

***INTSIKA YETHU MUNICIPALITY***

**FINANCIAL STATEMENTS**

For the year ended 30 June 2004

## INDEX

	PAGE NO
1. GENERAL INFORMATION	3-4
2. FOREWORD	5
3. REPORT OF THE AUDITOR GENERAL	6
4. CHIEF FINANCE OFFICER'S REPORT	7-8
5. ACCOUNTING POLICIES	9-12
6. BALANCE SHEET	13
7. INCOME STATEMENT	14
8. CASH FLOW STATEMENT	15
9. NOTES TO THE FINANCIAL STATEMENTS	16-18
10. APPENDICES:	
A. STATUTORY FUNDS, RESERVES AND PROVISIONS	19
B. EXTERNAL LOANS AND INTERNAL ADVANCES	20
C. ANALYSIS OF FIXED ASSETS	21
D. ANALYSIS OF OPERATING INCOME AND EXPENDITURE	22
E. DETAILED INCOME STATEMENT	23

## GENERAL INFORMATION

### MEMBERS OF INTSIKA YETHU MUNICIPAL COUNCIL

- |    |             |                |     |             |
|----|-------------|----------------|-----|-------------|
| 1. | S.D. PLATA  | <b>MAYOR</b>   | 40. | P. NCUBE    |
| 2. | M. SOKUJIKA | <b>SPEAKER</b> | 41. | M. TIME     |
| 3. | N.C. DZEDZE |                | 42. | M. SHUGU    |
|    |             |                | 43. | M.D. TIME   |
|    |             |                | 44. | Q. BUYAPHI  |
|    |             |                | 45. | S. NCAPEYI  |
|    |             |                | 46. | M. KOLOFANE |
- COUNCILLORS**
4. T.W. BIKWANA
  5. N. MAHLAMBE
  6. A.Z. MBOTOLOSHI
  7. S. NDUDULA
  8. M. YOTSI
  9. M.K. MAKHAPHELA
  10. N. BOYANA
  11. N. SOBOYISI
  12. W.V. SOBHEKWA
  13. T.M. MANTSHI
  14. M.G. NTSHINKA
  15. M.N. RIGALA
  16. S.R. VOLOKI
  17. V.R. KEWANA
  18. E.Z. MDYOSI
  19. N. TSOMO
  20. M. MZINYATHI
  21. M.H. HEWU
  22. D. KASPILE
  23. P. NQANDE.A
  24. S.T. NYANDANA
  25. S. MYATAZA
  26. O.M. MAPASA
  27. A.M. MAGIDA

**GRADING OF THE MUNICIPALITY**

Grade 3

**AUDITORS**

Office of the Auditor General

**BANKERS**

First National Bank - Cofimvaba

**REGISTERED OFFICE**

Main Office

Main Road

Cofimvaba

P.O. Box 11

Tel.: 047 874 0704

Fax: 047 874 0010

**MUNICIPAL MANAGER**

Mr M.S. Dinga

**FINANCIAL MANAGER**

Mr M.S. Dinga

**APPROVAL OF FINANCIAL STATEMENTS**

The annual financial statements tabulated on pages ..... to ..... were approved by the Municipal Manager on ..... and presented to and approved by Council on .....

.....  
**MUNICIPAL MANAGER**

.....  
**CHIEF FINANCIAL OFFICER**

FOREWORD

.....  
EXECUTIVE COMMITTEE CHAIRPERSON

REPORT OF THE AUDITOR GENERAL

## CHIEF FINANCIAL OFFICER'S REPORT

### 1. OPERATIONS RESULTS

Below is the summary of the results of operations for the year ended 30 June 2004. Details hereof are tabulated in appendices .....

	2004	2003
<b>INCOME</b>		
Rates and General Services	58,711,972	56,037,303
Trading Services	<u>217,841</u>	<u>211,001</u>
Total Income	58,929,813	56,548,304
Less:		
<b>EXPENDITURE</b>		
Rates and General Services	21,974,743	46,424,203
Trading Services	<u>97,219</u>	<u>225,273</u>
Total Expenses	22,071,962	46,649,477
Surplus(Deficit)	36,857,851	9,598,827

### 2. CAPITAL EXPENDITURE AND FINANCING

	2004	2003
Intsika Yethu Municipality	1,580,141	37,985,893

Resources used to finance fixed assets

	2004	2003
Revenue Contribution	1,580,141	
Grants & Subsidy		37,985,893

### 3. EXTERNAL LOANS, INVESTMENTS AND CASH

The municipality had no outstanding external loans on 30 June 2004.

