CAPITAL COMMITMENTS		
Commitments in respect of capital expenditure:		
- Approved and contracted for		
Infrastructure	<u>27 906 091</u>	<u>22 831 519</u>
Total	<u>27 906 091</u>	<u>22 831 519</u>
This expenditure will be financed from:		
- Government Grants	<u>27 906 091</u>	-
	<u>27 906 091</u>	-
27 COMPARISON WITH THE BUDGET		
The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexure E(1) and		
28 EVENT AFTER BALANCE SHEET		
The Jagersfontein and Bethulie offices were burnt during a service delivery protest. The events occurred in July 09.		

KOPANONG LOCAL MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

<u>DESCRIPTION</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
<u>UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE</u>		
29 DISALLOWED		
29.1 FRUITLESS EXPENSES		
Interest	1 680 446	1 461 257
Legal Fees	1 895 261	10 770
VAT: Incorrect invoices	49 876	212 861
Centlec Expenditure	31 158	93 473
Employee Cost: Overpayment of Salary	213 245	31 015
Employee Cost: Funeral Benefits	47 438	23 719
Employee Cost: Pension Fund	335 800	292 000
	4 253 223	2 125 095
29.2 IRREGULAR EXPENSES		
Expenditure:	722 577	2 674 528
Non-compliance with Regulation 12 of the Municipal supply chain management policy regarding tenders and quotations	215 781	647 342
Non-compliance with Regulation 43 of the Municipal supply chain management policy regarding tax clearance certificates	506 797	2 027 186
Centlec expenditure:	132 450	110 446
Non-compliance with section 104 of the MFMA regarding delegations	128 987	107 489
Non-compliance with Regulation 16 of the Supply chain management policy regarding tenders and quotations	3 463	2 957
	855 027	2 784 974
29.3 UNAUTHORISED EXPENSES		
Budget overspending	4 407 915	13 369 031
Centlec Budget Overspending	345 785	611 947
	4 753 700	13 980 978

The above overspending of R 13 556 645 is individual votes. The municipality however succeeded in a saving on the total budget of R 291 486.

KOPANONG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2009

	<u>Note</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
<u>REVENUE</u>			
Property rates	15	7 390 196	7 387 506
Service charges	16	49 915 496	36 338 543
Rental of facilities and equipment		31 911	1 010 864
Interest earned - external investments		547	459 006
Interest earned - outstanding debtors		3 892 322	2 422 944
Fines		119 835	127 819
Government grants and subsidies	18	73 607 941	81 871 853
Other income		14 993 381	973 227
Gains on disposal of property, plant and equipment		41 100	-
		<hr/>	<hr/>
<u>TOTAL REVENUE</u>		<u>149 992 730</u>	<u>130 591 762</u>
<u>EXPENDITURE</u>			
Employee related costs	18	33 151 223	24 665 077
Remuneration of Councillors	19	1 988 948	3 330 345
Depreciation		7 550 073	4 714 084
Repairs and maintenance		3 936 342	3 936 342
Interest paid	20	984 300	791 473
Bulk purchases	22	35 563 849	40 405 103
General expenses		26 771 896	14 037 958
		<hr/>	<hr/>
<u>TOTAL EXPENDITURE</u>		<u>109 946 631</u>	<u>91 880 382</u>
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>		<u>40 046 099</u>	<u>38 711 380</u>

Refer to Appendix E(1) for the comparison with the approved budget



KOPANONG LOCAL MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2009

	<u>Note</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
<u>NET ASSETS AND LIABILITIES</u>			
<u>Net Assets</u>		226 337 369	193 186 859
Housing Development Fund	1	511 395	511 395
Government Grant Reserve		105 422 756	112 318 344
Prior year adjustment		(49 064 973)	(49 064 973)
Accumulated Surplus/(Deficit)		169 468 191	129 422 093
<u>Non-current Liabilities</u>		2 876 879	3 342 164
Long-term Liabilities	2	2 876 879	3 156 001
Finance Lease Liabilities	2.1	-	186 163
<u>Current Liabilities</u>		47 965 718	44 192 776
Customer deposits	3	974 233	785 301
Provisions	4	4 247 299	4 200 544
Accounts Payables	5	31 778 766	27 712 891
Unspent conditional grants and receipts	6	4 845 974	8 022 130
Cash and cash equivalents	15	5 662 038	3 042 516
Current portion of Long-term Liabilities	2	457 408	429 394
<u>Total Net Assets and Liabilities</u>		<u>277 179 966</u>	<u>240 721 799</u>
<u>ASSETS</u>			
<u>Non-current Assets</u>		226 256 475	205 374 251
Property, Plant and Equipment	8	223 966 560	203 147 431
Investments	9	2 264 641	2 192 373
Long-term receivables	10	25 274	34 447
<u>Current Assets</u>		50 923 491	35 347 548
Inventory	11	13 200 588	2 633 590
Accounts receivables	12	32 726 219	21 167 226
Other receivables	13	4 661 314	6 816 599
VAT	7	234 529	4 658 118
Current portion of Long-term receivables	10	14 508	15 220
Cash and cash equivalents	15	86 333	56 795
<u>Total Assets</u>		<u>277 179 966</u>	<u>240 721 799</u>

