

BALANCE SHEET AS AT 30 JUNE 2004

	Note	2003/2004 R	2002/2003 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES			
Statutory funds	1	0	0
RETAINED SURPLUS	2	99,348,168	90,123,254
LONG TERM LIABILITIES	3	14,745,174	22,087,930
		<u>114,093,342</u>	<u>112,211,184</u>
EMPLOYMENT OF CAPITAL			
FIXED ASSETS	4	3,613,889	6,845,451
INVESTMENTS	5	10,031,671	74,397,802
LONG TERM DEBTORS	6	3,716,137	2,882,275
NET CURRENT ASSETS		96,731,645	28,085,656
CURRENT ASSETS		182,962,844	73,496,763
Debtors	7	8,897,445	6,729,651
Cash	16	174,065,399	66,767,112
CURRENT LIABILITIES		86,231,199	45,411,107
Provisions	8	890,563	821,278
Creditors	9	78,005,491	38,052,498
Loans: Short term portion of long term liabilities	3	7,335,145	6,537,331
		<u>114,093,342</u>	<u>112,211,184</u>

S SEWNARAIN
MUNICIPAL MANAGER

CERTIFIED AS CORRECT
J H G ERASMUS
CHIEF FINANCIAL OFFICER

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2004

	Note	2003/2004 R	2002/2003 R
CASH RETAINED FROM OPERATING ACTIVITIES :		50,555,417	55,202,097
Cash generated by operations	12	3,832,138	16,692,044
Investment income	11	14,066,628	15,835,710
Decrease / (Increase) in working capital	13	36,951,337	27,703,262
		54,850,103	60,231,016
Less: External interest paid	11	-4,294,686	-5,028,919
Cash available from operations		50,555,417	55,202,097
CASH UTILISED IN INVESTING ACTIVITIES :			
Lenings afgelos		0	0
Investment in fixed assets	4	-1,078,320	-2,912,162
NET CASH FLOW		<u>49,477,098</u>	<u>52,289,935</u>
CASH EFFECTS OF FINANCING ACTIVITIES :			
Increase/(decrease) in long-term loans	14	-6,544,942	-6,529,626
(Increase)/decrease in cash investments	15	64,366,131	-34,067,103
(Increase)/decrease in cash	16	-107,298,287	-11,693,207
Net cash (utilised/generated)		<u>-49,477,098</u>	<u>-52,289,935</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2004

	2003/2004	2002/2003
	R	R
1 ACCUMULATED FUNDS		
Capital development fund	-	-
Transport fund		
(Refer to Appendix A for more detailed information)	<u>-</u>	<u>-</u>
2 RETAINED SURPLUS		
Appropriation account:		
Accumulated surplus / (deficit) at the beginning of the year	90,123,254	69,195,494
Operating surplus for the year	(3,097,118)	12,499,166
Appropriation for the year:		
Prior year adjustments	12,322,032	8,428,594
Accumulated surplus / (deficit) at the end of the year	<u>99,348,168</u>	<u>90,123,254</u>
Trading account		
Capital expenses		-
Contribution to:		
Leave Reserve Fund	-	-
Disaster fund	-	-
	<u>-</u>	<u>-</u>
3 LONGTERM LIABILITIES		
Annuity loans	22,080,319	28,625,261
Less : Current portion transferred to Current Liabilities Annuity loans	7,335,145	6,537,331
(Refer to Appendix B for more detail on longterm liabilities)	<u>14,745,174</u>	<u>22,087,930</u>

Annuity Loans

Annuity loans carry interest at rates varying from 13.06% to 18.4% per annum and will be fully redeemed by 2008.

