

O R TAMBO DISTRICT MUNICIPALITY

GRAP FINANCIAL STATEMENTS

for the year ended

30 June 2007

I am responsible for the preparation of these financial statements, which are set out on pages 1 to 32, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the municipality.

I certify that the salaries, allowances and benefits of Council as disclosed in note of these financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Municipal Manager

Date

O R TAMBO DISTRICT MUNICIPALITY

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O R TAMBO DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		100 690 774	119 638 340
Government grant reserve		23 772 125	26 934 890
Unappropriated Surplus		76 918 649	92 703 451
Non-current Liabilities		638 513	1 027 534
Lease Liability	6	638 513	1 027 534
Current Liabilities		278 067 992	224 184 710
Provisions	21	10 043 270	6 848 491
Creditors	3	91 048 217	52 766 181
Income received in advance		1 643 648	
Unspent conditional grants and receipts	4	174 962 976	164 131 023
Current Portion of Lease Liability	6	369 880	439 014
Total Net Assets And Liabilities		379 397 278	344 850 585
ASSETS			
Non-Current Assets		47 983 917	43 277 193
Property, Plant And Equipment	9	47 562 560	42 460 414
Intangibles		394 514	138 429
Long-term receivables	11	26 842	678 351
Current Assets		331 413 362	301 573 391
Inventory	12	5 580 052	2 054 899
Consumer debtors	13	56 839 140	37 021 734
Other debtors	14	1 429 055	2 893 632
Current portion of long-term loans	11	559 254	1 488 524
Vat	5	29 661 658	40 542 544
Call investments	10	223 868 603	186 608 093
Cash and Bank	15	13 475 599	30 963 965
Total Assets		379 397 278	344 850 585

O R TAMBO DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007	2006
		R	R
REVENUE			
Regional Services Levy- Turnover		-	8 633 407
Regional Services Levy- Remuneration		-	18 084 405
Rental		35 045	12 038
Service charges	16	62 840 255	44 546 759
Investment Interest		3 339 743	2 320 646
Other Interest		2 926 295	1 489 999
Fines			13 362
Government grants and subsidies	17	556 997 903	443 545 683
Other income		486 619	7 074 634
Gains on disposal of property, plant and equipment		65 370	-
Total Income		626 691 231	525 720 933
EXPENDITURE			
Employee related costs	18	80 485 468	74 435 937
Remuneration of Councillors	18	6 587 599	4 062 954
Bad debts	19	15 479 445	8 097 316
Provision for irrecoverable investments		8 184 965	
Provision for irrecoverable overpayments		2 116 390	
Provision for leave		2 090 969	
Collection costs		588 016	1 641 470
Depreciation		8 447 704	7 929 115
Repairs and maintenance		25 044 805	22 318 160
Bulk purchases	20	8 395 746	1 590 206
Contracted services		2 065 834	1 822 904
Grants and Subsidies paid	22	1 034 932	140 442
General expenses-other		485 116 923	392 527 742
Loss on disposal of property, plant and equipment			305 328
Total Expenditure		645 638 797	514 871 575
Nett (Deficit) / Surplus for the year		(18 947 566)	10 849 358

O R TAMBO DISTRICT MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2007

	Government grant reserve	Accumulated surplus	Total
	R	R	R
2006			
Balance at 1 July 2005	32 863 075	109 352 757	142 215 832
Corrections	217 383	13 515 068	13 732 450
			0
Restated balance	33 080 457	122 867 825	155 948 282
Net Surplus for the year		10 849 358	10 849 358
Transfer to/ from Reserves	(234 599)	234 599	0
Transfer of interest earned to CRR			0
Bad debt written off		(12 065 400)	(12 065 400)
Property, plant and equipment purchased		-	0
Capital grants used to purchase PPE	42 097	(42 097)	0
Offsetting of depreciation.	(5 953 067)	5 953 067	0
Balance at 30 June 2006	26 934 890	127 797 351	154 732 240
2007			
Corrections (Note 24)	-	(35 093 901)	(35 093 901)
			0
Restated balance	26 934 890	92 703 451	119 638 339
Net Deficit for the year		(18 947 566)	(18 947 566)
Transfer to/ from Reserves	-	-	0
Transfer of interest earned to CRR			0
Bad debt written off		-	0
Property, plant and equipment purchased	2 021 940	(2 021 940)	0
Capital grants used to purchase PPE	-	-	0
Offsetting of depreciation.	(5 184 704)	5 184 704	0
Balance at 30 June 2007	23 772 125	76 918 649	100 690 773