KOPANONG LOCAL MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009

	<u>Change in accounting policy</u>	<u>Housing Development Fund</u> R	<u>Government Grant Reserve</u> R	<u>Accumulated Surplus/ (Deficit)</u> R	<u>Total</u> R
2009					
Balance at 1 July 2008	-49 064 973	511 395	112 318 344	129 422 093	193 186 859
Change in accounting policy					-
Correction of error					-
Restated balance	-49 064 973	511 395	112 318 344	129 422 093	193 186 859
Balance at 30 June 2008	-49 064 973	511 395	112 318 344	129 422 093	193 186 859
2008					
Surplus/(deficit) for the year			(6 895 588)	40 046 099	33 150 511
Change in accounting policy (Note 25.7)					-
Correction of error (Note 26)					-
Capital grants used to purchase PPE					-
Offsetting of depreciation					-
Balance at 30 June 2009	-49 064 973	511 395	105 422 756	169 468 191	226 337 369

2008

	<u>Change in accounting policy</u>	<u>Housing Development Fund</u> R	<u>Government Grant Reserve</u> R	<u>Accumulated Surplus/ (Deficit)</u> R	<u>Total</u> R
2007					
Balance at 1 July 2007		511 395	72 310 700	(81 051 006)	(8 228 911)
Change in accounting policy					-
Correction of error					-
Restated balance		511 395	72 310 700	(81 051 006)	(8 228 911)
Balance at 30 June 2007		511 395	72 310 700	(81 051 006)	(8 228 911)
2008					
Surplus/(deficit) for the year				38 711 380	38 711 380
Change in accounting policy (Note 25.7)	-49 542 939			211 769 363	162 226 424
Correction of error (Note 26)	477 966				477 966
Capital grants used to purchase PPE			44 573 714	(44 573 714)	-
Offsetting of depreciation			(4 566 070)	4 566 070	-
Balance at 30 June 2008	-49 064 973	511 395	112 318 344	129 422 093	193 186 859



KOPANONG LOCAL MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	<u>Note</u>	<u>2009</u> <u>R</u>	<u>2008</u> <u>R</u>
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Cash receipts from ratepayers, government and other		157 198 662	393 059 516
Cash paid to suppliers and employees		(126 743 550)	(81 912 023)
Cash generated from/(utilised in) operations	23	30 455 112	262 467 754
Interest received		3 892 869	2 881 770
Interest paid		(984 300)	(791 473)
<u>NET CASH FROM OPERATING ACTIVITIES</u>		33 363 681	264 558 051
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment		(31 749 909)	(265 012 293)
Investment		-	(2 192 373)
Decrease/(Increase) in non-current receivables		9 173	49 667
Increase in non-current investments			
<u>NET CASH FROM INVESTING ACTIVITIES</u>		(31 740 736)	(267 154 999)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
New loans raised/(repaid)		(437 271)	3 771 558
Increase in consumer deposits		188 932	785 301
<u>NET CASH FROM FINANCING ACTIVITIES</u>		(248 339)	4 556 859
<u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u>		1 374 605	1 959 911
Cash and cash equivalents at the beginning of the year		(793 348)	(2 753 259)
Cash and cash equivalents at the end of the year	23	581 257	(793 348)

APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT

	HISTORICAL COST			ACCUMULATED DEPRECIATION			CARRYING VALUE
	Opening Balance 01/07/2008	Additions	Closing Balance 30/06/2009	Opening Balance 01/07/2008	Additions	Closing Balance 30/06/2009	30/06/2008
LAND AND BUILDINGS							
Land	10 113 673	-	10 113 673	-		-	10 113 673
Buildings	9 681 664	256 408	9 938 072	727 949	70 133	798 082	9 139 990
	19 795 337	256 408	20 051 745	727 949	70 133	798 082	19 253 663
INFRASTRUCTURE							
Electricity	17 613 749	4 320	17 618 069	2 962 257	420 633	3 382 890	14 235 179
Roads	21 408 357	1 787 998	23 196 355	8 375 981	3 985 429	12 361 410	10 834 945
Water	97 234 655	16 844 222	114 078 877	22 979 872	1 415 882	24 395 754	89 683 123
Sewage	98 837 455	9 370 206	108 207 661	22 808 209	4 175 497	26 983 705	81 223 956
	235 094 216	28 006 746	263 100 962	57 126 319	9 997 440	67 123 760	195 977 202
COMMUNITY ASSETS							
Community Facilities	2 014 830	90 500	2 105 330	467 388	151 678	619 066	1 486 264
Recreation grounds	5 632 480	-	5 632 480	1 875 028	410 244	2 285 272	3 347 208
	7 647 310	90 500	7 737 810	2 342 416	561 922	2 904 338	4 833 472
HERITAGE ASSETS							
Heritage assets	16 681	-	16 681	3 209	433	3 642	13 039
	16 681	-	16 681	3 209	433	3 642	13 039
OTHER ASSETS							
Investment properties	399 872	-	399 872	311 820	12 435	324 255	75 616
Office equipment	2 058 878	3 396 254	5 455 132	1 349 983	291 583	1 641 565	3 813 567
Furniture & Fittings							
	2 458 750	3 396 254	5 855 004	1 661 803	304 018	1 965 821	3 889 183
TOTAL	265 012 293	31 749 908	296 762 201	61 861 696	10 933 946	72 795 642	223 966 560

APPENDIX A

SCHEDULE OF LONG-TERM LIABILITIES

	INTEREST	REDEMPTION	LOAN NO.	BALANCE AS	RECEIVED	REDEEMED	BALANCE
	RATE	DATE		AT	DURING	OR WRITTEN	AS AT
				30-Jun-09	THE YEAR	OFF DURING	30/06/2008
					THE YEAR		
			R	R	R	R	
EXTERNAL LOANS							
DBSA	0.13	2012/12/31	13.00	75 519	-	17 634	57 885
DBSA	0.10	2003/06/30	15.00	-	-	-	-
DBSA	0.08	2002/06/30	23.00	-	-	-	-
DBSA	0.13	2003/06/30	24.00	-	-	-	-
DBSA	0.09	37 437.00	29.00	-	-	-	-
DBSA	0.09	2003/06/30	30.00	-	-	-	-
DBSA	0.17	37 072.00	31.00	-	-	-	-
DBSA	0.08	37 072.00	32.00	-	-	-	-
Mangaung Loan			1.00	80 756	-	80 756	-
Mangaung Loan			2.00	140 240	-	20 034	120 206
Mangaung Loan			3.00	139 792	-	7 766	132 026
Mangaung Loan			4.00	257 908	-	32 238	225 670
Mangaung Loan			5.00	715 020	-	44 689	670 331
Mangaung Loan			6.00	260 167	-	15 304	244 863
Mangaung Loan			7.00	307 708	-	18 101	289 607
Mangaung Loan			8.00	186 141	-	11 634	174 507
Mangaung Loan			9.00	408 276	-	24 016	384 260
Mangaung Loan			10.00	79 366	-	13 228	66 138
Mangaung Loan			11.00	79 366	-	13 228	66 138
Mangaung Loan			12.00	1 051 540	-	58 419	993 121
					-		
TOTAL				3 781 799	-	357 047	3 424 752

FINANCE LEASES							
ABSA	Floating	2006/12/01	57118305	346 806	-	-	186 064
TOTAL				346 806	-	-	186 064
TOTAL LONG-TERM LIABILITIES				4 128 605	-	357 047	3 610 816

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	<u>Historical Cost</u>				<u>Accumulated Depreciation</u>				<u>Carrying Value</u>
	<u>Opening Balance</u> 01/07/2008	<u>Additions</u>	<u>Disposals</u>	<u>Closing Balance</u> 30/06/2009	<u>Opening Balance</u> 01/06/2008	<u>Additions</u>	<u>Disposals</u>	<u>Closing Balance</u> 30/06/2009	<u>30/06/2009</u>
Executive & Council	-	-		-				-	-
Finance & Admin	2 855 879	3 396 254		6 252 133	1 790 873	327 261		2 118 134	4 133 999
Health	1 907 699			1 907 699		282 168		282 168	1 625 531
Community & Social Services	20 319 021	346 908		20 665 929	2 389 504	221 809		2 611 313	18 054 616
Sport & Recreation	5 632 479			5 632 479				-	5 632 479
Waste Management	98 837 455	9 370 206		108 207 661	23 554 321	3 883 984		27 438 305	80 769 356
Road Transport	20 611 355	1 787 998		22 399 353	8 191 518	3 680 449		11 871 967	10 527 386
Water	97 234 655	16 844 222		114 078 877	22 979 872	2 117 640		25 097 512	88 981 365
Electricity	17 613 749	4 320		17 618 069	2 955 608	420 633		3 376 241	14 241 828
TOTAL	265 012 292	31 749 908	-	296 762 200	61 861 696	10 933 944	-	72 795 640	223 966 560