The loans are not secured by any assets

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2004

	2003/2004	2002/2003
	R	R
4 FIXED ASSETS		
Fixed assets at beginning of year	159,100,543	156,188,382
Capital expenditure during the year	1,090,474	2,912,163
Less: Assets written off, transferred or disposed of during the year	11,154	-
Less: Accumulated depreciation	21,407,206	10,658,873
Total fixed assets	<u>138,772,657</u>	<u>148,441,672</u>
Less: Loans redeemed and other capital receipts	135,158,768	141,596,221
Net fixed assets	<u><u>3,613,889</u></u>	<u><u>6,845,451</u></u>
(Refer to Appendix C and Paragraph 2 of the Chief Financial Officer's report for more detail on fixed assets)		
5 INVESTMENTS		
Unlisted		
Short term deposits	<u>10,031,671</u>	<u>74,397,802</u>
Total investments	<u><u>10,031,671</u></u>	<u><u>74,397,802</u></u>
6 LONG TERM DEBTORS		
Study Loans	175,253	150,110
Motor Loans	3,540,884	2,732,165
Loans to Local Authorities	-	-
Sundries	-	-
Total	<u><u>3,716,137</u></u>	<u><u>2,882,275</u></u>
7 DEBTORS		
Current debtors (consumers and other)	<u><u>8,897,445</u></u>	<u><u>6,729,651</u></u>
8 PROVISIONS		
Accumulated leave	700,723	606,666
Disaster Fund	189,841	214,612
(Refer to Appendix A for more detailed information)	<u><u>890,563</u></u>	<u><u>821,278</u></u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2004

	2003/2004	2002/2003
	R	R
9 CREDITORS		
Trade creditors	46,422,764	24,325,049
Retention	29,581,889	10,669,451
Other	2,000,838	3,057,998
	78,005,491	38,052,498
10 COUCILLOR'S REMUNERATION		
Councillor's allowance	4,813,923	3,338,461
	4,813,923	3,338,461
11 FINANCING TRANSACTIONS		
Total external interest earned or paid		
Interest earned	14,066,628	15,835,710
Capital charges debited to operating account :		
Interest:		
External	4,294,686	5,028,919
Internal	-	-
Redemption		
External	6,544,942	6,529,626
Internal	-	-
12 CASH GENERATED BY OPERATIONS		
(Deficit)/Surplus for the year	(3,097,118)	12,499,166
Payments against previous years trading transactions	12,322,032	8,428,594
Appropriations charged against income	1,078,320	2,912,162
- Leave Reserve Fund	-	-
- Capital development fund	-	-
- Disaster Fund	-	-
- Bad Debts	-	-
- Fixed assets	1,078,320	2,912,162
Investment income (operating account)	(13,972,571)	(15,685,621)
Capital charges:		
Interest paid:		
To internal funds	-	-
On external loans	4,294,686	5,028,919

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2004

	2003/2004	2002/2003
	R	R
Redemption:		
Of internal advances	-	-
Of external loans	3,231,561	3,520,489
Non-operating income:		
- Nett income from funds	-	-
Non-operating expenditure:		
- Expenditure charged against funds	<u>(24,772)</u>	<u>(11,665)</u>
13 (INCREASE) / DECREASE IN WORKING CAPITAL	<u>3,832,138</u>	<u>16,692,044</u>
(Increase)/decrease in debtors	(3,001,656)	13,668,641
Increase/(decrease) in creditors	<u>39,952,993</u>	<u>14,034,621</u>
	<u>36,951,337</u>	<u>27,703,262</u>
14 INCREASE/(DECREASE) IN LONGTERM LOANS (EXTERNAL)		
Loans raised	-	-
Loans repaid	(6,544,942)	(6,529,626)
	<u>(6,544,942)</u>	<u>(6,529,626)</u>
15 (INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS		
Investments made	(240,900,883)	(297,095,676)
Investments realised	<u>305,267,014</u>	<u>263,028,573</u>
	<u>64,366,131</u>	<u>(34,067,103)</u>
16 (INCREASE)/DECREASE IN CASH ON HAND		
Cash balance at the beginning of the year	66,767,112	55,073,905
Less: Cash balance at the end of the year	<u>174,065,399</u>	<u>66,767,112</u>
	<u>(107,298,287)</u>	<u>(11,693,207)</u>
17 CAPITAL DEVELOPMENT FUND		
Accumulated fund	-	-
Less: Outstanding advances to loan services	-	-
Less: Advances to towns	-	-
(See Appendix B for more detail)	<u>-</u>	<u>-</u>