O R TAMBO DISTRICT MUNICIPALITY
CASH FLOW STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR
ENDED 30 JUNE 2007

	2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from levies, government and other	585 062 971	519 088 766
Cash paid to suppliers and employees	(550 504 284)	(430 824 851)
Cash generated from operations	25 34 558 687	88 263 915
Interest received	6 266 039	3 810 645
Interest paid	(706 774)	
NET CASH FROM OPERATING ACTIVITIES	40 117 951	92 074 560
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment.	(13 251 577)	(3 511 138)
Purchase of Intangible assets	(554 363)	
Proceeds on disposal of fixed assets.	65 370	203 180
(Increases)/Decreases in non-current receiveables	1 580 778	2 344 772
NET CASH FROM INVESTING ACTIVITIES	(12 159 792)	(963 187)
CASH FLOW FROM FINANCING ACTIVITIES		
Bad debt written off against surplus		(12 065 400)
Increase/(Decrease) in income received in advance	1 643 648	
Lease Liability paid	(458 155)	(846 888)
Non-Operating expenditure charged against Provisions	(1 186 547)	(3 952 947)
Non-Operating expenditure charged against surplus		(1 742 943)
NET CASH FROM FINANCING ACTIVITIES	(1 054)	(18 608 179)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	27 957 106	72 503 195
Cash and cash equivalents at the beginning of the year	217 572 062	145 068 867
Cash and cash equivalents at the end of the year	26 245 529 168	217 572 062
	(27 957 106)	(72 503 195)

O R TAMBO DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
1 LONG- TERM LIABILITIES		
O RTambo District Municipality had no long- term liabilities by way of external loans.		
2 CONSUMER DEPOSITS		
O R Tambo District Municipality holds no consumer deposits.		
3 CREDITORS		
Trade creditors	53 638 146	25 080 420
Sundry creditors-general	3 099 864	2 884 015
DWAF	34 310 207	24 801 747
Total creditors	<u>91 048 217</u>	<u>52 766 181</u>

The DWAF debt relates to the historical debts from the Local Municipalities. The District Municipality is currently negotiating with DWAF to cancel the debt.

4 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Conditional grants from government	174 962 976	163 512 252
Government Grants	159 621 621	122 104 306
Provincial Grants and subsidies	15 341 355	23 078 878
Other conditional receipts	-	618 771
Total Conditional Grants and Subsidies	<u>174 962 976</u>	<u>164 131 023</u>

See **Appendix G** for a reconciliation of grants from National/Provincial Government. These amounts are fully invested until utilised.

5 VAT

Accrued vat (refund from sars)	(10 764 949)	(10 076 023)
Output vat - income	(4 612 996)	(19 664 327)
Input vat - general	41 548 478	71 121 743
Capital Vat	249 035	11 757
Vat control (rsc levies)	(972 398)	(850 606)
Vat control (w & s)	0	0
	<u>25 447 170</u>	<u>40 542 544</u>

Vat is paid on the receivable basis.

6 LEASE LIABILITY

Finance Lease Liability	1 008 393	1 466 549
Less: Short-term portion	(369 880)	(439 014)
	638 513	1 027 534

The finance lease liability is secured by photocopying machines (**note 8**). Monthly instalments which varies between R1926.34 and R26217.72 are payable monthly in arrears. Interest is payable at rates between 5,75% and 11,5% per month. The final instalment is payable on 31 March 2010.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

7 FINANCE LEASE

O R Tambo DM has leased a photocopying machines from different companies between 10 May 2002 and March 2006. The lease agreements provide for between thirty-six(36) to sixty(60) monthly payments in arrears. The agreements do not provide for contingent rental payments. Ownership of the machine will not pass to O R Tambo DM at the end of lease term.