#### **Investments**

<b>2004</b>	<b>2003</b>	<b>Increase(decrease)</b>
549,853	22,223,294	(21,673,441)

There has been a decrease of R21,673,441 in investments compared to 2003 due to the fact that some bank accounts which were reflected as investments last year appear in the Bank and Cash balance this year.

#### **Bank and Cash**

<b>2004</b>	<b>2003</b>	<b>Increase(decrease)</b>
33,736,757	9,093,924	24,642,833

Bank and Cash have increased by R24,642,833.



## ACCOUNTING POLICIES

### 1. BASIS OF PRESENTATION

- 1.1 These financial statements have been prepared to conform with the standards prescribed by IMFO.
- 1.2 The financial statements have been prepared on the historical cost basis, adjusted for Capital Expenditure as more fully detailed in note three. The accounting policies are consistent with those applied in the previous year except if otherwise indicated.
- 1.3 The financial statements are prepared on the accrual basis:
  - Income is accrued when collectable and measurable. Certain direct income is accounted for, when received such as traffic fines and certain licences.
  - Expenditure is accrued in the year in which it is incurred.

### 2. CONSOLIDATION

The balance sheet includes the Rate and *General Service*, *Housing Service*, *Trading Services* and the different funds, reserves and provisions. All inter-departmental charges are set-off against each other.

### 3. FIXED ASSETS

- 3.1 Fixed assets are stated:
  - at historical cost, whilst they are in existence and fit for use.
- 3.2 Depreciation

The balance shown against the head "loans redeemed and other capital receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences to exist. By way of this provision assets are written down over their estimated useful lives.

Apart from advances from the various Council funds, assets may also be acquired through:

- Appropriations from income, where the full cost of the asset

Forms an immediate and direct charge against the operating income and it is therefore unnecessary to make any further provision for depreciation.

- External contributions, Grants or Donations and Subsidies, Where the amount representing the value received are immediately credited to the "loans redeemed and other capital receipts" account.

3.3 All net proceeds from the sale of fixed property are credited either to the Public Improvement Fund or Capital Development Fund, depending on which fund the property was acquired for and charged to. Net proceeds from the sale of all other assets are credited either to the relevant department in which the asset was purchased or to the Capital Development Fund.

3.4 Fixed assets are financed from different sources, including external loans and contributions, operating income and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest is charged to the services concerned at the ruling interest rate applicable at the time the advance is made.

#### 4. FUNDS, RESERVES & PROVISIONS

##### 4.1 Capital Development Fund (CDF)

The Local Authorities Legislation requires that a minimum contribution of 3% of the total revenue accruing to the rate and general service and relevant trading services be made to Capital Development Fund.

##### 4.2 Public Improvement Fund (PIF)

The Local Authorities Legislation requires that all monies not otherwise appropriated by law received by the Council from any alienation of immovable property, any endowments payable in terms of the Town Planning scheme and any proceeds of any loan raised by the Council for the purpose of improvements, shall be paid into the Public Improvement Fund.

##### 4.3 Provisions

#### 4.3.1 Audit Provision

This provision is being built up to meet costs during the following financial year.

#### 4.3.2 Leave Provision

This provision is being built up to account for leave accruals to employees during the year.

#### 4.3.3 Bad debt provision

This provision is being built up with the object of providing sufficient funds for the writing off of irrecoverable debts.

### 5. RETIREMENT BENEFITS

Current contributions are charged against operating income on the basis of current service costs.

### 6. SURPLUSES AND DEFICITS

The Water Services is a closed account and any surplus is retained in the Service for its own use.

### 7. TREATMENT OF ADMINISTRATIVE AND OTHER OVERHEAD EXPENSES

Administrative expenses are recharged to each service on the basis of estimated time spent and cost of facilities used.

