

**UMZIMVUBU MUNICIPALITY**

BALANCE SHEET  
as at 30 June 2004

|   | Notes | 2004<br>R  | 2003<br>R   |
|---|-------|------------|-------------|
| <b>CAPITAL EMPLOYED</b>                 |       |            |             |
| FUNDS AND RESERVES                      |       | 372 764    | 262 791     |
| Statutory funds                         | 1     | 372 764    | 262 791     |
| ACCUMULATED DEFICIT/ SURPLUS            | 13    | 45 687 111 | 64 463 753  |
|   |       | 46 059 875 | 64 726 544  |
| Trust funds                             | 2     | 21 347 790 | 26 914 101  |
| Project funds                           | 3     | 5 734 255  | 6 413 268   |
|   |       | 73 141 920 | 98 053 913  |
| <b>EMPLOYMENT OF CAPITAL</b>            |       |            |             |
| FIXED ASSETS                            | 4     | -          | -           |
| Long term Portion Debtors               | 7     | 1 006 159  | 816 647     |
| <b>CURRENT ASSETS</b>                   |       |            |             |
|   |       | 79 581 781 | 104 378 419 |
| Short term investments                  | 5     | 62 827 483 | 90 038 828  |
| Accounts receivable                     | 6     | 15 189 369 | 9 405 659   |
| Short term portion of long term debtors | 7     | 783 996    | 339 519     |
| Bank and cash                           |       | 780 933    | 4 594 413   |
| <b>CURRENT LIABILITIES</b>              |       |            |             |
|   |       | 7 446 021  | 7 141 153   |
| Bank Overdraft                          |       | 1 712 021  | -           |
| Accounts payable                        | 8     | 4 990 959  | 5 925 690   |
| Provisions                              | 8     | 743 041    | 1,215,463   |
| <b>NET CURRENT ASSETS</b>               |       |            |             |
|   |       | 72 135 761 | 97 237 266  |
|   |       | 73 141 920 | 98 053 913  |

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**UMZIMVUBU MUNICIPALITY**

**CASH FLOW STATEMENT**  
for the year ended 30 June 2004

|  | Notes | 2004<br>R           | 2003<br>R           |
|--|-------|---------------------|---------------------|
| <b>CASH (UTILISED)/GENERATED FROM OPERATING ACTIVITIES</b> |       |                     |                     |
|  |       | 30 555 931          | 42 471 104          |
| Cash generated by operations                               | 14    | 40 002 573          | 66 849 590          |
| Investment income  | 11    | 4 513 562           | 6 101 436           |
| Increase/ (decrease) in working capital                    | 15    | (7 824 852)         | (4 163 152)         |
| Cash generated from operations                             |       | 36 691 283          | 68 787 874          |
|  |       | 36 691 282          | 68 787 874          |
| Increase/(Decrease) in funds and reserves                  |       | (6 135 351)         | (26 316 770)        |
| <b>CASH UTILISED IN INVESTING ACTIVITIES</b>               |       |                     |                     |
| Investment in fixed assets                                 |       | (63 292 777)        | (13 135 961)        |
|  |       | <u>(32 736 846)</u> | <u>29 335 143</u>   |
| <b>CASH EFFECTS OF FINANCING ACTIVITIES</b>                |       |                     |                     |
| Increase/(decrease) in long term loans                     |       |                     |                     |
| Increase/(decrease) in short term loans                    |       |                     |                     |
| (Decrease)/increase in investments                         |       | 27 211 345          | (23 878 906)        |
| (Increase)/decrease in cash                                | 16    | 5 525 501           | (5 456 237)         |
|  |       | <u>32 736 846</u>   | <u>(29 335 143)</u> |
|  |       | ( 0)                |                     |

UMZIMVUBU MUNICIPALITY

APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE  
for the year ended 30 June 2004

INCOME

|                       | Actual<br>2004<br>R | Actual<br>2003<br>R | Budget<br>2004<br>R |
|-----------------------|---------------------|---------------------|---------------------|
| Grants and subsidies  | 61 105 086          | 74 451 209          | 78 845 679          |
| Provincial Government | -                   | 2 322 753           | 7 950 000           |
| Grants from DM        | 2 266 579           | 19 436 068          | 18 300 000          |
| Equitable Share       | 58 838 507          | 52 692 388          | 52 595 679          |
| Operating income      | 11 709 594          | 36 256 695          | 91 136 676          |
| Assessment rates      | 4 028 078           | 3 229 668           | 2 657 039           |
| Sale of water         | 856 845             | 641 530             | 928 380             |
| Other service charges | 1 132 304           | 885 130             | 1 002 240           |
| Other income          | 5 692 367           | 31 500 367          | 86 549 017          |
| <b>TOTAL INCOME</b>   | <b>72 814 680</b>   | <b>110 707 904</b>  | <b>169 982 355</b>  |

EXPENDITURE

|   |                     |                   |               |
|---|---------------------|-------------------|---------------|
| Salaries, wages and allowances              | 17 384 519          | 12 672 469        | 27 224 446    |
| General expenditure                         | 11 523 406          | 24 753 103        | 42 580 299    |
| Bad debts                                   | 1 559 337           | 1,471,073         | -             |
| Purchase of electricity                     | 68 975              | 218,747           | 860 000       |
| Other general expenses                      | 9 895 094           | 23 063 283        | 41 720 299    |
| Repairs and maintenance                     | 345 677             | 196 913           | 1 098 000     |
| Capital charges                             | -                   | 3 992             | -             |
| Contributions to fixed assets               | 63 292 776          | 30 866 292        | 98 997 306    |
| Contribution to revolving fund              | 109 973             | 138 430           | -             |
| Gross expenditure                           | 92 656 351          | 68 631 198        | 169 900 051   |
| Less: amounts charged out                   | -                   | -                 | -             |
| Net expenditure                             | 92 656 351          | 68 631 198        | 169 900 051   |
| <b>(Deficit)/Surplus for the year</b>       | <b>(19 841 671)</b> | <b>42 076 706</b> | <b>82 304</b> |
| <b>Appropriations for the year</b>          | <b>1 032 362</b>    | <b>20 868 071</b> |               |
| <b>Prior Year Adjustments</b>               | <b>32 667</b>       | <b>(3129 712)</b> |               |
| <b>Surplus at the beginning of the year</b> | <b>64 463 753</b>   | <b>4 648 688</b>  |               |
| <b>Surplus at the end of the year</b>       | <b>45 687 111</b>   | <b>64 463 753</b> |               |