Reconciliation between the total minimum lease payments and their present value

	Up to 1 year	1 - 5 years	>5 yrs	Total
30 June 2007				
Minimum lease payments	537 215	977 739	-	1 514 954
Finance costs	(117 425)	(150 663)	-	(268 087)
Present value	419 791	827 076		1 246 867
30 June 2006				
Minimum lease payments	516 002	983 171	-	1 499 173
Finance costs	(119 364)	(105 464)	-	(224 828)
Present value	396 638	877 707		1 274 345

8 INTANGIBLE ASSETS

	Computer Software R	GIS Software R	Total R
Carrying values at 1 July 2005	407 580		407 580
Cost	1 176 772		1 176 772
Accumulated amortisation	(769 193)		(769 193)
Acquisitions	-		
Amortisation	(269 151)		(269 151)
Carrying values at 30 June 2006	138 429		138 429
Cost	1 176 772		1 176 772
Accumulated amortisation	(1 038 343)		(1 038 343)
30 June 2007			
Reconciliation of Carrying Value			
Carrying values at 1 July 2006	138 429		138 429
Cost	1 176 772		1 176 772
Accumulated amortisation	(1 038 343)		(1 038 343)
Acquisitions	418 762	135 600	554 362
Amortisation	(278 501)	(19 775)	(298 276)
Carrying values at 30 June 2007	278 689	115 825	394 514
Cost	1 595 534	135 600	1 731 134
Accumulated amortisation	(1 316 845)	(19 775)	(1 336 620)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2006 R	2006 R
10 INVESTMENTS		
Financial Instruments		
Fixed Deposits-Long Term		
Other Deposits- Short Term		
Call Account Deposits	232 053 568	186 608 093
Total cash investments	<u>232 053 568</u>	<u>186 608 093</u>
Provision for irrecoverable NRB cash investments	<u>(8 184 965)</u>	<u></u>
Total Investments	<u>223 868 603</u>	<u>186 608 093</u>

Average interest rate

Allocation of external investments

Surplus cash is invested until used for specific purposes. Investments are allocated

Capital Replacement Reserve	0	0
Provisions Invested	0	0
Conditional Grants And Subsidies Invested	224 007 092	(166 929 013)
Surplus Funds Invested	<u>8 046 476</u>	<u>(19 679 081)</u>
Total	<u>232 053 568</u>	<u>(186 608 093)</u>

The New Republican Bank was placed under curatorship by the Minister of Finance on 29 January 1999. As at 30 June 2007, funds still vested with NRB totalled R12.5 million. Correspondence received from the curators Ernst & Young dated 27 July 2006 forwarded to all depositors and creditors states that they are not in a position to determine the recoverability of the remaining capital balance as there are various litigation matters which have not been finalized. They further state that the quantum of the awards will depend on the outcome of the same. Furthermore, All creditors were requested to vote for a return of 35 cents in a rand, hence a provision of 65% has been made in the financial statements.

11 LONG-TERM RECEIVABLES

Motor car loans	586 097	2 166 874
	<u>586 097</u>	<u>2 166 874</u>
Less : Short-term portion transferred to current assets	(559 254)	(1 488 523.54)
Total Non-Current loans	<u>26 842</u>	<u>678 351</u>

Loans were approved for:

Motor car loans to employees. No new loans are being made and existing loans are phased out as they are repaid.

12 INVENTORY

Consumable stores	5 580 052	2 054 899
Work in progress		
	<u>5 580 052</u>	<u>2 054 899</u>

13 CONSUMER DEBTORS

As at 30 June 2006	Gross Balances	Provision for Bad Debts	Net Balance
Service Debtors	60 847 307	(23 825 573)	37 021 734
Levies	12 353 416	-	12 353 416
Sewerage	16 813 142	(8 260 478)	8 552 664
Water	31 680 750	(15 565 095)	16 115 655
Total	<u>60 847 307</u>	<u>(23 825 573)</u>	<u>37 021 734</u>