### 8. LEASED ASSETS

Leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the asset concerned.

### 9. INVESTMENTS

Investments are made in accordance with the provisions of the Local Authorities Legislation and are shown at cost. Interest accrued to the year is accounted for on all investments.

## 10. INCOME RECOGNITION

### 10.1 General services and Water Billings

All consumer meters where applicable are read and billed on a monthly basis.

### 10.2 Assessment Rates

A general rate is levied based on the property value of land. Differential rebates are granted on State owned properties.

**Intsika Yethu Municipality****Balance Sheet as at 30 June 2004**

		<b>2,004</b>	<b>2,003</b>
<b>CAPITAL FUNDS EMPLOYED</b>			
Funds and Reserves		-26,927,296	1,466,589
Statutory Funds	1	-	-
Retained Surplus		66,690,696	28,753,195
Trust Funds	2	-	4,562,011
Deposits	3	-	5,671,642
		<u><b>39,763,400</b></u>	<u><b>40,453,437</b></u>
<b>EMPLOYMENT OF CAPITAL FUNDS</b>			
<b>Fixed Assets</b>	4	<b>2,669,712</b>	-
<b>Investments</b>	5	<b>549,853</b>	<b>32,751,376</b>
<b>Net Current Assets (Liabilities)</b>		<b>36,543,835</b>	<b>7,702,061</b>
<b>Current Assets</b>		<b>37,857,166</b>	<b>10,705,341</b>
Debtors	7	4,120,409	1,611,417
Bank & Cash		33,736,757	9,093,924
<b>Current Liabilities</b>		<b>1,313,331</b>	<b>3,003,280</b>
Provisions	8	-	558,237
Creditors	9	1,313,331	2,445,043
		<u><b>39,763,400</b></u>	<u><b>40,453,437</b></u>

**INTSIKA YETHU MUNICIPALITY****INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2004**

	2,004			2,003		
	<u>Income</u>	<u>Expenditure</u>	<u>Surplus/Deficit</u>	<u>Income</u>	<u>Expenditure</u>	<u>Surplus/Deficit</u>
<b>RATES AND GENERAL SERVICES</b>	<b>58,711,972</b>	<b>21,974,743</b>	<b>14,480,949</b>	<b>56,037,303</b>	<b>46,424,204</b>	<b>9,613,100</b>
Community Services	58,617,768	21,787,067	14,457,544	55,971,363	46,109,281	9,862,082
Subsidised Services	-	-	-	-	4,846	-4,846
Economic Services	94,204	187,676	23,405	65,940	310,077	-244,136
<b>HOUSING</b>	-	-	-	-	-	-
<b>TRADING SERVICES</b>	<b>217,841</b>	<b>97,219</b>	<b>63,007</b>	<b>211,001</b>	<b>225,273</b>	<b>-14,272</b>
<b>TOTAL</b>	<b>58,929,813</b>	<b>22,071,962</b>	<b>36,857,851</b>	<b>56,246,304</b>	<b>46,649,477</b>	<b>9,596,827</b>
Appropriations for this year (ref. Note 14)			-			540,825
Net Surplus(deficit) for the year			36,857,851			10,137,652
Accumulated Surplus (deficit) at beginning of the year			29,832,845			19,695,193
Accumulated surplus (deficit) at end of the year			66,690,696			29,832,845
Refer to Appendix D and E for more detail						

**INTSIKA YETHU MUNICIPALITY****CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2004**

	Notes	2004 R	2003 R
CASH (UTILISED) / RETAINED FROM OPERATING ACTIVITIES:		-1,213,905	36,909,566
Cash generated by operations	15	66,690,696	-44,309,469
Investment income			843,657
(Increase) in working capital	16	-5,301,082	-5,287,438
Less : External interest paid		-48,759,461	-48,753,250
Cash available from operations		-48,759,461	-48,753,250
Cash contributions from the State		30,483,003	54,449,121
Cash contributions from the public		-	-
		17,062,553	31,213,695
CASH UTILISED IN INVESTING ACTIVITIES:			
Investment in Fixed Assets		-1,580,141	-37,985,893
NET CASH FLOW		<u>-2,794,046</u>	<u>-1,076,327</u>
CASH EFFECTS OF FINANCING ACTIVITIES			
(Increase) / decrease in cash investments	17	19,023,951	-19,610,106
Increase / (decrease) in trust funds		-	-396,237
(Increase) / decrease in cash balances	18	-24,642,833	26,507
		<u>2,794,046</u>	<u>-19,979,836</u>