UMZIMVUBU MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2004

|   | 2004              | 2003              |
|---|-------------------|-------------------|
|   | R                 | R                 |
| <b>1. STATUTORY FUNDS</b>                 |                   |                   |
| Revolving fund                            | 372 764           | 262 791           |
|   | <u>372 764</u>    | <u>262 791</u>    |
| <b>2. TRUST FUNDS</b>                     |                   |                   |
| Roads                                     | -                 | 9 554 728         |
| Survey                                    | 367 341           | 352 637           |
| Xesibe Tourism                            | 85 496            | 246 316           |
| Free Basic Services                       | 17 565 421        | 16 228 722        |
| Local Economic Development                | 329 531           | 531 698           |
| Bucket System Fund                        | 3 000 000         | -                 |
|   | <u>21 347 790</u> | <u>26 914 101</u> |
| <b>3. PROJECT FUNDS</b>                   |                   |                   |
| Transitional                              | 141 291           | 111 847           |
| Mt Ayliff PHP                             | ( 696 862)        | 1 616 496         |
| Mt Frere PHP                              | 555 915           | -                 |
| Tyoksville                                | 2 788 746         | 2 788 746         |
| Housing                                   | 544 176           | 544 176           |
| Municipal Support Programme               | 2 400 989         | 1 352 002         |
|   | <u>5 734 255</u>  | <u>6 413 268</u>  |
| <b>4. FIXED ASSETS</b>                    |                   |                   |
| Fixed assets at the beginning of the year | 15 996 144        | 2 860 183         |
| Capital expenditure during the year       | 63 292 777        | 13 135 961        |
| Less: Assets written off during the year  | -                 | -                 |
| TOTAL FIXED ASSETS                        | <u>79 288 921</u> | <u>15 996 144</u> |
| Loans Redeemed and other capital receipts | <u>79 288 921</u> | <u>15 996 144</u> |
| NET FIXED ASSETS                          | <u>-</u>          | <u>-</u>          |

UMZIMVUBU MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2004

|  | 2004<br>R   | 2003<br>R   |
|--|-------------|-------------|
| 5. <u>SHORT TERM INVESTMENTS</u>               |             |             |
| <b>Unlisted</b>                                |             |             |
| Short term Investments                         | 62 827 483  | 90 038 828  |
| Management's valuation of unlisted investments | 62 827 483  | 90 038 828  |
| 6. <u>ACCOUNTS RECEIVABLE</u>                  |             |             |
| Rates and General Services                     | 17 032 729  | 11 662 578  |
| Provision for bad debts                        | (9 636 488) | (8 077 150) |
|  | 7 396 241   | 3 585 428   |
| Other debtors                                  | 674 833     | 5 820 231   |
| SARS: Vat                                      | 7 118 296   | -           |
|  | 15 189 369  | 9 405 659   |
| 7. <u>LONG TERM DEBTORS</u>                    |             |             |
| Car Loans                                      | 1 790 155   | 1,156,166   |
| Short Term Portion                             | ( 783 996)  | ( 339 519)  |
|  | 1 006 159   | 816,647     |
| 8. <u>ACCOUNTS PAYABLE</u>                     |             |             |
| Accounts Payable                               | 4 990 959   | 5 925 690   |
|  | 4 990 959   | 5 925 690   |
| <u>PROVISIONS</u>                              |             |             |
| Provision for Audit Fees                       | 320 966     | 697 046     |
| Provision for Accounting Fees                  | -           | 209 589     |
| Provision for Staff Leave                      | 422 076     | 308 828     |
|  | 743 041     | 1 215 463   |
| 9. <u>ASSESSMENT RATES</u>                     |             |             |
| General Valuation                              |             |             |
| Valued properties                              | 268 538 554 |             |
| Rate tariff                                    | 1.5 c/R     |             |
|  | 4 028 078   | 3 229 668   |

UMZIMVUBU MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2004

|  | 2004<br>R                   | 2003<br>R                   |
|--|-----------------------------|-----------------------------|
| <b>10. <u>AUDITORS REMUNERATION</u></b>                    |                             |                             |
| Audit fees: Current year                                   | 320 966                     | 697 047                     |
|  | <u>320 966</u>              | <u>697 047</u>              |
| <b>11. <u>FINANCE TRANSACTIONS</u></b>                     |                             |                             |
| Interest earned  | 4 513 562                   | 6 101 436                   |
| Interest paid  | <u>                    </u> | <u>                    </u> |
| <b>12. <u>COUNCILOR'S REMUNERATION</u></b>                 |                             |                             |
| Councillors' allowances                                    | 4 516 188                   | 4 794 763                   |
|  | <u>4 516 188</u>            | <u>4 794 763</u>            |
| <b>13. <u>APPROPRIATIONS</u></b>                           |                             |                             |
| Accumulated surplus/(deficit) at the beginning of the year | 64 463 753                  | 4 648 688                   |
| Operating surplus/(deficit) for the year                   | (19 841 671)                | 42 076 706                  |
| Prior Year Adjustments                                     | 32 667                      | (3 129 712)                 |
| Appropriations for the year                                | 1 032 362                   | 20 868 071                  |
| IDP Written Off  | -                           | 295 251                     |
| IGG Written off  | -                           | 39 674                      |
| Reserves Written Off                                       | 1 032 362                   | 20 670 507                  |
| PAYE   | -                           | (127 615)                   |
| Medical Aid  | -                           | (9 746)                     |
|  | <u>45 687 111</u>           | <u>64 463 753</u>           |

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UMZIMVUBU MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2004

|  | 2004               | 2003               |
|--|--------------------|--------------------|
|  | R                  | R                  |
| <b>14. <u>CASH GENERATED BY OPERATIONS</u></b>           |                    |                    |
| Surplus for the year                                     | (19 841 671)       | 42 076 706         |
| Add: Contribution for the year                           | -                  | -                  |
| Adjustments in respect of :                              |                    |                    |
| Prior year transactions                                  | 32 667             | (3 129 712)        |
| Appropriation for the year                               | 1 032 362          | 20 868 071         |
| Contribution to fixed assets                             | 63 292 777         | 13 135 961         |
| Interest received  | (4 513 562)        | (6 101 436)        |
| Interest Paid  | -                  | -                  |
|  | <u>40 002 573</u>  | <u>66 849 590</u>  |
| <b>15. <u>INCREASE/(DECREASE) IN WORKING CAPITAL</u></b> |                    |                    |
| (Increase)/decrease in accounts receivable               | (6 417 699)        | (6 075 767)        |
| Increase/(decrease) in accounts payable                  | (1 407 153)        | 1 912 615          |
|  | <u>(7 824 852)</u> | <u>(4 163 152)</u> |
| <b>16. <u>(INCREASE)/DECREASE IN BANK AND CASH</u></b>   |                    |                    |
| Cash balance at the end of the year                      | <u>5 525 501</u>   | <u>(5 456 237)</u> |
|  | <u>5 525 501</u>   | <u>(5 456 237)</u> |

**Complete only the yellow cells**

Name of the TLC:

UMZIMVUBU MUNICIPALITY

for the year ended (insert year end in words)

30 June 2004

Please repeat year end (in figures, i.e.30/6/00)