INCOME STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2004

2002/2003	2002/2003	2002/2003		2003/2004	2003/2004	2003/2004	2003/2004
Actual income	Actual expenditure	Surplus / (Deficit)		Actual income	Actual expenditure	Surplus / (Deficit)	Budget Surplus / (Deficit)
-	11,776,097	(11,776,097)	SECTION 12(6)(A)	-	11,978,375	(11,978,375)	(11,936,121)
			Regional Functions				
-	75,473,317	(75,473,317)	SECTION 12(6)(B)	-	97,738,532	(97,738,532)	(121,429,050)
			Contribution to Local Bodies				
123,802,605	24,048,767	99,753,838	SECTION 12(6)(C)	134,822,180	28,178,891	106,643,288	88,809,080
			Administrative cost and levies				
-	5,258	(5,258)	SECTION 12(6)(E)	-	23,500	(23,500)	(31,650)
			Donations / Investigation monies etc.				
<u>123,802,605</u>	<u>111,303,439</u>	12,499,166	TOTAL	<u>134,822,180</u>	<u>137,919,298</u>	(3,097,118)	<u>(44,587,741)</u>
		<u>8,428,594</u>	Appropriations for the year			<u>12,322,032</u>	
		20,927,760	Net surplus / (deficit) for the year			9,224,914	
		<u>69,195,494</u>	Accumulated surplus at beginning of the year			<u>90,123,254</u>	
		<u>90,123,254</u>	ACCUMULATED SURPLUS AT END OF THE YEAR			<u>99,348,168</u>	

Refer to annexures D and E for more detailed information

APPENDIX A

STATUTORY FUNDS, TRUST FUNDS AND RESERVES

	Balance at 30/06/2003	Contributions during the year	Interest on Investments	Other Income	Expenditure during the year	Balance at 30/06/2004
	R	R	R	R	R	R
STATUTORY FUNDS						
Capital Development Fund	-	-	-	-	-	-
	-	-	-	-	-	-
PROVISIONS						
Accumulated leave	606,666		94,057			700,723
Disaster Fund	214,612	-	-		24,772	189,841
	821,278	-	94,057	-	24,772	890,563

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES

			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
EXTERNAL LOANS						
Issued	Loan no.	Redeemable				
Annuity Loan						
1995 @ 13.06 %	1	2005	6,845,450	-	3,231,561	3,613,889
1999 @ 18.4 %	2	2008	21,779,811		3,313,381	18,466,430
			28,625,261	-	6,544,942	22,080,319
INTERNAL ADVANCES TO CAPITAL ACCOUNT						
Capital Development Fund			-		-	
Advances to Local Authorities			-	-	-	
			-	-	-	-

APPENDIX C
ANALYSIS OF FIXED ASSETS

EXPENDITURE 2002/2003 R	SERVICE	BUDGET 2003/2004 R	BALANCE ON 30/06/2003 R	EXPENDITURE 2003/2004 R	WRITTEN OFF, TRANSFERRED OR SOLD DURING THE YEAR R	ACCUMULATED DEPRECIATION R	BALANCE ON 30/06/2004 R
2,465,460	CORPORATE SERVICES	2,022,000	12,344,047	713,746	11,154	1,290,992	11,755,647
434,337	Furniture	500,320	735,867	6,052	11,154	101,400	629,365
32,509	Paintings		6,687		-	1,336	5,351
-	Equipment	1,004,480	932,449	707,694	-	363,058	1,277,085
-	Vehicle's	505,200	628,130	-	-	155,804	472,326
1,998,614	Building	12,000	10,040,914	-	-	669,394	9,371,520
15,673	BUDGET & TREASURY	500,000	1,515,083	226,298	-	566,727	1,174,654
7,350	Furniture		179,390	-	-	35,856	143,534
-	Paintings		1	-	-	-	1
8,323	Equipment	500,000	1,335,692	226,298	-	530,871	1,031,119
431,030	MIS & PDP	530,000	423,031	150,430	-	105,391	468,070
196,476	Furniture	30,000	274,124	4,468	-	54,651	223,941
-	Paintings		5	-	-	-	5
68,924	Equipment	500,000	148,902	145,962	-	50,740	244,124
165,630	Vehicles			-	-	-	-
-	REGIONAL FUNCTIONS	-	144,818,382	-	-	19,444,096	125,374,286
-	Water		90,541,181	-	-	12,404,262	78,136,919
-	Sewer		53,525,905	-	-	6,955,314	46,570,591
-	Electricity		751,296	-	-	84,520	666,776
2,912,163		3,052,000	159,100,543	1,090,474	11,154	21,407,206	138,772,657
6,432,651	Less: Loans redeemed and other capital receipt		152,255,094	4,322,034	11,154	21,407,206	135,158,768
(3,520,488)	NETT FIXED ASSETS		6,845,449	(3,231,560)	-	-	3,613,889

