

uMGUNGUNDLOVU DISTRICT MUNICIPALITY



ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30-June-2006

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uMgungundlovu District Municipality

GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Mayor: B.N. Sithole (African National Congress)
Deputy Mayor: A.M. Lukhele (African National Congress)

N.B.Z. Cele (African National Congress)
B.A. Dlamini (African National Congress)
J.B. Mtolo (African National Congress)
M.M. Thebolla (African National Congress)
P. Ashe (Democratic Alliance)
P. Bhengu (Inkatha Freedom Party)

Z.Z. Sithole (African National Congress)
A. Shelembe (African National Congress)
I.T. Zungu (African National Congress)
S.S. Mwelase (Democratic Alliance)
G.C. Gumede (Inkatha Freedom Party)

WHIP

M.V. Ntshangase (African National Congress)

SPEAKER

G.H. Zondi (African National Congress)

PART-TIME COUNCILLORS

N.B. Ahmed
M.M. Cekwane
L.P. Chiya
N.V. Duze
M. Inderjit
N.C. Mabhida
A.D. Mhense
M.P. Mkhize
S.N. Mkhize
M.L. Msimang
M.S. Mthethwa
R. Naidoo
D.A. Ndlela
S.M. Ngubane
M.M. Nkala
E.Z. Ntombela

Z.Z. Sithole
T.T. Zondi
T.R. Zuma
T.R. Zungu
M.S. Bond
P.R. Barnard
P. Cele
S. Majola
M.E. Ngcongco
M.E. Madlala
S.D. Mbanjwa
B.E. Zuma
M.V. Mncwabe
B.I. Mncwabe

GRADING OF THE LOCAL AUTHORITY

Grade 13

AUDITORS

Auditor-General

BANKERS

First National Bank
Account Name : uMgungundlovu District Municipality
Account Number: 509 4002 6773
Branch Code: Midlands Mall
Account Type: Cheque

REGISTERED OFFICE

242 Langalibalele Street (Longmarket)
Pietermaritzburg

P.O. Box 3235
Pietermaritzburg
3201

Telephone: 033 - 8976700
Fax: 033 - 3425502
3200

MUNICIPAL MANAGER

M. Moyo

DEPUTY MUNICIPAL MANAGER

S.E. Mkhize

ACTING STRATEGIC EXECUTIVE MANAGER - FINANCIAL SERVICES

C.B.Ndlovu

STRATEGIC EXECUTIVE MANAGER - CORPORATE SERVICES

Dr N M Mngadi

STRATEGIC EXECUTIVE MANAGER - COMMUNITY SERVICES

S.E. Gwala

ACTING STRATEGIC EXECUTIVE MANAGER - TECHNICAL SERVICES

D.B. Nothnagel

uMGUNGUNDLOVU DISTRICT MUNICIPALITY
APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements set out on pages 5 to 25 were approved by the Municipal Manager and Acting Strategic Executive Manager: Financial Services on 31 August 2006

M MOYO
MUNICIPAL MANAGER
(Accounting Officer)
31 August 2006

B C NDLOVU
ACTING STRATEGIC EXECUTIVE MANAGER:
Chief Financial Officer
31 August 2006

FOREWORD

The 2005/06 financial year, was a successful year for service delivery, with focus being placed on the delivery of basic infrastructure and the provision of support to the poor through programmes aimed at poverty alleviation. These programmes demonstrated our commitment to creating a better life for all our citizens and communities during the year in which we celebrated the 50th Anniversary of the Freedom Charter.

The total adjusted budget for the year amounted to R 263 452 110 , with R 104 771 065 or 40% of the budget allocated towards capital expenditure. By 30 June 2006, all grant funds allocated by National Departments towards infrastructure projects had either been utilized in full or committed. The improved rate of spending had resulted in additional funds being allocated to the District for the 2005/06 financial year by the Departments.

The improved rate in spending can be attributed to a number of factors, which include good relations with the local municipalities, increase in capacity with the filling of the majority of critical vacancies and improved processes for project planning, implementation and monitoring.

The processes towards the finalization of the takeover of water services and environmental health services intensified during the 2005/06 financial year. The District continued to fund water services operations, with certain local municipalities acting as Water Service Providers. As a result, the financial results from Water Services will be included in full for the first time in the financial statements of the District.

The takeover of environmental health services is yet to be finalized. As a result, local municipalities will continue to play a key role in the performance of this function. The funding of this function will not be reflected in the financial statements of the District, pending the conclusion of service level agreements, as provided for by the relevant legislation.

The municipality continues to implement the Municipal Finance Management Act (Act 56 of 2003), which is aimed at enhancing financial governance and service delivery. In this regard, the alignment of the IDP to the budget is being enhanced on an annual basis to ensure improved service delivery.

I would like to express my appreciation to the Executive Committee, Councillors, the Municipal Manager and the staff for their support, cooperation and dedication during the year under review.

CLLR B.N. SITHOLE-MLABA
MAYOR

uMgungundlovu District Municipality

TREASURER'S REPORT

1. INTRODUCTION

I am pleased to present a concise overview of the 2005/2006 financial year's operating results. Due to a moderate increase in trading and economic services (i.e. water and sanitation services), we were able to keep within budget. The operating surplus during the year amounted to R31,267,160.

The salient features of the financial results for the year ended 30 June 2006 are illustrated below :

2. OPERATING RESULTS

Details of the operating results are included in the appendices D and E. The applicable statistics are shown in appendix F. The overall operating results for the year ended 30 June 2006 are as follows:

INCOME	ACTUAL	ACTUAL	VARIANCE	BUDGET
	2005	2006	Jun-06	2006
	R	R	%	R
Opening (Deficit)/ Surplus	55 856 404	95 255 408	71%	-
Gross Income for the Year	192 086 810	226 011 241	18%	263 452 110
	<u>247 943 214</u>	<u>321 266 649</u>		<u>263 452 110</u>
EXPENDITURE				
Expenditure for the period	168 944 674	186 745 312	11%	263 452 110
Prior year adjustment	16 256 868	8 893 877	-45%	-
Appropriations				-
Closing surplus / Deficit	95 255 408	143 415 213	51%	-
	<u>280 456 950</u>	<u>339 054 402</u>		<u>263 452 110</u>