30 June 2004

Please insert previous year end in words

30 June 2003

as at

2004

Current year :

2003

Balance at

30 June 2004

Balance at

30 June 2003



UMZIMVUBU MUNICIPALITY

Trial balance  
as at 30 June 2004 65,226.36

| Cost centre | Expense code | Description                    | Opening balance | Debits       | Credits      | Closing balance |
|-------------|--------------|--------------------------------|-----------------|--------------|--------------|-----------------|
| 7-50-950    | 90-050-1000  | Accumulated Surplus/Deficit    | (22,684,136.25) |              |              | (45,687,111.33) |
| 7-50-950    | 90-060-1000  | General Reserve                | -               | -            |              | -               |
| 7-50-955    | 90-080-1001  | Revolving Fund                 | (262,791.38)    |              |              | (372,764.11)    |
| 7-50-955    | 90-080-1005  | Housing Fund Mt Ayliff         | (1,616,496.30)  | 1,296,843.59 |              | 696,861.52      |
|             |              | Housing Fund Mt Frere          |                 |              | 1,296,843.59 | (555,914.74)    |
|             |              | Bucket System Fund             |                 |              |              | (3,000,000.00)  |
| 7-50-955    | 90-080-1006  | Development Fund               | -               |              |              | -               |
| 7-50-955    | 90-080-1007  | Roads Fund                     | (9,554,727.90)  |              |              | -               |
| 7-50-955    | 90-080-1008  | Schools Fund                   | -               |              |              | -               |
| 7-50-955    | 90-080-1009  | Survey Fund                    | (352,636.84)    |              |              | (367,341.17)    |
| 7-50-955    | 90-080-1010  | Inter-Governmental Grant       | -               |              |              | -               |
| 7-50-955    | 90-080-1012  | Tyokville Fund                 | (2,788,746.00)  |              |              | (2,788,746.00)  |
| 7-50-955    | 90-080-1013  | Xesibe Tourism Fund            | (246,315.69)    |              |              | (85,496.28)     |
| 7-50-955    | 90-080-1014  | Free Basic Services            | (16,228,722.27) |              |              | (17,565,421.06) |
| 7-50-955    | 90-080-1015  | Transitional Fund              | (111,847.18)    |              |              | (141,291.49)    |
| 7-50-955    | 90-080-1016  | LED Fund                       | (531,697.89)    |              |              | (329,531.44)    |
| 7-50-955    | 90-080-1017  | Municipal Support Program      | (1,352,002.39)  |              |              | (2,400,988.51)  |
| 7-50-955    | 90-080-1018  | Pilot housing Fund             | (544,176.00)    |              |              | (544,176.00)    |
| 7-60-970    | 90-500-1001  | Land & Property                | 900,578.16      |              |              | 3,669,501.31    |
| 7-60-970    | 90-500-1003  | Furniture Fittings & Equipment | 142,034.24      |              |              | 275,738.23      |
| 7-60-970    | 90-500-1004  | Plant & Machinery              | 84,520.62       |              |              | 202,587.16      |
| 7-60-970    | 90-500-1005  | Motor Vehicles                 | 1,520,413.00    |              |              | 2,844,704.02    |
| 7-60-970    | 90-500-1008  | Project Expenditure            | 1,562,099.00    |              |              | 1,562,099.00    |
| 7-60-970    | 90-500-1009  | Waterworks                     | 269,781.00      |              |              | 5,169,302.92    |
| 7-60-970    | 90-500-1013  | Watermeters                    | 366,250.55      |              |              | 871,654.92      |
| 7-60-970    | 90-500-1014  | Community Halls                | 1,480,996.44    |              |              | 5,578,553.31    |
| 7-60-970    | 90-500-1015  | Fencing And Toilets            | 399,022.23      |              |              | 1,189,728.65    |
| 7-60-970    | 90-500-1016  | Sport Fields                   | 161,212.50      |              |              | 759,144.71      |
| 7-60-970    | 90-500-1017  | Testing Ground                 | 435,804.71      |              |              | 1,195,385.60    |
| 7-60-970    | 90-500-1018  | Pre-Schools                    | 7,078,037.59    |              |              | 21,554,599.30   |
| 7-60-970    | 90-500-1019  | Poultry                        | 469,195.99      |              |              | 539,757.17      |
| 7-60-970    | 90-500-1020  | Computer Equipment             | 1,108,478.84    |              |              | 1,371,150.56    |
|             |              | Backery                        |                 |              |              | 550,475.74      |
|             |              | Sanitation                     |                 |              |              | 2,753,972.35    |
|             |              | Recreational Park              |                 |              |              | 179,740.75      |
|             |              | Tools                          |                 |              |              | 5,994.74        |
|             |              | Milling                        |                 |              |              | 233,530.71      |
|             |              | Irrigation Scheme              |                 |              |              | 167,194.99      |
|             |              | Schools                        |                 |              |              | 220,731.14      |
|             |              | Cementry                       |                 |              |              | 82,078.18       |
|             |              | Small Business Unit            |                 |              |              | 182,288.33      |
|             |              | Cellphones                     |                 |              |              |                 |
|             |              | Roads                          |                 |              |              | 28,111,278.28   |