**INTSIKA YETHU MUNICIPALITY**  
**NOTES TO FINANCIAL STATEMENTS AT 30 JUNE 2003**

	<b>2004</b>	<b>2003</b>
<b>1. STATUTORY FUNDS</b>		
Capital Development Fund	-	-
Employer's Levy Fund	-	58,332
Revolving Fund	-	-
	<u>-</u>	<u>58,332</u>
<b>2. TRUST FUNDS</b>		
	<u>-</u>	<u>4,562,011</u>
	<u>-</u>	<u>4,562,011</u>
<b>3. DEPOSITS</b>		
Consumer Deposits	-	5,671,642
	<u>-</u>	<u>5,671,642</u>
<b>4. FIXED ASSETS</b>		
Fixed Assets at beginning of the year	-	9,840,026
Capital outlay during the year	2,669,712	37,985,893
Less: Assets written off during the year	-	-
Total Fixed Assets	2,669,712	47,825,919
Less: Loans redeemed and other capital receipts	-	47,825,919
Net Fixed Assets	<u>2,669,712</u>	<u>-</u>
<b>5. INVESTMENTS</b>		
Cofimvaba Municipal Registry 56921118456		7,280
Municipal Registry 62027099234		40,159
Municipal Rank 62026740549		128,499
IDP 72026742404		3,463,360
CIMIP 62022329438		1,205,095
Call Account 62027101245		73,364
Equitable Share Investment 62022332316		14,746,827
Housing Project 67952023535		256,081
Equitable Share Investment 74045339170		10,528,082
Standard Bank 32 - day Notice		19,512
Investment Account 1		4,855
Investment Account 2		210,589
Investment Account 3		6,889
Investment Account 5		681,857
Fixed Deposit Investments		258,200
Revolving Fund Investment		15,133
Call Acc. FNB		26,599
IGG Call Acc.		7,269
IGG Investment Acc.		18,253
FNB Call Acc.		112,418
Investment Acc - 740004075		80,537
Investment Acc - Meeg Bank	399,853	308,813
Development Fund - Investment		150,000
Town Planning Investment		1,373
Long Term Investment		50,607
IDP Investment		344,735
Enyanisweni Housing Project		4,989



Global Growth Portfolio (Endowment Policy) - FNB Acc. No. 94865858	150,000	-
Total Investments	<u>549,853</u>	<u>32,751,375</u>
<b>6. LONG TERM DEBTORS</b>		
Vehicle Loans	-	-
less: Short Term Portion of Long Term Debtors transferred to Current Assets	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>7. DEBTORS</b>		
Current Debtors (Consumer and Other)	1,896,370	2,548,034
Sundry Debtors (Receiver of Revenue)	<u>2,224,039</u>	<u>1,046,837</u>
	4,120,409	3,594,871
less: Provision for Bad Debts	<u>-</u>	<u>1,983,454</u>
	<u>4,120,409</u>	<u>1,611,417</u>
<b>8. PROVISIONS</b>		
Audit Fees	-	292,639
Accounting Fees	<u>-</u>	<u>265,598</u>
	<u>-</u>	<u>558,237</u>
<b>9. CREDITORS</b>		
Trade Creditors	-	1,582,588
Sundry Creditors	<u>1,313,331</u>	<u>1,420,692</u>
	<u>1,313,331</u>	<u>3,003,280</u>
<b>10. ASSESSMENT RATES</b>		
Rateable Site Valuation at 1 July 2001	4,304,394	4,304,394
Valuations on land are done every 5 years. The last general valuation was done in 1991 followed by an interim valuation in 1996.		
<b>11. COUCILLORS' REMUNERATION - ANNUALLY</b>		
Mayor's Allowance	-	-
Deputy Mayor's Allowance	-	-
Councillors Allowance	<u>268,258</u>	<u>1,383,704</u>
	<u>268,258</u>	<u>1,383,704</u>
<b>12. AUDITOR'S REMUNERATION</b>		
Current Year Fees	<u>178,880</u>	<u>100,000</u>
	<u>178,880</u>	<u>100,000</u>
<b>13. FINANCE TRANSACTIONS</b>		
Total External Interest Earned or Paid		
Interest Earned	9,843	843,657
Operating Account retained by Funds	<u>9,843</u>	<u>843,657</u>
Interest Paid	<u>-</u>	<u>253</u>
Capital Charges Debited to Operating Account		
Interest		
External	-	-
Internal	-	-