APPENDIX D : ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2006

Actual		Actual	Budget	Increase over	% Variance	Budget Variance
30/06/2005		30/06/2006	30/06/2006	LY	against last year	
R	INCOME	R	R	R		R
81 558 119	Levy Income	88 553 418	97 831 147	6 995 299	9%	(9 277 729)
32 303 894	Water and Sanitation Income	40 352 275	47 611 813	8 048 381	25%	(7 259 538)
5 027 358	Interest Income	2 772 990	2 179 386	(2 254 368)	-45%	593 604
-	Unspent 2005/2006 committed funds	-	22 852 302	0	100%	(22 852 302)
-	DBSA Loans carryover	0	0	0	0%	0
72 144 272	Grants Received (National & Provincial Governments)	92 742 590	90 463 000	20 598 318	29%	2 279 590
9 944 437	Other Income	1 589 968	2 514 462.00	(8 354 469)	-84%	(924 494)
200 978 080		226 011 241	263 452 110	25 033 161	12%	(37 440 869)
R	EXPENDITURE	R	R	R		R
43 844 541	Salaries, Wages and Allowances	59 032 379	58 786 869	15 187 838	35%	245 510
73 333 856	General Expenses, including Grant Expenditure	103 865 115	76 291 014	30 531 259	42%	27 574 101
4 554 977	Repairs and Maintenance Costs	966 949	15 848 707	(3 588 028)	-79%	(14 881 758)
4 815 480	Capital Charges	4 098 264	3 412 553	(717 216)	-15%	685 711
2 635 135	Interest Repayments	2 629 609	4 341 902	(5 526)	0%	(1 712 293)
39 760 685	Capital Projects, and Operation and Maintenance for Water and sanitation	16 152 996	104 771 065	(23 607 689)	-59%	(88 618 069)
168 944 674		186 745 312	263 452 110	17 800 638	11%	(76 706 798)

EXPLANATION OF VARIANCES BETWEEN THE CURRENT YEAR AND PRIOR

INCOME

Levy income

The levy revenue for 2006 financial year reflects a 8% increase compared to the levy revenue of 2005 financial year. The result of the increase is due to a high in collection on levy payers during the year and engagement of attorneys to collect levies on behalf of the district in order to ensure that everything is collected as levies are being terminated.

Water and Sanitation

An increase of 25% is due to the District in taking over the Water function in terms of the Water Services Act and ensuring that debts are being collected timeously.

Interest Income

A decrease of 22% is due to a decrease on the interest on the current a/c balance as well as a capitalized interest from New Republic Bank included in the interest income.

Grants Received (National and Provincial Governments)

An increase of 29% is due to most of the grants in prior years were sitting under sundry income whereby in the current year reallocation was done in the current year to specific grant income accounts

Other Income

An increase of 341% is due to a prior year adjustment resulting in an interest on New Republic Bank which was not capitalized in prior years.

EXPLANATION OF VARIANCES BETWEEN THE ACTUAL FIGURE AND BUDGETED FIGURES

INCOME

Levy income

A decrease of 9% is due to an anticipated termination of levies resulting in a non registration of new levy payers during the year.

Water and Sanitation

Development in the local municipalities were used as basis of budgeting for Water and Sanitation income. Certain developments were not completed, resulting in less reticulation connections than expected resulting in a decrease of 15%.

Interest Income

An increase is due to an increase on the interest on the current a/c balance as well as a capitalized interest from New Republic Bank included in the interest income.

Grants Received

The budget is based on the estimated allocation of R90 463 000 to be allocated to our district, only to find that the actual allocation after some consideration by the government amounted to R 92 742 590.

Other Income

A increase is due the project tender sales and rental parking incomes

EXPLANATION OF VARIANCES BETWEEN THE CURRENT YEAR AND PRIOR YEAR

EXPENDITURE

Salaries and Wages

An increase of 35% is due to general annual adjustment increase in salaries as well as new staff members appointed before the end of the financial year.

General expenses, including grant expenditure

An increase of 40% is due to increase in activities undertaken by the District by including fire services, water and sanitation departments as one of our departments, resulting in an increase in general expenditure when compared to prior year.

Repairs and Maintenance costs

A decrease of 79% is due to a decrease repairing and maintenance costs incurred by fire department and water and sanitation department since the district is now a Water Service Authority (WSA) compare to last year.

Capital Charges

A decrease of 21% is due to a fund accounting treatment of water and sanitation assets taken over from local municipalities as well as a least additions during the year.

Interest Repayments

There was no variance as the current interest is consistent with prior year.

Capital projects, Operation and Maintenance for water and

A decrease of 25% is due to the fact that some of the capital projects were completed during the year and local municipalities became the ultimate owners resulting in a decrease of expenditure and maintenance on them.

EXPLANATION OF VARIANCES BETWEEN THE CURRENT FIGURE AND BUDGET FIGURE

EXPENDITURE

Salaries and wages

A 0% variance is due to the fact that the budget was based on approved organogram vacant posts that were supposed to be filled during 2005/2006 were filled accordingly.

General Expenses, including Grant

Our budget figure includes expected grant expenditure to be incurred based on grant income relating to rural water schemes which was directly transferred by DWAF to uMngeni Water.

Repairs and Maintenance costs

A decrease is due to spending less than what we expected on repairs and maintenance since we took also fire services, water and sanitation departments consideration in the compilation of the budget.

Capital Charges

An increase of 11% is due to depreciation of all water and sanitation assets taken over from local municipalities as well as depreciation cost for all additions during the year.

Interest Repayments

A decrease is due to a loan of R9 300 000 that was expected to be taken during the year, but we ended up not taking it as a result interest payable on that loan was also budgeted for.

Capital Projects, Operation and Maintenance for Water and

The budget amount includes mainly additional costs that were expected to be incurred by the District in taking over the Water function in terms of the Water Services Act, as a result operation and maintenance costs were less than anticipated due to reticulation connections being down.

2. INVESTMENTS AND LIQUIDITY

With regard to its cash resources, the Council has a consolidated short-term investment of R26 485 709. Of this amount, R5 208 393 relates to the investment in New Republic Bank and is considered doubtful.

These investments are fully committed to fund capital expenditure in the short term as well as in the long term in terms of the approved budgets, and authority being received from the department of Finance.