Levies: Ageing

Current (0 - 30 days)	-	-
31 - 60 Days	-	328 863
61 - 90 Days	-	(1 440 346)
91 - 120 Days	-	137 825 992
121 - 365 Days	-	-
+ 365 Days	135 707 838	-
Adjustment for Corrections	<u>(127 221 090)</u>	<u>(124 362 154)</u>
Total	<u>8 486 747</u>	<u>12 352 355</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
Sewerage & Water: Ageing		
Current (0 - 30 days)	8 625 278	4 862 395
31 - 60 Days	4 073 240	4 096 490
61 - 90 Days	3 891 263	3 206 284
91 - 120 Days	2 948 084	2 701 034
121 - 365 Days	3 254 299	2 375 231
+ 365 Days	63 524 147	43 343 432
Adjustment for Corrections	(302 517)	
Total	86 013 794	60 584 866

	Gross Balances	Provision for Bad Debts	Net Balance
As at 30 June 2007	96 144 159	(39 305 018)	56 839 140
Service Debtors	8 486 747	(3 394 699)	5 092 048
Levies	20 961 138	(12 450 337)	8 510 801
Sewerage	66 696 273	(23 459 983)	43 236 291
Water			
Total	96 144 159	(39 305 018)	56 839 140

Levies: Ageing		
Current (0 - 30 days)	-	
31 - 60 Days	-	
61 - 90 Days	-	
91 - 120 Days	-	
121 - 365 Days	-	
+ 365 Days	135 707 838	
Adjustment for Corrections	(127 221 090)	
Total	8 486 747	

Sewerage & Water: Ageing		
Current (0 - 30 days)	8 625 278	
31 - 60 Days	4 073 240	
61 - 90 Days	3 891 263	
91 - 120 Days	2 948 084	
120 - 150 Days	3 254 299	
> 150 days	63 524 147	
Adjustment for Corrections	(302 517)	
Total	86 013 794	

14 OTHER DEBTORS

Sundry Debtors	3 545 445	2 893 632
Provision for irrecoverable overpayments	(2 116 390)	-
Total Other Debtors	1 429 055	2 893 632

15 BANK, CASH AND OVERDRAFT BALANCES

Oliver Tambo District Municipality has the following bank accounts:

Current Account (Primary Bank Account)

Meeg bank
Acc no: 4059110438
address: 60 Sutherland Street,
P.O. Box 30 Mthatha 5099

Cashbook balance at the beginning of the year	-	-
Cashbook balance at the end of the year	-	-
Bank statement balance at the beginning of the year	-	7 962 349
Bank statement balance at the end of the year	-	7 962 349

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
<u>Current Account (Primary Bank Account)</u>		
FNB Acc no: 53990137772 address: York Road Street, P.O.Box 149 Mthatha 5099		
Cashbook balance at the beginning of the year	23 142 083	23 142 083
Cashbook balance at the end of the year	<u>13 434 766</u>	<u>0</u>
Bank statement balance at the beginning of the year	53 559 320	53 559 320
Bank statement balance at the end of the year	<u>30 087 306</u>	<u>0</u>
<u>Other Bank accounts</u>		
FNB Acc no: 53990137772 address: York Road Street, P.O.Box 149 Mthatha 5099		
Cashbook balance at the beginning of the year	35 903	-
Cashbook balance at the end of the year	<u>35 803</u>	<u>35 903</u>
Bank statement balance at the beginning of the year	35 903	53 559 320
Bank statement balance at the end of the year	<u>35 803</u>	<u>0</u>
FNB Acc no: 8812710004736000 address: York Road Street, P.O.Box 149 Mthatha 5099		
Cashbook balance at the beginning of the year	4 807	-
Cashbook balance at the end of the year	<u>4 807</u>	<u>35 903</u>
Bank statement balance at the beginning of the year	35 903	-
Bank statement balance at the end of the year	<u>35 803</u>	<u>0</u>
16 SERVICE CHARGES		
Sale of water	47 899 482	26 133 050
Sewerage and sanitation charges	14 940 773	17 979 625
	<u>62 840 255</u>	<u>44 112 675</u>
17 GOVERNMENT GRANTS AND SUBSIDIES		
<u>Government Grants</u>		
Equitable share	190 354 067	143 953 455
Total Government Grants	<u>190 354 067</u>	<u>143 953 455</u>
Total	<u>190 354 067</u>	<u>143 953 455</u>
<u>National/Provincial conditional Government grant funding.</u>		
Operational spending	364 624 674	300 187 607
<u>National/Provincial conditional Government grant funding.</u>		
Capital spending	2 021 940	42 097
Total National/Provincial Government Grants reimbursements	<u>366 646 614</u>	<u>300 229 704</u>
Total Government Grants and Subsidies	<u>557 000 681</u>	<u>444 183 159</u>
Equitable share		
In terms of the Constitution, this grant is used to balance the Municipalities revenue.		
18 EMPLOYEE BENEFITS		
18.1 EMPLOYEE RELATED COSTS		
Salaries and wages	49 896 959	52 977 469
Contributions for UIF, pensions and medical aids	8 785 019	8 283 287
Travel, motor car and other allowances	13 156 992	11 192 609
Housing benefits	3 066 124	2 696 781
Overtime	4 267 737	2 320 100
Performance bonuses	1 312 637	1 028 615