ANNEXURE D**KOPANONG LOCAL MUNICIPALITY: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009**

2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)		2009 Actual Income	2009 Actual Expenditure	2009 Surplus/ (Deficit)
R	R	R		R	R	R
3 630 469	15 966 960	(12 336 491)	<u>Executive & Council</u>	9 670 401	7 171 453	2 498 948
433 516	1 717 501	(1 283 984)	<u>Human Resources</u>	309 670	2 940 782	(2 631 112)
56 791 368	16 342 730	40 448 638	<u>Finance & Admin</u>	17 070 612	3 469 341	13 601 272
4 392	551 379	(546 987)	<u>Planning & Development</u>	4 817	612 761	(607 944)
113 760	106 046	7 714	<u>Fire Fighting</u>	80 769	171 710	(90 941)
0	416 111	(416 111)	<u>Storm water</u>	41 359	49 618	(8 259)
554 913.68		554 914	<u>Health</u>	6 057 252		6 057 252
1 514 630	1 472 150	42 480	<u>Library</u>	1 589 718	1 589 147	571
	284 124	(284 124)	<u>Community & Social Services</u>	0	195 053	(195 053)
66 404	13 345	53 059	<u>Halls</u>	31 341	12 719	18 621
415 590	175 122	240 468	<u>Housing</u>			-
127 976		127 976	<u>Public Safety</u>			-
28 086	825 672	(797 586)	<u>Sport & Recreation</u>	32 222	1 339 280	(1 307 058)
590 855	1 060 651	(469 796)	<u>Property Services</u>	967 132	4 118 247	(3 151 115)
		-	<u>Environmental Protection</u>			-
22 728 651	15 722 278	7 006 373	<u>Waste Management</u>	25 947 623	16 882 120	9 065 503
46 333	5 119 530	(5 073 197)	<u>Road Transport</u>	52 408	6 524 604	(6 472 196)
24 914 641	15 717 579	9 197 061	<u>Water</u>	28 874 258	19 161 132	9 713 127
19 180 883.10	16 939 908	2 240 975	<u>Electricity</u>	29 405 673	22 155 302	7 250 371
		-	<u>Waste Water Management</u>			-
31 142	953 899	(922 757)	<u>Cemeteries</u>	40 572	1 112 783	(1 072 210)
131 173 610	93 384 987	38 711 380	Total	120 135 256	86 393 268	33 741 988

APPENDIX E(1)

KOPANONG LOCAL MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2009

	2009 Actual (R)	2009 Budget (R)	2009 Variance (R)	2 009.00 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
REVENUE					
Property rates	7 390 196	3 225 524	4 164 672	1.29	
Property rates - penalties imposed and collection charges	-	-	-	1.00	
Service charges	49 915 496	80 091 115	(30 175 619)	-0.38	
Rental of facilities and equipment	31 911	69 684	(37 773)	-0.54	
Interest earned - external investments	547	-	547	-	
Interest earned - outstanding debtors	3 892 322	-	3 892 322	-	
Fines	119 835	-	119 835	-	
Licenses and permits	-	16 259	(16 259)	-1.00	
Income for agency services	-	-	-	-	
Government grants and subsidies	73 607 941	4 134 034	69 473 907	16.81	
Other income	8 689 271	17 403 176	-8 713 905	-0.50	
Public contributions, donated/contributed PPE	-	600 571	-600 571	1.00	
Gains on disposal of property, plant and equipment	41 100	-	41 100	1.00	
Total Revenue	143 688 620	105 540 363	38 148 257	0.36	
EXPENDITURE					
Executive & Council	23 389 247	17 799 523	5 589 724	0.31	
Finance & Admin	19 687 135	18 292 000	1 395 135	0.08	
Planning & Development	612 761	786 441	(173 680)	-0.22	
Health	-	-	-	-	
Community & Social Services	195 053	4 122 196	(3 927 143)	-0.95	
Housing	-	360 752	(360 752)	-1.00	
Public Safety	-	441 127	(441 127)	-1.00	
Sport & Recreation	1 339 280	1 915 847	(576 567)	-0.30	
Environmental Protection	-	-	-	-	
Waste Management	16 882 120	14 089 639	2 792 481	0.20	
Road Transport	6 524 604	9 460 306	(2 935 702)	-0.31	
Water	19 161 132	20 197 242	(1 036 110)	-0.05	
Electricity	22 155 302	18 073 644	4 081 658	0.23	
Total Expenditure	109 946 632	105 538 717	4 407 915	0.04	
NET SURPLUS/(DEFICIT) FOR THE YEAR	33 741 988	1 646	33 740 342	1.00	