The investment held with New Republic Bank is R5 208 393 including capitalized interest. The receiver of the bank has stated that they are negotiating 96% repayment on investment., this will mean a 4% (amounting to R351 434.33) loss of capital with no interest on investment being recovered. This will be done through distributions that will take place in the future.

In line with the non-stability shown in the above mentioned bank, the Council has compiled its investment policy to only invest with banks that have an A+ credit rating.

3. EXTERNAL LOANS

The total outstanding loans to the Development Bank of South Africa amount to R30 070 571, with R1 272 979 being the short term portion of the loans outstanding. The Council has budgeted for the repayment of these loans which will all be fully paid up by the year 2016.

4. COUNCILLOR ALLOWANCES

The total allowances paid to councillors during the year ended 30/06/2006 amount to R6,267,547.

5. INTEREST INCOME

Total interest earned on investments for the year ended 30/06/2006 amounts to R3 913 157, which equates to an average net rate of return on investments of 12%.

6. PROPERTY, PLANT AND EQUIPMENT

The total cost of property, plant and equipment amount to R157 988 422 and accumulated depreciation to date amounts to R15 915 808, loans redeemed and other capital receipts of R47 316 399 thus a net book value of R110 672 023.

7. CAPITAL COMMITMENTS

The total capital budget approved for 2005/2006 amounted to R 104 771 065. Most of the amount allocated was spent. Funding comprised both internal funds and external funds in the form of grants from Provincial and National Government.

CONCLUSION

I take this opportunity of expressing my appreciation to the Mayor, Municipal Manager, Executive Committee members and all Councillors for the support they have given to the staff of the Financial, Technical and Corporate & Community Services. I would also like to thank the Council's representative of the office of the auditor general and his audit team, as well as the council's internal auditors, for their assistance and support during the year under review.

CB NDLOVU
ACTING STRATEGIC EXECUTIVE MANAGER: FINANCIAL

uMGUNGUNDLOVU DISTRICT MUNICIPALITY
BALANCE SHEET AS AT 30 JUNE 2006

	NOTES	30/06/2006 R	30/06/2005 R
CAPITAL EMPLOYED			
FUNDS AND RESERVES			
(Accumulated Deficit) / Retained surplus	15	143 415 214	95 255 408
Non Distributable Reserve		264 199	15 305 746
Trust Fund	1	0	2 207 785
Long-term liabilities	2	120 670	120 670
Consumer Deposits	2,1	0	723 412
DBSA Loans: Long Term Portion	3	28 797 592	23 447 769
		172 597 675	137 060 790
EMPLOYMENT OF CAPITAL			
Property, plant and equipment	4	128 651 720	66 780 900
Investments	5	25 235 709	22 657 354
Long Term Portion of Long Term Debtors	6	459 141	644 182
Loan account - Sisonke District Municipality	7	8 631 850	8 631 850
		162 978 420	98 714 286
NET CURRENT ASSETS / (LIABILITIES)			
		9 619 255	38 346 502
CURRENT ASSETS			
Debtors	8	73 859 941	83 371 276
Short Term Portion of Long Term Debtors	6	46 572 888	42 886 636
CBPWP		179 958	387 966
Cash		0	996 802
		27 107 095	39 099 872
CURRENT LIABILITIES			
Creditors	10	64 240 686	45 024 773
CBPWP		55 256 194	35 283 652
Provisions	11	4 887 755	5 332 240
DBSA Loans : Short-term portion	3	2 823 758	3 026 494
		1 272 979	1 382 387
		172 597 675	137 060 788
		0	

uMGUNGUNDLOVU DISTRICT MUNICIPALITY
INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

30/06/2005	30/06/2005	30/06/2005		30/06/2006	30/06/2006	30/06/2006
Actual Income R	Actual Expenditure R	Surplus/ (Deficit) R		Actual Income R	Actual Expenditure R	Surplus/ (Deficit) R
166 506 520	130 883 544	35 622 976	RATES AND GENERAL SERVICES	193 432 267	154 103 013	39 329 254
159 782 916	117 172 944	42 609 972	Community Services	185 658 966	147 312 061	38 346 905
0	8 448 325	-8 448 325	Subsidised Services	0	5 286 755	-5 286 755
6 723 604	5 262 275	1 461 329	Economic Services	7 773 301	1 504 197	6 269 104
25 580 290	38 061 129	-12 480 839	TRADING SERVICES	32 578 974	32 642 300	-63 326
192 086 810	168 944 673	23 142 137	TOTAL	226 011 241	186 745 312	39 265 928
		16 256 868	Appropriation for the year			8 893 877
		23 142 137	Net surplus (deficit) for the year			39 265 928
		55 856 404	Unappropriated surplus (Accumulated deficit) at the beginning of the year			95 255 409
		95 255 409	UNAPPROPRIATED SURPLUS/(ACCUMULATED DEFICIT) AT THE END OF THE YEAR			143 415 214

uMGUNGUNDLOVU DISTRICT MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	NOTES	30/06/2006 R	30/06/2005 R
CASH (UTILISED) IN / RETAINED FROM OPERATING ACTIVITIES		62 844 235	94 657 692
Cash generated by operations	16	114 003 790	107 813 003
Investment income		2 772 990	5 027 358
(Increase)/Decrease in working capital	17	15 737 670	(13 542 845)
Cash (utilised in)/available from operations		132 514 449	99 297 516
Less: External Interest paid		(2 629 609)	(2 635 135)
Cash available from operations		129 884 840	96 662 381
Cash contributions from the public and the State		(67 225 646)	(2 755 467)
		185 042	750 778
(Increase) in long-term loans (internal)	18	185 042	750 778
CASH UTILISED IN INVESTING ACTIVITIES			
Increase in Fixed assets	19	(77 973 254)	(95 041 858)
NET CASH (OUTFLOW) / INFLOW		(15 129 019)	(384 166)
CASH EFFECTS OF FINANCING ACTIVITIES			
Decrease in long term loans	20	5 349 822	(1 890 818)
Decrease/(Increase) in cash investments		(2 578 355)	(591 473)
(Increase)/Decrease in cash and cash equivalents	22	12 357 552	2 866 457
Net cash generated / (Utilised)		15 129 019	384 166
		0	