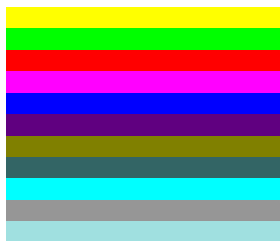
|          |             |   |                 |        |                          |
|----------|-------------|---|-----------------|--------|--------------------------|
| 7-60-970 | 90-500-1021 | Mayoral Chain                                       | 17,719.30       |        | 17,719.30                |
| 7-60-970 | 90-510-1001 | Revolving Fund - Internal loans<br>Mt LED<br>Xesibe | 262,791.38      |        |                          |
| 7-60-970 | 90-512-1001 | Internal loan-Mt Frere Survey                       | 125,512.00      | ?????/ |                          |
| 7-60-970 | 90-513-1001 | Internal Loan - Housing Fund                        | 89,444.00       |        |                          |
| 7-60-970 | 90-514-1001 | Internal Loan- MSP                                  | 697,119.00      |        |                          |
| 7-60-970 | 90-530-1002 | Revenue Contributions to Capital                    | (1,298,085.00)  |        | (64,590,861.17)          |
| 7-60-970 | 90-530-1003 | Grants & Subsidies                                  | (14,698,060.19) |        | (14,698,060.19)          |
| 7-60-975 | 90-540-1008 | Mt Ayliff PHP                                       | 167,200.11      |        | 7,405.29                 |
| 7-60-975 | 90-540-1009 | Tyoksville Account 623991509                        | 657.10          |        | 293.10                   |
| 7-60-975 | 90-540-1010 | Mt Frere People's Housing                           | 1,296,843.59    |        | 1,439,440.87             |
| 7-60-975 | 90-540-1011 | Mt Ayliff   | -               |        |                          |
| 7-60-975 | 09-054-1012 | Xesibe Tourism                                      | 296,654.01      |        | 290,191.94               |
| 7-60-975 | 90-540-1013 | Operational Investment A/ C                         | 69,370,611.88   |        | 40,100,484.34            |
| 7-60-975 | 90-540-1014 | MSP Account   | 654,883.39      |        | 1,574,149.80             |
| 7-60-975 | 90-540-1015 | Mt Frere LED  | 658,306.63      |        | 706,782.78               |
| 7-60-975 | 90-540-1016 | Transitional Fund                                   | 396,779.18      |        | 141,291.67               |
| 7-60-975 | 90-540-1017 | Mt Ayliff Pilot Housing                             | 143,837.43      |        | 143,890.30               |
| 7-60-975 | 90-540-1018 | Investment 82118396                                 | 32,499.38       |        | 32,499.38                |
| 7-60-975 | 90-540-1019 | Free Basic Services                                 | 16,228,722.27   |        | 17,565,421.06            |
| 7-60-975 | 90-540-1020 | Mt Frere Survey - Investment<br>Revolving Fund      | 227,124.84      |        | 241,829.17<br>289,710.74 |
| 7-60-975 | 90-540-1021 | General Valuation                                   | 405,851.58      |        | 124,948.59               |
| 7-60-975 | 90-540-1022 | Special Development Framework                       | 158,857.01      |        | 169,144.40               |
| 7-60-980 | 90-580-1002 | Consumers - Assessment Rates                        | 7,048,136.17    |        | 10,504,494.65            |
| 7-60-980 | 90-580-1003 | Consumers - Refuse                                  | 1,486,128.92    |        | 2,452,822.42             |
| 7-60-980 | 90-580-1004 | Consumers - Sanitation                              | 534,083.97      |        | 665,878.91               |
| 7-60-980 | 90-580-1005 | Consumers - Water                                   | 2,594,228.89    |        | 3,409,532.59             |
| 7-60-980 | 90-580-1012 | Cell Phone  | 38,896.62       |        | -                        |
| 7-60-980 | 90-580-1015 | Underbanking  | (1,984.06)      |        | 2,321.28                 |
| 7-60-980 | 90-580-1016 | Staff Loans - Motor Vehicles                        | 1,156,166.00    |        | 1,790,154.92             |
| 7-60-980 | 90-580-1030 | Housing Loans                                       | 34,432.38       |        | 1,196.00                 |
| 7-60-980 | 90-580-1055 | Unpaid Items  | 24,624.47       |        | 30,124.47                |
| 7-60-980 | 90-580-1073 | Councillor's Loans                                  | -               |        |                          |
| 7-60-980 | 90-580-1080 | Study Loans   | 6,895.67        |        | 8,277.43                 |
| 7-60-980 | 90-580-1090 | Salary Advance                                      | (1,929.66)      |        | (1,929.66)               |
| 7-60-985 | 90-580-1075 | Standard Vat Input Suspence                         | 363,096.00      |        |                          |
| 7-60-990 | 90-860-1002 | Due to Revolving Fund                               | (262,791.38)    |        |                          |
| 7-60-990 | 90-860-1003 | Due to Mt Frere Survey                              | (125,512.00)    |        |                          |
| 7-60-990 | 90-860-1006 | Provisions Audit Fee                                | (697,046.17)    |        | (320,965.56)             |
| 7-60-990 | 90-860-1007 | Provisions Bad Debts                                | (8,077,150.49)  | ?????  | (9,636,487.87)           |
| 7-60-990 | 90-860-1008 | Provisions Accounting Fee                           | (209,589.00)    |        |                          |
| 7-60-990 | 90-860-1009 | Provisions Staff Leave                              | (308,828.12)    |        | (422,075.64)             |
| 7-60-990 | 90-860-1012 | Due to Housing                                      | (89,444.00)     |        |                          |
| 7-60-990 | 90-860-1013 | Due to Operational investment                       | (565,005.09)    |        |                          |
| 7-60-990 | 90-870-1000 | Creditors   | (981,839.24)    |        |                          |
| 7-60-990 | 90-870-1011 | Medical Aid   | (9,422.04)      |        | 74,533.63                |
| 7-60-990 | 90-870-1012 | Provident Fund                                      | 214,629.23      |        | 299,455.34               |

|          |             |                                   |                |              |
|----------|-------------|-----------------------------------|----------------|--------------|
| 7-60-990 | 90-870-1013 | PAYE                              | (36,622.97)    | (89,475.66)  |
| 7-60-990 | 90-870-1015 | UIF                               | (5,857.40)     | (4,883.92)   |
| 7-60-990 | 90-870-1016 | Union Fees                        | (304.51)       |              |
| 7-60-990 | 90-870-1017 | Workmen's Compensation            | (20,428.24)    | (68,571.88)  |
| 7-60-990 | 90-870-1018 | Funeral Scheme                    | (6,665.11)     | 6,887.58     |
| 7-60-990 | 90-870-1019 | Insurance                         | (45,042.13)    | 24,216.46    |
| 7-60-990 | 90-870-1020 | Days Absent                       | -              |              |
| 7-60-990 | 90-870-1021 | Garnishee                         | (3,449.96)     | (2,437.65)   |
| 7-60-990 | 90-870-1025 | District Levy                     | (97,406.02)    | (202,133.48) |
| 7-60-990 | 90-870-1028 | Skills Levy                       | (99,052.56)    | (104,833.36) |
| 7-60-990 | 90-870-1029 | ECMSS Rental                      | (39,099.15)    | (4,766.17)   |
| 7-60-990 | 90-870-1030 | Staff Loans                       | 17,477.85      | 17,477.85    |
| 7-60-990 | 90-870-1032 | Party Levies                      | (11,042.46)    | (23,477.55)  |
| 7-60-990 | 90-870-1033 | Catering                          | -              |              |
| 7-60-990 | 90-870-1034 | B Council                         | 46,403.08      | 46,403.08    |
| 7-60-990 | 90-880-1011 | Dept. of Water Affairs & Forestry | (1,948,732.71) | -            |
| 7-60-990 | 90-880-1013 | Stale Cheque Creditors            | (1,032,361.93) |              |
| 7-60-990 | 90-881-1001 | Vat Due                           | 4,949,335.36   | 7,118,296.18 |
| 7-60-990 | 90-882-1001 | Bank: Main Account 62022183727    | 4,572,772.33   | (914,583.76) |
|          |             | Bank: Mt Frere PPHP               | -              | (797,437.13) |