Redemption	External	-	-
	Internal	-	-
		<u>-</u>	<u>-</u>
		<u><u>-</u></u>	<u><u>-</u></u>

#### 14. APPROPRIATIONS

Appropriation Account		-	-
Accumulated Surplus at the beginning of the year		29,832,845	19,695,192
Operating Surplus / (Deficit) for the Year		36,857,851	9,598,827
Appropriations for the year		-	-540,825
Prior year adjustments		-	540,825
Provision for Bad Debts		-	-
Accumulated Surplus or (Deficit) at the end of the year		<u>66,690,696</u>	<u>29,294,019</u>

#### 15. CASH GENERATED/(UTILISED) BY OPERATIONS

Surplus (Deficit) for the year		66,690,696	9,598,827
Adjustments in respect of			
Previous year's operating transactions		-	540,825
Appropriations charged against income			
Capital Development Fund		-	-
Provisions and reserves		-	-
Fixed Assets		-	-
Grants and Subsidies from the State		-30,483,003	-54,449,121
Investments income (operating account)			
Non-operating (Income) / Expenditure			
Expenditure / (Income) charged against			
Provisions and Reserves		-	-
Trust Funds		-	-
Statutory Funds		-	-
		36,207,693	-44,309,469

#### 16. (INCREASE)/DECREASE IN WORKING CAPITAL

(Increase) / Decrease in Debtors		-2,723,392	-1,396,417
Increase / (Decrease) in Creditors		-2,577,690	-3,891,021
		<u>-5,301,082</u>	<u>-5,287,438</u>

#### 17. (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS

Investments opening balance		19,573,804	13,141,270
Investments closing balance		549,853	32,751,376
		<u>19,023,951</u>	<u>-19,610,106</u>

#### 18. (INCREASE)/DECREASE IN CASH ON HAND

Cash balance beginning of the year		9,093,924	9,120,431
Cash balance at end of the year		33,736,757	9,093,924
		<u>-24,642,833</u>	<u>26,507</u>

## INTSIKA YETHU MUNICIPALITY

### APPENDIX A

#### ACCUMULATED FUNDS, RESERVES AND PROVISIONS - JUNE 2004

	Balance at 30.06.2003	Contributions during the year	Interest on Investments	Other Income	Expenditure during the year	Adjustments	Balance at 30.06.2004
<b>ACCUMULATED FUNDS</b>							
Capital Development Fund	-						-
Revolving Fund	1,408,267					-1,408,267	-
Employers Levy Fund	58,322					-58,322	-
Trust Funds	4,562,011					-4,562,011	-
Pilot Housing Trust Fund	-24,752					24,752	-
IGG Grant Fund	1,800,940					-1,800,940	-
General Capital Fund	3,860					-3,860	-
Motor Vehicle Reg & Licencing	49,831					-49,831	-
Rank	808,794					-808,794	-
Stadium	79,057					-79,057	-
Community Hall	241,600					-241,600	-
CMIP Trust Fund	1,205,095					-1,205,095	-
Municipal Survey Fund	80,696					-80,696	-
Income Generating Projects	16,600					-16,600	-
IDP	295,302					-295,302	-
Enyanisweni Development Fund	4,988					-4,988	-
Other Trust Funds	-					-	-
Public Improvement Fund	-					-	-
	<b>6,028,600</b>	-	-	-	-	<b>-6,028,600</b>	-
N.B.							