uMgungundlovu District Municipality

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006

	30/06/2006 R	30/06/2005 R
1. TRUST FUNDS		
Trust Funds (Refer to Appendix A for more details) Comparative figures have been restated due to compliance with IMFO guidelines. The details of allocations received, amounts utilised and the remaining balances are reflected under schedule. No funds were withheld for any reason and where applicable, conditions stipulated for the allocations were complied with.	<u>0</u>	<u>0</u>
1.1 Conditional and Non conditional Grants from other spheres of Government	2006	2005
DBSA Disaster Relief Grant/Disaster Management Centre	300 000	200 000
Financial Management Grant	3 133 428	0
Civil Protection Grant/Grant income	2 950 000	1 632 828
Community Communication Initiative Grant/Infrastructure Backlog Study	50 087	81 700
Municipal Monitoring System/Municipal Infrastructure Grant	43 430 789	11 800
Geographic Information Systems Grant	19 697	0
MSIG	887 156	55 667
Planning Support Grant/Seta Grant	347 653	2 019 440
Public Transport Plan/Department of Public Works and Sports	1 214 668	0
MAP Grant/Equitable Share	40 409 112	105 992
	0	44 700
	<u>92 742 590</u>	<u>4 152 127</u>
See Note 26 for reconciliation for closing balances on grants.		
2. LONG TERM LIABILITIES		
Transitional Grant	0	0
Debtors - Fire Services	0	0
Creditors - DC 29	120 670	120 670
	0	0
	<u>120 670</u>	<u>120 670</u>
The corresponding amount for long term liabilities in respect of the 2004/2005 financial year has been disclosed under current liabilities in face of the balance sheet.		
2.1. CONSUMER DEPOSITS		
Richmond Municipality	117 920	94 810
Mshwathi Municipality	130 259	119 384
Mgeni Municipality	991 140	371 788
Umgenti Water Board	122 202	0
Impendle Municipality	0	12 392
Mpofana Municipality	19 850	80 324
Mkhambathini Municipality	5 339	44 714
	<u>1 386 710</u>	<u>723 412</u>
3. DBSA LOANS		
Development Bank of South Africa	30 070 571	24 830 156
Less: Current Portion of Long Term Liabilities	(1 272 979)	(1 382 387)
LONG TERM PORTION OF DBSA LOANS	<u>28 797 592</u>	<u>23 447 769</u>
<u>DBSA Loans</u>		
These loans bear interest at rates between 10% and 12% per annum with a varied loan period of between 5 and 20 years. Final redemption of all loans would be up until the year 2016. All loans have a maximum moratorium period of 2 years relating to the first instalment of interest and capital repayments. None of the loans are secured by any assets of uMgungundlovu District Municipality.		
4. PROPERTY, PLANT AND EQUIPMENT		
Property, plant and equipment at beginning of year	113 937 541	27 239 520
Capital expenditure for the period	77 972 985	95 041 858
Less Assets written off, transferred or disposed off during the year	-	-
Less: Depreciation (including accumulated depreciation on water services assets)	(15 942 407)	(8 343 837)
	<u>175 968 119</u>	<u>113 937 541</u>
Less: Loans redeemed and other capital receipts	(47 316 399)	(47 156 641)
Net fixed assets	<u>128 651 720</u>	<u>66 780 900</u>

uMGUNGUNDOLOU DISTRICT MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 (Continued)

	30/06/2006 R	30/06/2005 R
5. INVESTMENTS		
Unlisted:		
- Call / Fixed deposits	25 235 709	22 657 354
TOTAL INVESTMENTS	25 235 709	22 657 354
Average net rate of return on investments	6.11%	4.03%

Investments are reflected at original cost and are invested in securities as prescribed by Section 125 of the Local Authorities Ordinance, No 25 of 1974, as amended.

5.1 LIST OF INVESTMENTS	2006	2005
Standard Bank	5 000 000	5 000 000
First National Bank	7 027 316	7 027 316
ABSA	8 000 000	8 000 000
New Republic Bank	5 208 393	2 630 037
	25 235 709	22 657 354

6. LONG - TERM DEBTORS		
Car Loans :	459 141	644 182
Short term portion	179 958	387 966
	639 098	1 032 148

7. LOAN ACCOUNT - SISONKE DISTRICT MUNICIPALITY	2006	2005
	8 631 850	8 631 850
	8 631 850	8 631 850

The loan account is with respect to the amounts spent by uMgungundlovu District Municipality on behalf of Sisonke District Municipality when Sisonke District Municipality was established. This amount is shown after deducting the amounts of levies collected by uMgungundlovu District Municipality belonging to Sisonke District Municipality area. The amount due by uMgungundlovu District Municipality to Sisonke at the time of demarcation was also netted off the amount due by Sisonke. The movements between the two figures is shown after taking transactions that took place during the year under review.

8. DEBTORS		
Accrual of Levy Income	17 378 887	10 706 199
Levy Payers - Cash Suspense	(7 490 154)	(9 878 457.00)
	9 888 733	827 742
Provision for bad debts	(71 671 540)	-24 625 579
Sundry Debtors	108 355 695	66 684 473
	46 572 888	42 886 636

Included in the amount of R66 684 473, is R26 090 837.00 for Water and Sanitation Debtors
Days outstanding in debtors amount to days (2005: 83 days).

9. CBPWP - BALANCES

Debit

An amount of R 552 585.66 reflects cash in CBPWP bank account as at 30 June 2006. Funds belonging to CBPWP are separately maintained, which is in terms of the agreement signed with the National Department of Public Works.

Credit

An amount of R 7 279 757.38 reflects the net of cash in CBPWP bank account as at 30 June 2006 including the funds that were still to be transferred to the CBPWP bank account from the main bank account, VAT input claimed from SARS as well as interest earned on the CBPWP bank account.