APPENDIX E(2)

KOPANONG LOCAL MUNICIPALITY: ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2009

	<u>2009 Actual Additions</u>	<u>2008 Budget</u>	<u>2008 Variance</u>	<u>2008 Variance</u>	<u>Explanation of Significant Variances greater than 5% versus Budget</u>
	R	R	R	%	
Executive & Council	3 644 690	1 200 000	(2 444 690)	-203.72%	
Finance & Admin	-	-	-	0.00%	
Planning & Development	-	300 000	300 000	100.00%	
Health	-	-	-	0	
Community & Social Services	90 500	765 000	674 500	88.17%	
Housing	-	-	-	0.00%	
Public Safety	-	-	-	0.00%	
Sport & Recreation	-	-	-	0.00%	
Waste Management	9 370 206	10 684 477	1 314 271	12.30%	
Road Transport	2 244 486	-	(2 244 486)	0.00%	
Water	16 844 222	18 700 000	1 855 778	9.92%	
Electricity	4 320	129 000	124 680	96.65%	
Other	256 408	-	(256 408)	0.00%	
	-	-	-	0.00%	
TOTAL	32 454 832	31 778 477	-676 355	-2.13%	

APPENDIX F

KOPANONG LOCAL MUNICIPALITY DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts				Quarterly Expenditure				Grants and Subsidies delayed / withheld				Reason for delay/with holding of funds	Did your municipality comply with the grant conditions	Reason for non-compliance
		Sept	Dec	March	June	Sept	Dec	March	June	Sept	Dec	March	June			
		Yes / No														
Equitable Share	National Treasury	11 648 979	8 736 734	14 561 224	-	11 064 213	11 064 213	11 064 213	11 064 213					n/a	Yes	
MIG	National Treasury	12 300 211	7 474 135	12 999 976	1 122 000	4 954 528	2 919 838	3 451 655	1 154 207					n/a	Yes	
														n/a	Yes	
Financial & Budget Reform	Provincial	500 000	-	-	-	179 497	140 547	135 394	74 349					n/a	Yes	
Local government & Housing	Provincial	284 000	-	-	300 000	-	-	809 643	-					n/a	Yes	
MSIG	Provincial	500 000	500 000	-	-	288 350	570 000	46 650	-					n/a	Yes	
Provincial Treasury	Provincial	-	-	-	715 301	-	-	-	715 301					n/a	Yes	
DWARF	National	-	-	17 000 000	3 582 134	6 561 654	4 834 759	6 046 293	6 046 293					n/a	Yes	
Department of Health	National	11 004	12 120	-	30 335	-	-	-	-					n/a	Yes	
Electricity Grant	National	-	-	-	751 423	-	-	-	-					n/a	Yes	

25 244 194	16 722 989	44 561 200	2 919 059	4 954 528	2 919 838	4 261 298	1 869 508
-------------------	-------------------	-------------------	------------------	------------------	------------------	------------------	------------------

INDEX

General information

Report from the Treasurer

Statement of Financial Position

Statement of Financial Performance

Statement of Changes in Net Assets

Cash Flow Statement

Accounting Policies

Notes to the Annual Financial Statements

Appendix A: Schedule of External Loans

Appendix B: Analysis of Property, Plant and Equipment

Appendix C: Segmental Analysis of Property, Plant and Equipment

Appendix D: Segmental Statement of Financial Performance

Appendix E(1): Actual versus Budget (Revenue and Expenditure)

Appendix E(2): Actual versus Budget (Acquisition of Property,
Plant and Equipment)

Appendix F: Disclosures of Grants and subsidies in Terms of the
Municipal Finance Management Act

Page

1

3

8

9

10

11

12

22

37

38

39

40

41

42

43