|          |             |  |                 |                     |               |                 |
|----------|-------------|--|-----------------|---------------------|---------------|-----------------|
| 7-60-990 | 90-882-1002 | Bank: Mt Ayliff People's Housing Project | 21,640.50       |                     |               | 780,932.79      |
| 7-60-990 | 90-882-2002 | Unknown Deposit                          | (1,464,001.30)  |                     |               | (1,968,468.78)  |
| 7-60-990 | 90-882-2003 | Unallocated Services                     | (120,448.77)    |                     |               | -               |
|          |             | Credit Card                              |                 |                     |               | (2,516,570.33)  |
|          |             | Accruals                                 |                 |                     |               | 21,217.10       |
|          |             | Cash Loans                               |                 |                     |               | 48,901.89       |
|          |             | Car Insurance Thebe                      |                 |                     |               | (2,229.03)      |
|          |             | Over Banking                             |                 |                     |               | -               |
|          |             | Unknown Payments                         |                 |                     |               | 1.00            |
|          |             | Pety Cash                                |                 |                     |               | (1,181.12)      |
|          |             | Samwu Subscription Fees                  |                 |                     |               | 93,830.15       |
| 7-60-990 | 90-900-1001 | Suspence Salaries                        | 124,440.63      |                     |               | 0.00            |
|          |             |  | 41,911,729.27   | 1,296,843.59        | 1,296,843.59  | 0.00            |
| 1-10-031 |             | Community Services                       | 4,289,879.85    | 2,542,474.42        |               | 1,747,405.43    |
| 1-10-040 |             | Infrastructure                           | 17,113,686.58   | 68,093,162.52       |               | (50,979,475.94) |
|          |             | Communication & SPU                      | -               | 1,361,170.99        |               | (1,361,170.99)  |
| 1-10-510 |             | Corporate Services                       | 5,116,746.65    | 2,942,759.97        |               | 2,173,986.68    |
| 1-10-515 |             | Planning and Development                 | 4,494,606.17    | 2,928,970.65        |               | 1,565,635.52    |
| 1-10-610 |             | <b>Municipal Manager</b>                 | 1,886,310.60    | <b>1,636,630.56</b> |               | 249,680.04      |
| 1-10-620 |             | Council & Committe                       | 5,759,200.89    | 9,357,393.76        |               | (3,598,192.87)  |
| 1-10-710 |             | Finance                                  | (3,063,099.51)  | 3,793,788.08        | 7,681,515.30  | 824,627.71      |
| 1-10-710 |             | Assessment Rates                         | (3,064,690.96)  |                     | 4,028,078.11  | 963,387.15      |
| 1-10-710 |             | Grant and Subsidies                      | (52,692,388.00) |                     |               | (52,692,388.00) |
| 1-10-710 |             | Provincial GVT                           | (2,322,753.39)  |                     | 58,838,507.00 | 56,515,753.61   |
| 1-10-710 |             | District Municipality                    | (19,436,067.99) |                     | 2,266,579.14  | (17,169,488.85) |
|          |             |  | (41,918,569.11) |                     |               | (61,760,240.51) |
|          |             |  | (6,839.84)      | 1,296,843.59        | 1,296,843.59  | (61,760,240.51) |

92,656,350.95      72,814,679.55

Long term loans  
Statutory funds  
Trust funds  
Project funds  
Fixed assets  
Accum surplus/deficit  
Investments  
Trade debtors  
Oher debtors  
Bank and cash  
Accounts payable



**UMZIMVUBU MUNICIPALITY**

**INCOME STATEMENT  
for the year ended 30 June 2004**

| 2003               | 2003              | 2003              |                                      | 2004              | 2004              | 2004                | 2004          |
|--------------------|-------------------|-------------------|--------------------------------------|-------------------|-------------------|---------------------|---------------|
| R                  | R                 | R                 |                                      | R                 | R                 | R                   | R             |
| Actual             | Actual            | Surplus /         |                                      | Actual            | Actual            | Surplus /           | Budget        |
| Income             | Expenditure       | (deficit)         |                                      | Income            | Expenditure       | (deficit)           | Surplus /     |
|                    |                   |                   |                                      |                   |                   |                     | (deficit)     |
| <b>110 707 904</b> | <b>68 631 199</b> | <b>42 076 705</b> | <b>RATES AND GENERAL SERVICES</b>    | <b>71 957 835</b> | <b>92 656 351</b> | <b>(20 698 516)</b> | <b>22 304</b> |
| 91 360 879         | 32 170 487        | 59 190 392        | Community services                   | 71 957 835        | 24 563 188        | 47 394 646          | 35 656 502    |
| 19 347 025         | 36 460 712        | (17 113 687)      | Economic services                    | -                 | 68 093 163        | (68 093 163)        | (35 634 198)  |
| -                  | -                 | -                 | <b>TRADING SERVICES</b>              | <b>856 845</b>    | -                 | <b>856 845</b>      | -             |
| <b>110 707 904</b> | <b>68 631 199</b> | <b>42 076 705</b> | <b>TOTAL</b>                         | <b>72 814 680</b> | <b>92 656 351</b> | <b>(19 841 671)</b> | <b>22 304</b> |
|                    |                   | 20 868 071        | Appropriations for the year          |                   |                   | 1 032 362           |               |
| 62 944 777         |                   | 62 944 777        | Surplus/(Deficit) for the year       |                   |                   | (18 809 309)        |               |
|                    |                   | (3 129 712)       | Prior Year Adjustment                |                   |                   | 32 667              |               |
|                    |                   | 4 648 688         | Accumulated surplus at the beginning |                   |                   | 64 463 753          |               |
| 64 463 753         |                   | <u>64 463 754</u> | Accumulated surplus at the end       |                   |                   | <u>45 687 111</u>   |               |