80 485 468

78 498 862

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2 007 R	2006 R
Remuneration of the Municipal Manager		
Annual Remuneration	794 800	434 019
Performance Bonuses		
Car Allowance	74 600	237 284
UIF	1 399	42 305
Total	870 799	713 608
Remuneration of the Chief Finance Officer		
Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	77 803
Car Allowance	261 123	244 021
UIF	1 399	
Total	750 408	687 852
Remuneration of Manager - Engineering Services		
Annual Remuneration	391 685	366 028
Performance Bonuses	54 514	122 044
Car Allowance	261 123	244 021
UIF	1 399	
Total	708 721	732 093
Remuneration of Manager - Developmental Planning		
Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	84 668
Car Allowance	261 123	244 021
UIF	1 399	
Total	750 408	694 717
Remuneration of Manager - Community Services		
Annual Remuneration	385 364	366 028
Performance Bonuses	32 067	56 445
Car Allowance	256 909	244 021
UIF	1 399	
Total	675 739	666 494
Remuneration of Manager - Human Resources		
Annual Remuneration	391 685	366 028
Performance Bonuses	64 134	84 668
Car Allowance	261 123	244 021
UIF	1 399	
Total	718 341	694 717
Remuneration of Strategic Manager - Office of the Executive Mayor		
Annual Remuneration	391 685	366 028
Performance Bonuses	96 201	0
Car Allowance	261 123	244 021
UIF	1 399	
Total	750 408	610 049
18.2 REMUNERATION OF COUNCILLORS		
Executive Mayor	496 967	330 015
Speaker	221 202	265 790
Mayoral Committee members	3 295 749	1 778 118
Councillors	2 572 667	1 394 029
Councillors' pension and Medical contribution	1 014	295 003
Total Councillors' Remuneration	6 587 599	4 062 954

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
19 BAD DEBTS		
Contribution to the bad debt provision	15 479 445	8 097 316
Total Bad Debts	15 479 445	8 097 316
Bad debt written off utilising unbundling surplus.	-	12 065 400
20 BULK PURCHASES		
Water	8 395 746	1 590 206
21 PROVISIONS		
PROVISION FOR LEAVE		
Opening Balance	5 061 606	0
Amount Provided - Current Year	2 090 969	5 061 606
Amount Paid - Current Year	(1 186 547)	0
Closing Balance	5 966 028	5 061 606
Leave is paid to employees who no longer offer services to the Municipality (Resign or Deceased) payment limited to maximum of 48 days for permanent employees		
PROVISION FOR BONUS		
Opening Balance	1 786 885	0
Pro-rata amount provided - Current Year	2 290 357	1 786 885
Closing Balance	4 077 242	1 786 885
Totals	10 043 270	6 848 491
22 GRANTS AND SUBSIDIES PAID		
Mbizana Local Municipality	376 276	
Port St Johns Local Municipality	292 006	
Inqguza Hill Local Municipality	239 618	
Support to traditional authorities	127 032	140 442
Total Grants and Subsidies paid	1 034 932	140 442
23 GENERAL EXPENSES		
No extraordinary expenses were included in general expenses	-	-
24 CORRECTIONS		
During the year 2006/07 the following transactions was made in regard of the previous year and the comparative amounts have been restated:		
Reversal of stale cheques that were not presented for payment		214 754
Provision for Leave		5 061 606
Provision for Bonus		1 786 885
Repayments on amounts overpaid		581 034
Adjustment fo funds amounts received on 05/06		1 852 252
Prior year correction of Vat		260 959
Backlog Depreciation for finance leased assets		947 155
Adjustment of CBDWP fund with unaccounted funds		6 457 019
Adjustment of prior years MIG receipt		20 772 570
Recognition of Vulindlela DBSA fund received		419 400
Salaries for MIG staff paid through Equitable share on 05/06		(3 805 449)
Vat recovered for previous years		(12 954 637)
Correction of Bank error		(82 405)
Reversal of dishonoured cheque		(1 625)
Clearing of opening balance for Line Mapping Fund		(384 179)
Lease Payments from previous years for finance leased assets		(846 888)
Adjustment of prior years returned cheques		(88 505)