	30/06/2006	30/06/2005
	R	R
10. CREDITORS		
Unspent Grants	9 245 749	28 740 842
Other Creditors	37 288 402	
Accruals	8 722 043	6 542 810
Monthly Accruals	7 335 333	7 266 222
Consumer deposit	1 386 710	(723 412)
	55 256 194	35 283 652
11. PROVISIONS		
Provision for audit fees	0	0
Provision for leave	385 574	464 201
	2 438 184	2 562 294
	2 823 758	3 026 495
12. COUNCILLOR / EMPLOYEE RELATED COSTS		
12.1. COUNCILLOR RELATED COSTS		
Chairman's Allowance / Mayor	460 189	416 236
Deputy Chairman's Allowance / Deputy Mayor	372 423	340 223
Councillor Allowances / Part time councillors	2 105 416	1 701 869
Executive Committee Allowances & Speaker	2 664 032	1 718 720
Councillor Allowances, travel, refreshments	665 487	310 832
	6 267 547	4 487 880
12.2. SENIOR MANAGEMENT		
Municipal Manager	846 172	741 720
Deputy Municipal Manager	680 506	640 464
Strategic Executive Manager : Financial Services	599 336	542 908
Strategic Executive Manager : Corporate Services	599 336	514 246
Strategic Executive Manager : Community Services	599 336	514 246
	3 324 686	2 953 584
12.3.EMPLOYEE RELATED COSTS		
Earnings	35 247 826	28 376 954
UIF	234 326	151 651
Provident Fund	17 976 676	428 535
Pension	4 499 502	1 720 015
Medical Aid	1 074 049	673 135
	59 032 379	31 350 290
13. AUDITORS REMUNERATION		
Audit Fees	379 864	472 604
Under Provision for the previous year	-	-
Audit Fees	379 864	472 604
14. FINANCIAL TRANSACTIONS		
Total external interest earned or paid:		
Interest earned	2 772 990	5 027 358
Interest payable	(2 629 609)	(2 635 135)
	143 381	2 392 223
Capital charges debited to operating account:		
Redemption - Internal	(18 558 830)	(18 558 830)
	(18 558 830)	(18 558 830)

uMGUNGUNDLOVU DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 (Continued)

	30/06/2006 R	30/06/2005 R
15. ACCUMULATED DEFICIT / RETAINED SURPLUS		
Accumulated surplus at beginning of year	95 255 409	55 856 405
Prior Year adjustment	8 893 877	16 256 868
Operating (deficit) / surplus for the year	39 265 928	23 142 136
	<u>143 415 214</u>	<u>95 255 409</u>
	<u>143 415 214</u>	<u>95 255 409</u>
16. CASH UTILISED BY OPERATIONS		
(Deficit) / Surplus for the year	39 265 928	23 142 135
Add: Depreciation and renewals fund	63 258 806	55 500 477
Add: Interest Paid	2 629 609	2 635 135
Less: Previous years operating transactions	11 358 237	16 256 868
Less: Investment income (operating account)	(2 772 990)	(5 027 358)
Increase in Non Distributable Reserves	264 199	15 305 746
	<u>114 003 790</u>	<u>107 813 003</u>
17. WORKING CAPITAL CHANGES		
(Increase) / decrease in debtors	(3 478 244)	(25 005 708)
Increase/(decrease) in creditors	19 660 398	12 997 949
Decrease in CBPWP	(444 485)	(1 535 087)
	<u>15 737 670</u>	<u>(13 542 846)</u>
18. LONG - TERM LOANS (INTERNAL)		
Loans raised	(185 042)	(750 778)
Loans repaid	-	-
	<u>(185 042)</u>	<u>(750 778)</u>
19. MOVEMENT TO PROPERTY, PLANT AND EQUIPMENT		
Adjustment to opening balance	5 348 325	
Buildings	4 657 534	263 533
Vehicles	1 668 556	299 792
Furniture & Office equipment	5 972 037	439 418
Telephone equipment	0	0
Computer equipment	1 126 874	1 249 550
	18 773 326	2 252 292
Infrastructure Assets	59 199 928	92 789 566
	<u>77 973 254</u>	<u>95 041 858</u>
20. LONG - TERM LOANS (EXTERNAL)		
Loans raised	-	-
Loans repaid	5 349 822	(1 890 818)
	<u>5 349 822</u>	<u>(1 890 818)</u>
21. CONTRIBUTIONS TO ORGANISED LOCAL GOVERNMENT		
SALGBC - COUNCIL LEVIES	9 584	9 584
SALGBC - AGENCY SHOP FEE	8 600	8 600
	<u>18 184</u>	<u>18 184</u>
22. CASH AND CASH EQUIVALENTS		
Balance at beginning of year	39 464 647	42 963 131
Less: Cash balance at end of year	(27 107 095)	(39 464 647)
	<u>12 357 552</u>	<u>3 498 484</u>
23. RETIREMENT BENEFITS		

The last interim actuarial valuation of the Natal Joint Municipal Pension Fund (Retirement, Superannuation) / Provident Fund was done at 31 March 2004.

(i) For Natal Joint Municipal Pension Fund (Superannuation), the valuation disclosed a deficiency of R130 817 (2004) and R228 017 respectively.

(ii) For Natal Joint Municipal Pension Fund (Retirement) this valuation disclosed a deficiency of R208 438 (2004) and R224 155 respectively.

(iii) For Natal Joint Municipal Provident Fund, this valuation disclosed that the Members' Share Account amounted to R1 77 576 000 at the valuation date. Risk reserve amounted to R1 832 000 and Investment reserve amounted to R12 741 000 at the date of valuation.

uMGUNGUNDLOVU DISTRICT MUNICIPALITY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS AS AT 30 JUNE 2006 (Continued)

	30/06/2006 R	30/06/2005 R
24. CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS		
New Republic Bank has gone into liquidation. The Council has deposits of R2 144 125,58 of which only the capital portion is expected to be recovered.		
25. CAPITAL COMMITMENTS		
<u>Capital commitments in respect of capital expenditure :</u>		
The capital commitments for the next financial year are	<u>6 402 302</u>	<u>104 771 065</u>
<u>This expenditure will be financed from :</u>		
Internal sources	4 518 000	13 009 404
Various government bodies.	1 884 302	91 761 661
	<u>6 402 302</u>	<u>104 771 065</u>
26. GOVERNMENT GRANTS AND SUBSIDIES		
DBSA Disaster Relief Grant/Disaster Management Centre/advisory/plans	340 000	200 000
Financial Management Grant/draught relief WSA/womens month/DBSA Relief/DIMS/Public Works/Sports	4 778 784	1 632 828
Civil Protection Grant/Grant income	81 700	81 700
Community Communication Initiative Grant/Infrastructure Backlog Study/water service delivery/mechanisms/investment infrastructure unit	1 736 913	11 800
Municipal Monitoring System/Municipal Infrastructure Grant	10 446 505	0
Geographic Information Systems Grant	35 970	55 667
MSIG	1 574 563	2 019 440
Planning Support Grant/Seta Grant	0	0
Public Transport Plan/Department of Public Works and Sports	3 086 516	105 992
MAP Grant/Equitable Share	0	44 700
	<u>22 080 951</u>	<u>3 907 427</u>
26.1 MIG		
Allocation for the year	43 430 789	13 597 000
Expenditure for the year	32 984 284	11 712 698
Carry over amount	<u>10 446 505</u>	<u>1 884 302</u>
26.2 Finance Management Grant		
Carry over amount	1 632 828	1 886 957
Allocation for the year	1 000 000	2 000 000
Expenditure for the year	<u>(2 632 828)</u>	<u>(2 254 129)</u>
Carry over amount	<u>0</u>	<u>1 632 828</u>
27 Appropriations		
Unappropriate Surplus at beginning of year	95 255 408	55 856 404
Operating Surplus for the year	39 265 928	23 142 136
Appropriations	<u>8 893 877</u>	<u>16 256 868</u>
	<u>143 415 213</u>	<u>95 255 408</u>