UMZIMVUBU MUNICIPALITY

APPENDIX E

DETAILED INCOME STATEMENT  
for the year ended 30 June 2004

| 2003<br>R          | 2003<br>R             | 2003<br>R              |                                   | 2004<br>R         | 2004<br>R             | 2004<br>R              | 2004<br>R                        |
|--------------------|-----------------------|------------------------|-----------------------------------|-------------------|-----------------------|------------------------|----------------------------------|
| Actual<br>Income   | Actual<br>Expenditure | Surplus /<br>(deficit) |                                   | Actual<br>Income  | Actual<br>Expenditure | Surplus /<br>(deficit) | Budget<br>Surplus /<br>(deficit) |
| <b>110 707 904</b> | <b>68 631 198</b>     | <b>42 076 706</b>      | <b>RATES AND GENERAL SERVICES</b> | <b>71 957 835</b> | <b>92 656 351</b>     | <b>(20 698 516)</b>    | <b>35 656 502</b>                |
| <b>91 360 879</b>  | <b>32 170 487</b>     | <b>59 190 392</b>      | <b>Community services</b>         | <b>71 957 835</b> | <b>24 563 188</b>     | <b>47 394 646</b>      | <b>35 656 502</b>                |
| 3 229 668          |                       | 3 229 668              | Assessment Rates                  | 4 028 078         | -                     | 4 028 078              | -                                |
| 6 538 426          | 10 828 739            | (4 290 313)            | Community services                | -                 | 2 542 474             | (2 542 474)            | (6 332 431)                      |
|                    | -                     |                        | Special Programs Unit             | -                 | 1 361 171             | (1 361 171)            | (2 119 327)                      |
| 92 627             | 5 215 781             | (5 123 153)            | Corporate Services                | -                 | 2 942 760             | (2 942 760)            | (4 165 891)                      |
| -                  | 5 759 201             | (5 759 201)            | Council General Expenses          | -                 | 9 357 394             | (9 357 394)            | (9 526 813)                      |
| 5 921              | 4 500 528             | (4 494 606)            | Planning and Development          | -                 | 2 928 971             | (2 928 971)            | (3 676 367)                      |
| 81 494 237         | 3 979 928             | 77 514 309             | Finance                           | 67 929 756        | 3 793 788             | 64 135 968             | 63 661 930                       |
|                    | 1 886 311             | (1 886 311)            | Municipal Manager                 | -                 | 1 636 631             | (1 636 631)            | (2 184 599)                      |
| <b>19 347 025</b>  | <b>36 460 712</b>     | <b>(17 113 687)</b>    | <b>Economic services</b>          | <b>-</b>          | <b>68 093 163</b>     | <b>(68 093 163)</b>    | <b>(35 634 198)</b>              |
| 19 347 025         | 36 460 712            | (17 113 687)           | Infrastructure                    | -                 | 68 093 163            | (68 093 163)           | (35 634 198)                     |
| -                  | -                     | -                      | <b>Trading services</b>           | <b>856 845</b>    | <b>-</b>              | <b>856 845</b>         | <b>-</b>                         |
|                    |                       |                        |                                   | 856 845           |                       |                        |                                  |
| <b>110 707 904</b> | <b>68 631 198</b>     | <b>42 076 706</b>      |                                   | <b>72 814 680</b> | <b>92 656 351</b>     | <b>(19 841 671)</b>    | <b>22 304</b>                    |
|                    |                       | 20 868 071             | Appropriation for the year        |                   |                       | 1 032 362              |                                  |
|                    |                       | 62 944 777             | Surplus/(Deficit) for the year    |                   |                       | (18 809 309)           |                                  |
|                    |                       |                        | Accumulated surplus/(deficit):    |                   |                       |                        |                                  |
|                    |                       | (3 129 712)            | Prior Year Adjustment             |                   |                       | 32 667                 |                                  |
|                    |                       | 4 648 688              | beginning of the year             |                   |                       | 64 463 753             |                                  |
|                    |                       | 64 463 753             | Accumulated surplus/(deficit):    |                   |                       |                        |                                  |
|                    |                       |                        | end of the year                   |                   |                       | 45 687 111             |                                  |

**UMZIMVUBU MUNICIPALITY**

**ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2004**

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## UMZIMVUBU MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2004

### GENERAL INFORMATION

#### MEMBERS OF THE UMZIMVUBU COUNCIL

|     |                 |            |     |                |            |
|-----|-----------------|------------|-----|----------------|------------|
| 1.  | J.Z Munyu       | Mayor      | 33. | B.W Mfulana    | Councillor |
| 2.  | Z. Mlenzana     | Speaker    | 34. | D.L Mgoqozi    | Councillor |
| 3.  | Z.A Gwebani     | Councillor | 35. | S. Mnukwa      | Councillor |
| 4.  | N.S Nkopane     | Councillor | 36. | M.S Mofokeng   | Councillor |
| 5.  | M.M Jeke        | Councillor | 37. | D.P Noso       | Councillor |
| 6.  | M.M Nyamakazi   | Councillor | 38. | T.S Msindwana  | Councillor |
| 7.  | Z. Bala         | Councillor | 39. | C.B Mtimkhulu  | Councillor |
| 8.  | S.S Baleni      | Councillor | 40. | N.C Mtolo      | Councillor |
| 9.  | S.P Gqoli       | Councillor | 41. | S. Myingwa     | Councillor |
| 10. | L.N Gwabeni     | Councillor | 42. | N.J Mzozoyana  | Councillor |
| 11. | B. Jafta        | Councillor | 43. | M. Ncapai      | Councillor |
| 12. | S.D Jafta       | Councillor | 44. | J. Ncokazi     | Councillor |
| 13. | G.X Jona        | Councillor | 45. | N. Ndabambi    | Councillor |
| 14. | N.N Kortjaas    | Councillor | 46. | Z. Ndevu       | Councillor |
| 15. | N. Duba         | Councillor | 47. | A.N.N Ndiwa    | Councillor |
| 16. | N. Ganya        | Councillor | 48. | E.K Ngalonkulu | Councillor |
| 17. | T. Gebashe      | Councillor | 49. | L.M Ngcingwana | Councillor |
| 18. | R.N Leballo     | Councillor | 50. | S. Ngqubathi   | Councillor |
| 19. | N. Lekhatanya   | Councillor | 51. | Nqantha        | Councillor |
| 20. | G.V Lugongolo   | Councillor | 52. | M. Ntseogwane  | Councillor |
| 21. | S.D Mafunda     | Councillor | 53. | C.L Mxesi      | Councillor |
| 22. | I.K Magaya      | Councillor | 54. | F.E Nxuseka    | Councillor |
| 23. | V.M Makaula     | Councillor | 55. | S. Nyamakazi   | Councillor |
| 24. | V.M Mapekula    | Councillor | 56. | M.M Popakhane  | Councillor |
| 25. | L.N Mashoi      | Councillor | 57. | J. K Sabelo    | Councillor |
| 26. | M. Mataka       | Councillor | 58. | S.A Sello      | Councillor |
| 27. | S.B Mbekeni     | Councillor | 59. | C.V Sigalelana | Councillor |
| 28. | N. Mbolekwa     | Councillor | 60. | N. Sigwili     | Councillor |
| 29. | N. Mdewuka      | Councillor | 61. | N.V Sishiqa    | Councillor |
| 30. | U.N.S Mdingazwa | Councillor | 62. | Z.R Sonqishe   | Councillor |
| 31. | N. Mdingi       | Councillor | 63. | M. Tsolane     | Councillor |
| 32. | S. Mdutyana     | Councillor |     |                |            |

#### GRADING OF THE MUNICIPALITY

Grade 3

#### AUDITORS

Auditor - General

#### BANKERS

First National Bank

Standard Bank



**UMZIMVUBU MUNICIPALITY**

ANNUAL FINANCIAL STATEMENTS  
for the year ended 30 June 2004

**GENERAL INFORMATION**

REGISTERED OFFICES

Church Street                      Tel:- 039- 254 6000  
Mount Ayliff                        Fax:- 039- 254 0033  
4735