Adjustment of Grant call fund to call account	(6 851 757)
Recognition of DWAF debt for raw water for previous financial years	24 801 747
Recognition of input vat from DWAF debt for raw water for previous financial years	<u>(3 046 035)</u>
Net effect on surplus for the year	<u><u>35 093 901</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
25 CASH GENERATED BY OPERATIONS		
Net surplus for the year	(18 947 566)	10 849 358
Adjustment for:-		
Previous years	-	-
Changes in accounting policy		
Depreciation	8 447 704	7 929 115
Loss on disposal of property, plant and equipment	-	305 328
Gain on disposal of property, plant and equipment	(65 370)	
Contributions to bad debt provision	15 479 445	8 097 316
Contributions to provisions	4 381 326	
Investment income	(6 266 039)	(3 810 645)
Provision for irrecoverable investments	8 184 965	
Interest paid	706 774	
Operating surplus before working capital changes:	11 921 240	23 370 472
Decrease/(Increase) in inventories	(3 525 153)	(1 837 587)
(Increase)/Decrease in RSC Levy debtors	3 866 669	(3 909 124)
(Increase)/Decrease in Consumer debtors	(39 163 520)	1 087 602
(Increase)/Decrease in other debtors	1 464 577	2 752 447
Increase/(Decrease) in VAT	10 880 886	9 018 583
Increase/(Decrease) in conditional grants and receipts	10 831 953	46 878 320
Increase/(Decrease) in creditors	38 282 036	10 903 202
Cash generated by operations	34 558 687	88 263 915
26 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Bank balances and cash	13 475 599	30 875 459
Bank overdrafts		
Call investment deposits	232 053 568	186 608 093
Total cash and cash equivalents	245 529 168	217 483 552
27 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
O R Tambo District Municipality had no Long-term liabilities at the end of both financial years		
28 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE		
<u>Unauthorised expenditure</u>		
Reconciliation of unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council	-	-
Transfer to statement of Financial performance	-	-
- authorised losses	-	-
Transfer to receivables for recovery	-	-
Closing balance	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
<u>Irregular, fruitless and wasteful expenditure</u>		
Reconciliation of fruitless and wasteful expenditure		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Approved by Council	-	-
Transfer to statement of Financial performance	-	-
- authorised losses	-	-
Transfer to receivables for recovery	-	-
Closing balance	-	-
	<hr/>	<hr/>
Total unauthorised, fruitless and wasteful expenditure disallowed	-	-
	<hr/> <hr/>	<hr/> <hr/>
29 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT		
29.1 <u>Contributions to SALGA</u>		
Opening balance		
Council subscriptions	1 152 958	350 362
Amount paid - current year	(1 152 958)	(350 362)
Amount paid - next year		
Balance paid in advance (included in Debtors)	-	-
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
29.2 <u>Audit fees</u>		
Opening balance		
Previous years audit fee	-	782 413
Current year audit fee	1 143 412	
Amount paid - current year	76 202	
Amount paid - previous years	(1 219 614)	(782 413)
Balance unpaid (included in creditors)	-	-
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
29.3 <u>VAT</u>		
Vat inputs receivables and VAT outputs receivables are shown in note 5 . All Vat returns have been submitted by the due date throughout the year.		
29.4 <u>PAYE and UIF</u>		
Opening balance	8 341	
Current year payroll deductions	14 770 303	13 447 428
Amount paid - current year	(14 779 062)	(13 439 087)
Amount paid - previous years		
Balance unpaid (included in debtors)	(418)	8 341
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
29.5 <u>Pension and Medical Aid Deductions</u>		
Opening balance	28 058	
Current year payroll deductions and Council Contributions	11 697 391	9 642 187
Amount paid - current year	(11 723 455)	(9 614 130)
Amount paid - previous years		
Balance unpaid (included in creditors)	1 994	28 058
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
The balance represents pension and medical aid contributions deducted from		
30 CAPITAL COMMITMENTS	0	28 988 575
	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>
The OR Tambo District Municipality does not have any capital commitments during the underreview		