**APPENDIX D : ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR
THE YEAR ENDED 30 JUNE 2006**

Actual 30/06/2005 R		Actual 30/06/2006 R	Budget 30/06/2006 R
	INCOME		
81 558 119	Levy Income	88 553 418	97 831 147
32 303 894	Water and Sanitation	40 352 275	47 611 813
5 027 358	Interest Income	2 772 990	2 179 386
0	Unspent 2005/2006 committed funds	-	22 852 302
0	DBSA Loan carryover	-	0
72 144 272	Grants Received (National & Provincial Governments)	92 742 590	90 463 000
9 944 437	Other Income	1 589 968	2 514 462
192 086 811		226 011 241	263 452 110
	EXPENDITURE		
43 844 541	Salaries, Wages and Allowances	59 032 379	58 786 869
73 333 856	General Expenses, including Grant Expenditure	103 865 115	76 291 014
4 554 977	Repairs and Maintenance	966 949	15 848 707
4 815 480	Capital Charges	4 098 264	3 412 553
2 635 135	Interest Repayments	2 629 609	4 341 902
39 760 685	Capital Projects and Operation and Maintenance for water and sanitation	16 152 996	104 771 065
168 944 674		186 745 312	263 452 110

uMGUNGUNDOLOVU DISTRICT MUNICIPALITY

APPENDIX F : STATISTICAL INFORMATION

	30/06/2006	30/06/2005
GENERAL STATISTICS		
1. Levy Tariffs		
Regional Establishment Levy (% of turnover, excluding VAT)	0.25%	0.12%
Regional Services Levy (% on salaries, wages, and drawings)	0.51%	0.30%
2. Number of Registered Levy Payers	32 000	13 098
3. Number of Employees	296	196
4. Total Population (Based on 2001 Census)	927 845	927 845
5. Water Statistics		
(a) Number of users	13 724	7 984
(b) Units purchased/purified (kl)	7 613 694	6 921 540
(c) Units sold (kl)	5 329 586	4 605 018
(d) Units lost in distribution (kl)	2 284 108	2 109 258
(e) Percentage lost in distribution	30	41
(f) Cost per unit sold	28	25

The water to the community of the municipality is supplied by uMgeni Water Board.

uMGUNGUNDOLOVU DISTRICT MUNICIPALITY

APPENDIX A : EXTERNAL LOANS WITH DEVELOPMENT BANK OF SOUTH AFRICA

Agreement Number	Project Description	Interest Rate %	Received during the year R	Deferred interest raised R	Capital Repayments	Deferred Interest Payments
9328	Mooi River Bulk Water	10	0.00	0.00		
9370	Greater PMB Electrification	10	0.00	0.00	83 675.70	8 570.06
9329	Edendale Unit S Urban	12	0.00	0.00	778 956.42	83 603.78
9330	Edendale Water Reticulation	12	0.00	0.00	172 947.73	23 089.24
10181	Pomeroy Bulk Water Supply	10	0.00	0.00	6 488.46	323.78
10155	Howick Extension of Bulk Water	10	0.00	0.00	100 597.23	23 645.77
10157	Greytown Bulk Water Supply	10	0.00	0.00	37 778.39	7 078.14
10434	Greater PMB Electrification	10	0.00	0.00	96 373.43	24 010.55
10394	Mooi River - Tendele	10	0.00	0.00	1 868.02	248.46
10180	Greater PMB Electrification	10	0.00	0.00	96 373.43	24 010.55
9607	Upper Lovu River	4	0.00	0.00	0.00	0.00
10392	Greytown Jabula Road	10	0.00	0.00	12 178.80	1 295.99
9768	Urban Development	10	0.00	0.00	0.00	0.00
10158	Edendale Unit S Phase 2	10	0.00	315 081.74	56 515.12	13 360.38
10154	Ixopo Extension of Bulk Water	10	0.00	0.00	0.00	0.00
10395	Greytown / Enhalakah	10	0.00	0.00	33 726.74	4 485.90
	TOTAL		0.00	315 081.74	1 477 479.47	213 722.60

1 BASIS OF PRESENTATION

- 1.1 The attached annual financial statements have been prepared so as to conform to the the Institute of Municipal Finance Officers and Accountants.
- 1.2 The annual financial statements are prepared on the historical cost basis, adjusted for fixed detailed in Accounting Policy note 3. The accounting policies are consistent with those previous years, except if otherwise indicated.
- 1.3 Levy income and other income is accounted for on the accrual basis. Grants are accounted
- 1.4 Expenditure is accrued in the year it is incurred. Provision for bad debts has been made

2 FUNDS , PROVISION AND RESERVES**2.1 TRUST FUNDS**

Monies bequeathed to the Municipality for a specific use under its sole control as trustee are (Refer to Appendix A for more details)

2.2 PROVISIONS**Bad Debt Provision**

An estimate is made for doubtful receivables based on a review of all outstanding amounts Bad debts are written off during the year in which they are identified.

Internal audit Fee Provision

Provision for internal audit fees has not been provided for 2005/06 financial year due to the taken place during the year and the district has now its own internal audit division.