MUNICIPAL MANAGER  
Z.H Sikhundla

FINANCIAL MANAGER  
L.L.D Pepeta

APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements set out on pages 3 to 20 were approved by the Municipal Manager on \_\_\_\_\_ and presented to and approved by Council on \_\_\_\_\_

\_\_\_\_\_  
MUNICIPAL MANAGER  
Date : \_\_\_\_\_

\_\_\_\_\_  
MAYOR  
Date : \_\_\_\_\_

**UMZIMVUBU MUNICIPALITY**

ANNUAL FINANCIAL STATEMENTS -  
for the year ended 30 June 2004

**TREASURER'S REPORT**

**OPERATING RESULTS**

1. Details of the operating results per department, classification and object of the expenditure are included in appendices D and E. The operating results for the y30 June 2004 are as follows:

|                                | VARIANCE | ACTUAL              | ACTUAL             | BUDGET             |
|--------------------------------|----------|---------------------|--------------------|--------------------|
|                                | %        | 2004                | 2003               | 2004               |
|                                |          | R                   | R                  | R                  |
| <u>INCOME</u>                  |          |                     |                    |                    |
| Rates and general services     | - 35     | 71 957 835          | 110 707 904        | 169 982 355        |
| Trading services               |          | 856 845             | -                  | -                  |
| Total income                   | - 34     | <u>72 814 680</u>   | <u>110 707 904</u> | <u>169 982 355</u> |
| Less:                          |          |                     |                    |                    |
| <u>EXPENDITURE</u>             |          |                     |                    |                    |
| Rates and general services     | 35       | 92 656 351          | 68 631 199         | 169 900 051        |
| Trading services               |          | -                   | -                  | -                  |
| Total expenses                 | 35       | <u>92 656 351</u>   | <u>68 631 199</u>  | <u>169 900 051</u> |
| Surplus/(deficit) for the year |          | <u>(19 841 671)</u> | <u>42 076 705</u>  | <u>82 304</u>      |

**UMZIMVUBU MUNICIPALITY**

ANNUAL FINANCIAL STATEMENTS -  
for the year ended 30 June 2004

**TREASURER'S REPORT (Continued)**

1. The operating results of Umzimvubu Municipality has a deficit of R19 841 671. This is due to Municipality undertaking more projects for the current year.  
An amount of R17 032 729 is owed in trade debtors. Provision for bad debts is amounted to R795 745 for rates, R362 892 in water distribution, R18 594 in sanitation and R382 107 for Refuse Removal. This shows unwillingness for debtors to service their debts.  
The increase in trading services income is due to grants received from the Equitable Share, District Municipality and Provincial Government.

**CAPITAL EXPENDITURE AND FINANCING**

2. The expenditure on fixed assets during the year amounted to R63 292 776. The actual expenditure consists of the following: -

|                        | ACTUAL<br>2004<br>R |
|------------------------|---------------------|
| Land and building      | 2 768 923           |
| Furniture and Fittings | 136 658             |
| Motor Vehicles         | 1 321 337           |
| Plant and Equipment    | 118 067             |
| Computer Equipment     | 262 672             |
| Tools                  | 5 995               |
| Pre-Schools            | 14 476 562          |
| Sport Field            | 597 932             |
| Fencing and Toilets    | 790 706             |
| Community Halls        | 4 097 557           |
| Testing Centre         | 759 581             |
| Poultry                | 70 561              |
| Recreational Park      | 179 741             |
| Milling                | 233 531             |
| Backery                | 550 476             |
| Roads                  | 28 111 287          |
| Schools                | 220 731             |
| Small Business Unit    | 182 288             |
| Cementry               | 82 078              |
| Irrigation Scheme      | 167 195             |
| Sanitation             | 2 753 972           |
| Water Meters           | 505 404             |
| Water Works            | 4 899 522           |
|                        | <b>63 292 776</b>   |

**UMZIMVUBU MUNICIPALITY**

ANNUAL FINANCIAL STATEMENTS -  
for the year ended 30 June 2004

**TREASURER'S REPORT (Continued)**

Resources used to finance the fixed assets were as follows: -

|                      | ACTUAL<br>2004<br>R |
|----------------------|---------------------|
| Operating account    | 63 292 776          |
| Grants and subsidies | -                   |
|                      | <b>63 292 776</b>   |

A detailed analysis of fixed assets can be examined on Appendix C.

**EXTERNAL LOANS, INVESTMENTS AND CASH**

3. There was no external loans during the year under review.

Investments and cash on hand at 30 June 2004 amounted to R62 827 483( 2002: R94 038 828 )

More information regarding loans and investments are disclosed in the notes and Appendix B

**FUNDS AND RESERVES**

4. More information regarding Funds and Reserves can be viewed on Appendix A.

**POST BALANCE SHEET EVENTS**

5. No material events has occurred since the balance sheet date.

**EXPRESSION OF APPRECIATION**

6. I am grateful to the Mayor and the Council, the Municipal Manager and to the staff at large for their support and in particular, the representatives of the Auditor General for their assistance and support during the year.

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L.L.D Pepeta  
FINANCE MANAGER

## STATUTORY FUNDS, TRUST FUNDS, PROJECT FUNDS AND RESERVES

|  | Balance at 30<br>June 2003 | Contr during<br>the period | Interest on<br>investment | Re-classified | Operating<br>expenditure<br>during the year | Capital<br>expenditure<br>during the year | Balance at 30<br>June 2004 |
|--|----------------------------|----------------------------|---------------------------|---------------|---|---|----------------------------|
| <b>STATUTORY FUNDS</b>                           |                            |                            |                           |               |   |   |                            |
| Revolving fund                                   | 262 791                    | 109 973                    | -                         | -             | -   | -   | 372 764                    |
|  | 262 791                    | 109 973                    | -                         | -             | -   | -   | 372 764                    |
| <b>TRUST FUNDS</b>                               |                            |                            |                           |               |   |   |                            |
| Roads  | 9 554 728                  | -                          | -                         | -             | -   | (9 554 728)                               | -                          |
| Survey   | 352 637                    | -                          | 14 704                    | -             | -   | -   | 367 341                    |
| Xesibe Tourism                                   | 246 315                    | 50 338                     | 669                       | -             | (211 826)                                   | -   | 85 497                     |
| Free Basic Services                              | 16 228 722                 | -                          | 1 336 699                 | -             | -   | -   | 17 565 421                 |
| Local Economic Development<br>Bucket System Fund | 531 698                    | -                          | 48 734                    | -             | (250 900)                                   | -   | 329 532                    |
|  | -                          | 3 000 000                  | -                         | -             | -   | -   | 3 000 000                  |
|  | 26 914 100                 | 3 050 338                  | 1 400 806                 | -             | (462 726)                                   | (9 554 728)                               | 21 347 791                 |
| <b>PROJECT FUNDS</b>                             |                            |                            |                           |               |   |   |                            |
| Transitional Fund                                | 111 847                    | -                          | -                         | -             | -   | -   | -                          |
| Mt Ayliff PHP Hund                               | 1616496.3                  | 7 324 094                  | 58 649                    | -             | (9 696 100)                                 | -   | ( 696 862)                 |
| Mt Frere PHP Hund                                | -                          | 5 236 211                  | 77 572                    | -             | (4 757 868)                                 | -   | 555 915                    |
| Tyoksville                                       | 2788746                    | -                          | -                         | -             | -   | -   | 2 788 746                  |
| Housing  | 544176                     | -                          | -                         | -             | -   | -   | 544 176                    |
| Municipal Support Programme<br>IDP Fund          | 1 352 002                  | 1 000 000                  | 49 196                    | -             | ( 210)                                      | -   | 2 400 989                  |
|  | -                          | -                          | -                         | -             | -   | -   | -                          |
|  | 6 413 268                  | 13 560 305                 | 214 861                   | -             | (14 454 178)                                | -   | 5 734 255                  |
| <b>GENERAL RESERVES</b>                          |                            |                            |                           |               |   |   |                            |
| Reserves   | -                          | -                          | -                         | -             | -   | -   | -                          |
|  | -                          | -                          | -                         | -             | -   | -   | -                          |