We have been informed by the Municipal Manager that the Municipality does not have a trust account but operates from its main account and various other accounts inherited from the previous TLC's. The amounts take on balances from last financial year have been adjusted to reflect the actual situation.

## INTSIKA YETHU MUNICIPALITY

## APPENDIX B

## EXTERNAL LOANS AND INTERNAL ADVANCES

EXTERNAL LOANS	Interest Rate	Balance at 30.06.2003	Received during the year	Redeemed or written off during the year	Balance at 30.06.2004
	%	R	R	R	R
ANNUITY LOANS		-	-	-	-
FIXED LOANS		-	-	-	-
GOVERNMENT LOANS		-	-	-	-
		-	-	-	-

INTERNAL ADVANCES TO BORROWING SERVICES	Interest Rate	Balance at 30.06.2003	Received during the year	Redeemed or written off during the year	Balance at 30.06.2004
	%	R	R	R	R
Revolving Fund		-	-	-	-
Rank Fund		-	-	-	-
Employees Levy Fund		-	-	-	-
IGG Fund		-	-	-	-
IDP Fund		-	-	-	-
Housing Project		-	-	-	-
Survey Fund		-	-	-	-
		-	-	-	-

**INTSIKA YETHU MUNICIPALITY**  
**APPENDIX C**  
**ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED JUNE 2004**

Expenditure 2003 R	Service	Budget 2004 R	Balance at 30.06.2003 R	Expenditure 2004 R	Written off transferred R	Balance at 30.06.2004 R
9,840,026	<b>RATES AND GENERAL</b>	-	47,825,919	2,669,712	-	50,495,631
	<b>SERVICES</b>					
8,789,957	<b>Community Services</b>	-	46,775,850	2,669,712	-	49,445,562
8,789,957	- Council General	-	-	-	-	-
	- Finance	-	1,899,285	-	-	1,899,285
	- Municipal Manager	-	8,789,957	1,985,712	-	10,775,669
	- Public Works	-	36,086,608	684,000	-	-
	- Roads & Stormwater	-	-	-	-	-
	- Municipal Planning	-	-	-	-	-
	- Parks and Recreation	-	-	-	-	-
	- Administration	-	-	-	-	-
	- Community Hall	-	-	-	-	-
-	<b>Subsidised Services</b>	-	-	-	-	-
	- Civic Buildings	-	-	-	-	-
	- Library	-	-	-	-	-
255,294	<b>Economic Services</b>	-	255,294	-	-	255,294
255,294	- Cleansing	-	-	-	-	-
	- Sewerage	-	255,294	-	-	255,294
-	<b>Housing</b>	-	-	-	-	-
	- Economic	-	-	-	-	-
	- Sub-Economic	-	-	-	-	-
794,775	<b>TRADING SERVICES</b>	-	794,775	-	-	-
794,775	Water	-	794,775	-	-	-
-	<b>PUBLIC IMPROVEMENT FUND</b>	-	-	-	-	-
9,840,026	<b>TOTAL FIXED ASSETS</b>	-	47,825,919	2,669,712	47,825,919	2,669,712
9,840,026	<b>LOANS REDEEMED AND OTHER</b>		47,825,919	-	47,825,919	-
	<b>CAPITAL ASSETS</b>					
30,000	Loans redeemed and advances repaid		30,000			30,000
3,523,038	Contributions from operating income		3,523,038	2,669,712		6,192,750
6,286,988	Grants & Donations		44,272,881			44,272,881
	<b>- NET FIXED ASSETS</b>			2,669,712		2,669,712

**INTSIKA YETHU MUNICIPALITY****Appendix D****ANALYSIS OF OPERATING INCOME & EXPENDITURE  
FOR THE YEAR ENDED 30 JUNE 2004**