APPENDIX D

ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDING 30 JUNE 2004

Actual 2002/2003		Actual 2003/2004	Budget 2003/2004
R		R	R
	INCOME		
	0 Regional Functions		
123,802,605	Income derived from levies, etc.	134,822,180	121,135,390
<u>123,802,605</u>		<u>134,822,180</u>	<u>121,135,390</u>
	EXPENDITURE		
11,776,097	Regional Functions	11,978,375	10,491,100
75,473,317	Contributions to Local Bodies	97,738,532	121,429,050
24,048,767	Administrative costs	28,178,891	29,376,690
5,258	Donations and Investigation monies, ect.	23,500	31,650
<u>111,303,439</u>		<u>137,919,298</u>	<u>161,328,490</u>

APPENDIX E

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2004

2002/2003	2002/2003	2002/2003		2003/2004	2003/2004	2003/2004	2003/2004
Actual income	Actual expenditure	Surplus (Deficit)		Actual income	Actual expenditure	Surplus (Deficit)	Budgeted Surplus (Deficit)
R	R	R		R	R	R	R
SECTION 12(6) A							
0	11,776,097	-11,776,097	REGIONAL FUNCTIONS	0	11,978,375	-11,978,375	-11,936,121
0	8,053,237	-8,053,237	Water	0	8,071,164	-8,071,164	-8,028,911
0	3,680,600	-3,680,600	Sewerage	0	3,864,951	-3,864,951	-3,864,950
0	42,260	-42,260	Electricity	0	42,260	-42,260	-42,260
SECTION 12(6) B							
0	75,473,317	-75,473,317	Contribution to Local Authorities	0	97,738,532	-97,738,532	-121,429,050
0	75,473,317	-75,473,317		0	97,738,532	-97,738,532	-121,429,050
SECTION 12(6) C							
123,802,605	24,048,767	99,753,838	Corporate Services	134,822,180	28,178,891	106,643,288	88,809,080
23,269	13,956,728	-13,933,459	Budget & Treasury	56,341	17,629,881	-17,573,540	-19,353,470
123,776,729	4,857,026	118,919,703	Health	134,701,492	5,087,384	129,614,108	114,911,850
	415,689	-415,689	MIS & PDP		0	0	0
2,607	3,198,653	-3,196,046	Building	14,346	5,461,626	-5,447,280	-6,749,300
	829,416	-829,416	Computer	0	0	0	0
	791,255	-791,255		50,000	0	50,000	0
SECTION 12(6) E							
	5,258	-5,258	Donations	0	23,500	-23,500	-31,650
	5,258	-5,258		0	23,500	-23,500	-31,650
<u>123,802,605</u>	<u>111,303,439</u>	12,499,166		<u>134,822,180</u>	<u>137,919,298</u>	-3,097,118	<u>-44,587,741</u>
		8,428,594	Appropriations for the year			12,322,032	
		20,927,760	Nett surplus/ (Deficit) for the year			9,224,914	
		<u>69,195,494</u>	Accumulated surplus / (deficit) at the beginning of the year			<u>90,123,254</u>	
		<u>90,123,254</u>	Accumulated surplus / (deficit) at the end of the year			<u>99,348,168</u>	

APPENDIX F

GENERAL STATISTICS

1 LEVIES

Number of levypayers	6270
Establishment levy rate	,135 %
Service Levy rate	,33 %

ANALYSIS OF LEVY INCOME

Type of levypayer

	<u>R</u>
Agriculture, Forestry, Fishery	629,117
Mining, Stone-crushing, Stone quarrying	15,685,857
Fabrics and Printers	35,585,757
Electricity, Gas, Water	2,988,546
Construction	1,838,684
Trade,Hotels, Refreshments and Accommodation Services	31,893,547
Transport services	2,114,865
Bank, Assurance or other finance	2,484,701
Professional services	4,455,014
Government, Provincial, Municipal Services	2,507,553
All others	628607

Total

100,812,248

2 PERSONNEL

Corporate Services	30
Budget & Treasury	15
MIS & PDP	13

3 PARTICIPATING LOCAL AUTHORITIES

Local Municipalities	7
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5 SUNDRY STATISTICS

Area in km ²	± 30 000
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