UMZIMVUBU MUNICIPALITY

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

EXTERNAL LOANS

|                             | Balance at 30<br>June 2003 | Contribution<br>during the year | Interest<br>capitalised | Redeemed of<br>written off<br>during the year | Balance at 30<br>June 2004 |
|-----------------------------|----------------------------|---------------------------------|-------------------------|---|----------------------------|
| <b>INTERNAL ADVANCES</b>    |                            |                                 |                         |   |                            |
| Revolving Fund              | -                          | 83 053                          |                         |   | 83 053                     |
| Mt Frere Survey             | 125 512                    | -                               |                         |   | 125 512                    |
| Xesibe Tourism              |                            | (204 694)                       |                         |   | (204 694)                  |
| LED Fund                    |                            | (377 251)                       |                         |   | (377 251)                  |
| Mt Frere PHP                |                            | (88 539)                        |                         |   | (88 539)                   |
| Mt Ayliff PHP               |                            | (1 692 159)                     |                         |   | (1 692 159)                |
| Municipal Support Programme | 697 119                    | 826 839                         |                         | (697 119)                                     | 826 839                    |
|                             | <b>822 631</b>             | <b>(1 452 752)</b>              | <b>-</b>                | <b>(697 119)</b>                              | <b>(1 327 240)</b>         |

## ANALYSIS OF FIXED ASSETS

|  | Budget for 2004    | Balance as at 30  |                   | Written off /<br>transferred | Balance as at 30<br>June 2004 |
|--|--------------------|-------------------|-------------------|------------------------------|-------------------------------|
|  |                    | June 2003         | Expenditure       |                              |                               |
| <b>Rates and General Services</b>                      | <b>43 890 700</b>  | <b>15 360 112</b> | <b>54 966 683</b> | -                            | <b>70 326 795</b>             |
| <b>Community Services</b>                              | <b>43 890 700</b>  | <b>15 360 112</b> | <b>54 966 683</b> | -                            | <b>70 326 795</b>             |
| Land and building                                      | 6 000 000          | 900 578           | 2 768 923         | -                            | 3 669 501                     |
| Furniture and Fittings                                 | 130 000            | 142 034           | 136 658           | -                            | 278 692                       |
| Office equipment                                       | 8 000              | -                 | -                 | -                            | -                             |
| Motor Vehicles   | 420 000            | 1 520 413         | 1 321 337         | -                            | 2 841 750                     |
| Plant and Equipment                                    | 42 000             | 84 521            | 118 067           | -                            | 202 588                       |
| Computer Equipment                                     | 685 700            | 1 108 479         | 262 672           | -                            | 1 371 151                     |
| Software   | 35 000             | -                 | -                 | -                            | -                             |
| Tools  | -                  | -                 | 5 995             | -                            | 5 995                         |
| Pre-Schools  | 2 350 000          | 7 078 038         | 14 476 562        | -                            | 21 554 600                    |
| Sport Field  | 2 000 000          | 161 213           | 597 932           | -                            | 759 145                       |
| Fencing and Toilets                                    | -                  | 399 022           | 790 706           | -                            | 1 189 728                     |
| Community Halls  | 2 400 000          | 1 480 996         | 4 097 557         | -                            | 5 578 553                     |
| Testing Centre   | -                  | 435 805           | 759 581           | -                            | 1 195 386                     |
| Project Expenditure                                    | 29 773 000         | 1 562 099         | -                 | -                            | 1 562 099                     |
| Poultry  | -                  | 469 196           | 70 561            | -                            | 539 757                       |
| Recreational Park                                      | -                  | -                 | 179 741           | -                            | 179 741                       |
| Milling  | -                  | -                 | 233 531           | -                            | 233 531                       |
| Backery  | -                  | -                 | 550 476           | -                            | 550 476                       |
| Roads  | -                  | -                 | 28 111 287        | -                            | 28 111 287                    |
| Schools  | -                  | -                 | 220 731           | -                            | 220 731                       |
| Small Business Unit                                    | -                  | -                 | 182 288           | -                            | 182 288                       |
| Cemetry  | -                  | -                 | 82 078            | -                            | 82 078                        |
| Mayoral Chain  | -                  | 17 719            | -                 | -                            | 17 719                        |
| Sanitory   | 47 000             | -                 | -                 | -                            | -                             |
| <b>Trading Services</b>                                | <b>56 464 000</b>  | <b>636 033</b>    | <b>8 326 093</b>  | -                            | <b>8 962 126</b>              |
| Irrigation Scheme                                      | -                  | -                 | 167 195           | -                            | 167 195                       |
| Sanitation   | -                  | -                 | 2 753 972         | -                            | 2 753 972                     |
| Water Meters   | -                  | 366 251           | 505 404           | -                            | 871 655                       |
| Water Works  | 56 464 000         | 269 782           | 4 899 522         | -                            | 5 169 304                     |
|  | <b>100 354 700</b> | <b>15 996 145</b> | <b>63 292 776</b> | -                            | <b>79 288 921</b>             |
| <b>Less: Loans redeemed and other capital receipts</b> |                    | <b>15 996 145</b> | <b>63 292 776</b> | -                            | <b>79 288 921</b>             |
| Loans Redeemed   |                    | -                 | -                 | -                            | -                             |
| Revenue Contribution                                   |                    | 1 298 085         | 63 292 776        | -                            | 64 590 861                    |
| Grants and Subsidies                                   |                    | 14 698 060        | -                 | -                            | 14 698 060                    |
| <b>NET FIXED ASSETS</b>                                |                    | -                 | -                 | -                            | -                             |