31 CONTINGENT LIABILITIES

31.1 NDLELA YABANTU/ KEI DISTRICT COUNCIL	-	<u>30 000 #</u>
The former Kei District Council is being sued by a contractor due to a contractor that was improperly awarded. Awaiting trial date from the Plaintiff Attorneys.		
31.2 WILD COAST GUARDS/OR TAMBO DISTRICT MUNICIPALITY	<u>3 320 136</u>	<u>75 000 #</u>
The OR Tambo District Municipality is being sued by the contractor for the termination of contract. Parties are still exchanging pleadings.		
31.3 BARLOWORLD/OR TAMBO DISTRICT MUNICIPALITY	-	<u>40 000 #</u>
The OR Tambo District Municipality is being sued by a contractor for failure to honour a cession agreement. Still awaiting trial date from the Plaintiff's Attorneys.		
31.4 WK CONSTRUCTION/OR TAMBO DISTRICT MUNICIPALITY	-	<u>275 179 #</u>
The OR Tambo District Municipality is being sued by a tenderer who had lost on a tender process. The matter is still awaiting judgement.		
31.5 BARLOWORLD/OR TAMBO DISTRICT MUNICIPALITY	<u>268 298</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the contractor for failure to honour a cession between contractor and Haupt Civils on the Mfundisweni Access Road project		
31.6 ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	<u>21 991</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the consultants for professional services rendered in respect of Zanokhanyo Access Road project		
31.7 ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	<u>142 511</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the consultants for professional services rendered in respect of Mpapane Water Supply project		
31.8 ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	<u>31 408</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the consultants for professional services rendered on the Mvalweni to Manzana Water Supply project		
31.9 ILISO CONSULTING/OR TAMBO DISTRICT MUNICIPALITY	<u>68 890</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the consultants for professional services rendered on Ntsimbini Water Supply project		
31.10 NELISWA NDABANKULU/OR TAMBO DISTRICT MUNICIPALITY	<u>2 000 000</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the said individual for breach of employment contract		
31.11 MOFFAT QITHI/OR TAMBO DISTRICT MUNICIPALITY	<u>141 158</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the former employee for the unpaid performance bonus		
31.12 KWINDA CONSTRUCTION/OR TAMBO DISTRICT MUNICIPALITY	<u>187 981</u>	<u>-</u>
The OR Tambo District Municipality is being sued by the contractor for failure to honour a cession between contractor and Collosus Construction		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

2007
R

2006
R

32 RETIREMENT BENEFIT INFORMATION

Post-Retirement Medical Benefit

The Municipality does not make Provision for post retirement medical benefits.

Pension and Retirement Fund Benefits

Employees and Council contribute to the Cape Joint Pension, Municipal employee provident fund, Eastern Cape pension fund, Eastern Cape Gratuity Fund, National Fund for Municipal workers, Municipal Employee Pension Fund and Southern Negotiated Retirement Fund on the basis of a fixed contribution and is charged

33 DONATIONS AND ASSISTANCE

DONATIONS

FNB	50 000	
STD Bank	15 000.00	
DBSA	150 000.00	
ABSA	50 000.00	
	<u>265 000.00</u>	<u>-</u>

34 EVENTS AFTER THE REPORTING DATE

O.R. Tambo District Municipality does not have the reportable events after year end

35 COMPARISON WITH THE BUDGET

The comparison of the Municipality's actual financial performance with that budgeted is set out in Annexures D and E.