External audit Fee Provision

Basis used in calculation of provision for external audit fees were based on 1% of total

3 PROPERTY, PLANT AND EQUIPMENT**3.1 Property, plant and equipment is stated :**

at the historical cost while they are in existence and fit for use, except in the case of bulk written off at the end of their estimated life as determined by the Treasurer.

4 REGIONAL FUNCTIONS**4.1 Debtors and Creditors**

Current and Capital transactions operate on an Income and Expenditure basis. Income outstanding payments as at 30 June 2005 are brought into account by means of raising Sundry Creditors respectively.

4.2 Capital assets

Capital outlay is reflected in the Balance Sheet at original cost and financed from operating Assets are depreciated on the following basis moveable assets are written off over the life of the Treasurer on the straight line basis. This is illustrated in Appendix C.

Infrastructural Assets related to water and sanitation were inherited from the Local

4.3 Investments

Investments are reflected at original cost and are invested in securities as prescribed by the Local Authorities Ordinance, No 25 of 1974, as amended.

5 RETIREMENT BENEFITS**5.1 Retirement Provision**

The Council provides for the retirement benefits to fulltime employees and for certain a defined benefit and contribution pension and provident funds. These funds are governed by 1956 (Act, No. 24 of 1956).

The statutory actuarial valuations are done on a three year basis and the interim valuations

5.2 Defined Benefit Plan

There is one Defined Benefit Fund for all permanent and certain contract employees, that is Pension Fund. Superannuation/ Retirement)

In respect of service to 31 March 2004, the actuarial value of the total assets was less than service of members and pensioners. The deficit is mainly attributable to salary increases than expected - than inflation and the Fund did not hold an investment reserve. However increased from 87.9% to 93.9% during the year and the Actuary is satisfied that the self- the asset composition is appropriate to the nature of the liabilities and the contributions to meet the expected cost of future benefits.

5.3 Defined Contribution Plan

There is one Defined Contribution Fund for all permanent and certain contract employees, Provident Fund.

The Fund was in a financially sound position at 31 March 2004. The actuary is satisfied that of the Fund at 31 March 2004 was appropriate to the nature of its liabilities.

6 Water Billings

Meters on all properties are read and billed monthly. Where meters can not be read during a they are provisionally billed with the necessary adjustments made in the month they are read.

uMGUNGUNDOLOVU DISTRICT MUNICIPALITY

APPENDIX A: STATUTORY FUNDS, RESERVES AND TRUST FUNDS

	Balance at 30 June 2005	Contributions during the year	Interest on Investments	Other Income	Operating Expenditure during the year	Capital Expenditure during the year	Balance at 30 June 2006
STATUTORY FUNDS							
Capital Development Fund	-	-	-	-	-	-	-
Land Trust Fund	-	-	-	-	-	-	-
Bursary Fund	-	-	-	-	-	-	-
Community Facilities Fund	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
PROVISIONS AND RESERVES							
Provision for bad debts	24 625 579	47 045 961	-	-	-	-	71 671 540
Provision for audit fees	464 203		-	-	(78 629)	-	385 574
Provision for leave	2 562 294	791 295	-	-	(915 404)	-	2 438 184
	27 652 076	47 837 256	-	-	(994 033)	-	74 495 298
TRUST FUNDS							
Grants and Subsidies	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

uMgungundlovu District Municipality

APPENDIX B : EXTERNAL LOANS WITH DEVELOPMENT BANK OF SOUTH AFRICA

Agreement Number	Project Description	Interest Rate %	Redemption Date	Total Loans Approved R	Balance at 30/06/2005 R	Received during the year R	Total Repayments R	Total after Repayments R	Interest Expense	Balance at 30/06/2006 R
9370	Greater PMB Electrification Project: Phase 1	10	30/09/2014	3 436 485	2 781 999	0	-449 390	2 332 609	262 468	2 595 076
10181	Pomeroy Bulk Water Supply	10	31/03/2015	600 000	222 423	0	-34 843	187 580	21 039	208 619
10155	Howick Extension of Bulk Services	10	31/03/2015	4 260 520	4 062 122	0	-636 332	3 425 790	384 242	3 810 033
10157	Greytown Bulk Services	10	31/03/2015	1 600 000	1 466 583	0	-229 740	1 236 843	138 726	1 375 569
10434	Greater PMB Electrification Phase 3	10	31/03/2016	4 830 000	4 583 547	0	-679 796	3 903 751	435 494	4 339 245
10 394	Mooi River - Tendele Bulk Water Scheme	10	31/03/2016	135 000	80 571	0	-11 950	68 622	7 655	76 277
10 180	Greater PMB Electrification Phase 2	10	31/03/2016	4 545 000	4 583 547	0	-679 796	3 903 751	435 494	4 339 245
10 392	Greytown Jabula Road Upgrading	10	30/09/2015	552 000	475 208	0	-72 357	402 851	45 055	447 906
10158	Edendale Unit S Phase 2 Rudimentary Services	10	30/09/2016	6 800 000	5 513 652	0	-798 013	4 715 638	524 862	5 240 500
10395	Greytown / Enhalakahle Bulk Water Phase 2	10	31/03/2017	1 900 000	1 681 302	0	-237 875	1 443 427	160 324	1 603 751
13851	DC22 Infrastructure Development	11	30/09/2018	6 529 689	0	6 529 689	0	6 529 689	144 671	6 674 360
	TOTAL			35 188 693	25 450 953	6 529 689	-3 830 093	28 150 549	2 560 032	30 710 581

Balance
 Accrual of interest from May 06 to June 06
 EXTERNAL LOAN BALANCE
 Short term portion
 Long term portion