	<b>ACTUAL 2004 R</b>	<b>BUDGET 2004 R</b>	<b>ACTUAL 2003 R</b>
<b><u>INCOME</u></b>			
Govt. Grants Subsidies	30,483,003	29,290,315	54,449,121
Rates	61,451	75,000	673,525
Water	217,841	260,000	211,001
Electricity	-	-	-
Sewerage	49,315	50,000	18,317
Cleansing	44,889	35,000	47,623
Traffic Fines	233,203	300,000	-
Other Services	350,932	2,887,516	-
Roll overs	-	12,437,393	-
Other Income	27,489,180	9,240,857	848,717
<b>GROSS INCOME</b>	<b>58,929,813</b>	<b>54,576,081</b>	<b>56,248,304</b>
<b><u>EXPENDITURE</u></b>			
Salaries, wages & Allowances	5,255,188	183,273	3,115,515
General expenses - Other	14,663,441	16,945,743	4,902,279
General expenses - Bulk Sewerage	-	125,000	20,125
General expenses - Bulk Water	97,219	163,366	204,069
Repairs of Mantainance	475,972	1,745,000	36,395,203
Capital Charges	-	-	-
Contributions to fixed assets	1,580,141	20,414,299	2,089,145
Contributions	-	-	-
<b>GROSS EXPENDITURE</b>	<b>22,071,962</b>	<b>54,576,081</b>	<b>46,726,336</b>
<b><i>Net Surplus (Deficit)</i></b>	<b>36,857,851</b>	<b>-</b>	<b>9,521,968</b>

## INTSIKA YETHU MUNICIPALITY

## Appendix E

## DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2004

2003	2003	2003		2004	2004	2004
Actual	Actual	Surplus/		Actual	Actual	Surplus
Income	Expenditure	(Deficit)		Income	Expenditure	(Deficit)
R	R	R		R	R	R
<b>RATES AND GENERAL</b>						
<b>55,937,303</b>	<b>46,424,224</b>	<b>9,513,079</b>	<b>SERVICES</b>	<b>58,711,972</b>	<b>21,974,743</b>	<b>36,737,229</b>
<b>55,871,363</b>	<b>46,109,311</b>	<b>9,762,052</b>	<b>Community Services</b>	<b>58,617,768</b>	<b>21,787,067</b>	<b>36,830,702</b>
573,525	-	573,525	Assessment Rates	61,451	-	61,451
55,297,838	5,700,098	49,597,740	Finance	58,323,114	18,748,053	39,575,061
-	31,458	-31,458	Commonage	-	-	-
-	1,383,704	-1,383,704	Council General Expenses	-	268,258	-268,258
-	195,617	-195,617	Public Works	-	-	-
-	2,455,282	-2,455,282	Municipal Manager & Admin	-	2,455,282	-2,455,282
-	36,343,152	-36,343,152	Roads and Stormwater	-	214,856	-214,856
-	-	-	Protection Services	233,203	100,618	132,585
-	<b>4,846</b>	<b>-4,846</b>	<b>Subsidised Services</b>	-	-	-
-	-	-	- Cemetery	-	-	-
-	4,846	-4,846	- Civic Buildings	-	-	-
-	-	-	- Parks and recreation	-	-	-
<b>65,940</b>	<b>310,067</b>	<b>-244,127</b>	<b>Economic Services</b>	<b>94,204</b>	<b>187,676</b>	<b>-93,472</b>
47,623	225,182	-177,559	Cleaning	44,889	102,791	-57,902
18,317	84,885	-66,568	Sewerage	49,315	84,885	-35,570
-	-	-	<b>HOUSING</b>	-	-	-
-	-	-	Housing	-	-	-
<b>21,001</b>	<b>225,273</b>	<b>-204,272</b>	<b>TRADING SERVICES</b>	<b>217,841</b>	<b>97,219</b>	<b>120,622</b>
21,001	225,273	-204,272	Water	217,841	97,219	120,622
-	-	-	Electricity	-	-	-
<b>55,958,304</b>	<b>46,649,497</b>	<b>9,308,807</b>	<b>TOTAL</b>	<b>58,929,813</b>	<b>22,071,962</b>	<b>36,857,851</b>

- Appropriation for this year -  
(refer to note 14)

9,598,827 Net surplus(deficit)for the year 36,857,851

Accummulated surplus(deficit)  
- beginning of the year 29,832,845

Accummulated surplus(deficit)  
9,598,827 end of the year 66,690,696