30 710 581
-640 009
30 070 571
-1 272 979
28 797 592

uMGUNGUNDLOVU DISTRICT MUNICIPALITY

APPENDIX C : ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30 JUNE 2006

Expenditure 2005	SERVICE	Budget 2006	Balance at 2005/06/30	Expenditure 2006	Written Off / Transferred or Disposed off during the year	Balance at 2006/06/30
2 252 292	RATE AND GENERAL SERVICES	42 242 892	25 384 785	13 425 001	11 979 295	26 830 491
1 929 573	Community Service	41 407 892	4 353 349	7 098 911	7 263 033	4 189 227
1 929 573	Management Services					-
	Health Services					-
	Public Works					-
	Council General expenses	41 407 892	4 353 349	7 098 911	7 263 033	4 189 227
	Town Planning					-
	Town Clerk					-
	Town Secretary					-
	Town Treasurer					-
	Traffic Services					-
322 719	Subsidised services	835 000	21 031 436	6 326 090	4 716 263	22 641 263
	Ambulance service					
	Cemeteries					
	Libraries					
59 186	Fire brigade	100 000	5 554 654	1 668 556	831 602	6 391 609
263 533	Municipal buildings	735 000	15 476 782	4 657 534	3 884 661	16 249 655
	Parks and Recreation					
0	Economic Services	-	-	-	-	-
	Building survey					
	Cleansing service					
	Sewerage and Sanitation service					
	Estates					
0	HOUSING SERVICE	-	-	-	-	-
	Economic Housing					
92789566	TRADING SERVICES	62 528 173	93 901 081	59 199 928	3 963 112	149 137 897
92 789 566	Electricity service	62 528 173	93 901 081	59 199 928	3 963 112	149 137 897
	Water service					
95 041 858	TOTAL FIXED ASSETS	104 771 065	119 285 866	72 624 929	15 942 407	175 968 388
	LESS: LOANS REDEEMED AND OTHER CAPITAL RECEIPTS					
	Loans redeemed and advances repaid	47 156 640				47 316 399
	Contributions from operating income	3 761 333		159 759	-	3 921 092
	Provisions and reserves	611 448		-	-	611 448
	Grants and subsidies	6 131 604		-	-	6 131 604
	Public contributions	36 505 345		-	-	36 505 345
	Land trust fund	146 910		-	-	146 910
	Parking areas fund	-		-	-	-
	Lease repayments	-		-	-	-
	NET FIXED ASSETS		72 129 226			128 651 989

uMGUNGUNDLOVU DISTRICT MUNICIPALITY**APPENDIX D : DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 J**

1999	1999	1999	2000
Actual Income R	Actual Expenditure R	Surplus / (Deficit) R	Actual Income R
-	-	-	-
		Local Government Elections	-
		0 Fuel Levy	-
25 781 954	16 040 247	-16 040 247	
53 749 121		25 781 954	95 515 580
		Administration & General Finance / Internal	
		53 749 121	88 553 418
		Levy Collection	
	67 626 819	-67 626 819	
		Capital Projects, inclusive of technical and administrative costs	
<u>79 531 075</u>	<u>83 667 066</u>	<u>-4 135 991</u>	<u>184 068 998</u>
		Total	
		-	
		Appropriation for this year	
		-4 135 991	
		Net Surplus / (deficit) for the year	
		37 585 310	
		Accumulated surplus at beginning of the year, incl prior	
		<u><u>33 449 318</u></u>	

JUNE 2000

2000	2000	2000
Actual Expenditure R	Surplus / (Deficit) R	Budget Surplus / (Deficit) R
-	-	-
-	-	-
170 592 316	-170 592 316	-3 225 012
	95 515 580	#####
	88 553 418	#####
16 152 996	-16 152 996	33 854 500
<u>186 745 312</u>	<u>-2 676 314</u>	<u>-484 881</u>
	-	
	<u>-2 676 314</u>	
r year adjustmen	<u>39 265 929</u>	
	<u><u>36 589 615</u></u>	

uMGUNGUNDLOVU DISTRICT MUNICIPALITY

APPENDIX E : DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

30/06/2005	30/06/2005	30/06/2005		30/06/2006	30/06/2006	30/06/2006
Actual Income R	Actual Expenditure R	Surplus / (Deficit) R		Actual Income R	Actual Expenditure R	Surplus / (Deficit) R
166 506 520	130 883 545	35 622 975	RATES AND GENERAL SERVICES	193 432 267	154 103 013	39 329 254
159 782 916	117 172 944	42 609 972	Community Services	185 658 966	147 312 061	38 346 905
81 616 851	0	81 616 851	Assessment levies	88 553 418	0	88 553 418
0	0	0	Management services	0	0	0
0	672 048	-672 048	Civil defence	0	300 000	-300 000
0	752 138	-752 138	Health Services	0	625 000	-625 000
0	1 929 520	-1 929 520	Public works	0	452 113	-452 113
0	78 865 914	-78 865 914	Council general expenses	0	68 921 289	-68 921 289
0	2 555 926	-2 555 926	Town planning	0	3 850 632	-3 850 632
0	13 794 191	-13 794 191	Town clerk	0	45 947 526	-45 947 526
0	0	0	Town secretary	0	0	0
78 166 065	18 603 207	59 562 858	Town Treasurer	97 105 548	27 215 501	69 890 047
0	0	0	Traffic services	0	0	0
0	8 448 326	-8 448 326	Subsidised Services	0	5 286 755	-5 286 755
0	0	0	Ambulance services	0	0	0
0	0	0	Cemeteries	0	0	0
0	0	0	Libraries	0	0	0
0	7 442 264	-7 442 264	Fire brigade	0	4 350 000	-4 350 000
0	1 006 062	-1 006 062	Municipal Buildings	0	936 755	-936 755
0	0	0	Parks and Recreation	0	0	0
6 723 604	5 262 275	1 461 329	Economic Services	7 773 301	1 504 197	6 269 104
0	0	0	Building Survey	0	0	0
0	0	0	Cleansing services	0	0	0
6 723 604	5 262 275	1 461 329	Sewerage and Sanitation service	7 773 301	1 504 197	6 269 104
0	0	0	Estate	0	0	0
0	0	0	HOUSING SERVICES	0	0	0
0	0	0	Economic Housing	0	0	0
25 580 290	38 061 129	-12 480 839	TRADING SERVICES	32 578 974	32 642 300	-63 326
0	0	0	Electricity Service	0	0	0
25 580 290	38 061 129	-12 480 839	Water Service	32 578 974	32 642 300	-63 326
0	0	0		0	0	0
192 086 810	168 944 674	23 142 136	TOTAL	226 011 241	186 745 312	39 265 928
		16 256 868	Appropriation for the year			8 893 877
		23 142 136	Net surplus (deficit) for the year			39 265 928
		55 856 404	Unappropriated surplus (Accumulated deficit) at the beginning of the year			95 255 408
			UNAPPROPRIATED SURPLUS/(ACCUMULATED DEFICIT) AT THE END OF THE YEAR			143 415 213