36 TRANSFERS TO O R TAMBO NTINGA DEVELOPMENT AGENCY

Included in General Expenditure-other totalling **R484 million** incurred by the District Municipality, are transfers that were made to the Municipal Entity. Transfers made totalled **R39.7 m (2006: R36M)**

8 PROPERTY, PLANT AND EQUIPMENT

30 June 2006

Reconciliation of Carrying Value	Land and buildings R	Infrastructure R	Community R	Other R	Leased Assets R	Total R
Carrying values at 1 July 2005	16 634 355	-	4 089 979	25 312 388	1 079 600	47 116 321
Cost	21 680 270	-	4 560 000	41 326 501	1 609 723	69 176 493
Accumulated depreciation	(5 045 915)	-	(470 021)	(16 014 113)	(530 123)	(22 060 171)
Acquisitions	396 096	-	327 696	2 787 346	429 299	3 940 437
Capital under Construction						
Depreciation	(607 642)	-	(456 212)	(6 865 262)	(427 874)	(8 356 990)
- based on cost	(607 642)	-	(456 212)	(6 596 111)		(7 659 964)
Carrying value of disposals	-	-	-	(508 507)	-	(508 507)
Cost				(1 022 151)	-	(1 022 151)
Accumulated depreciation				513 644	-	513 644
Impairment losses						
Other movements						
Carrying values at 30 June 2006	16 422 809	-	3 961 463	20 995 116	1 081 025	42 460 414
Cost	22 076 366	-	4 887 695	44 113 847	2 039 022	73 116 930
Accumulated depreciation	(5 653 557)	-	(926 232)	(23 118 731)	(957 997)	(30 656 517)

30 June 2007

Reconciliation of Carrying Value	Land and buildings R	Infrastructure R	Community R	Other R	Leased Assets R	Total R
Carrying values at 1 July 2006	16 422 809	-	3 961 463	20 995 116	1 081 025	42 460 413
Cost	22 076 366	-	4 887 695	44 113 847	2 039 022	73 116 930
Accumulated depreciation	(5 653 557)	-	(926 232)	(23 118 731)	(957 997)	(30 656 517)
Acquisitions	3 582 744	-	552 197	9 116 636		13 251 577
Capital under Construction						
Depreciation	(870 710)	-	(420 653)	(6 371 687)	(486 381)	(8 149 430)
- based on cost	(870 710)	-	(420 653)	(6 371 687)	(486 381)	(8 149 430)
Carrying value of disposals	-	-	-	-	-	-
Cost				-	-	-
Accumulated depreciation				-	-	-
Impairment losses						
Other movements						
Carrying values at 30 June 2007	19 134 844	-	4 093 006	23 740 066	594 645	47 562 560
Cost	25 659 110	-	5 439 892	53 230 483	2 039 022	86 368 507
Accumulated depreciation	(6 524 266)	-	(1 346 886)	(29 490 418)	(1 444 377)	(38 805 946)

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

The Municipality has taken advantage of the transitional provisions set out in GAMAP 17. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2009. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records. Furthermore, the Municipality has not assessed whether items of property, plant and equipment are impaired. It is expected that an assessment of impairments will be done by 30 June 2009. **Leased assets represents Office Machines which are held in terms of a Finance lease agreements (refer to note)**

APPENDIX A
O R TAMBO DISTRICT MUNICIPALITY: ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
LAND AND BUILDINGS										
Buildings	16 044 231	3 492 744			19 536 975	5 288 115	674 845		5 962 960	13 574 015
Parking areas	4 689 955	-			4 689 955	365 441	194 115		559 556	4 130 399
Land	1 342 180				1 342 180	-			1 750	1 342 180
Statue		90 000.00			90 000		1 750		1 750	88 250
Total Land and buildings	22 076 366	3 582 744	-	-	25 659 110	5 653 556	870 710	-	6 524 266	19 134 844
INFRASTRUCTURE ASSETS										
Total Infrastructure Assets	-	-		-	-	-	-	-	-	-
COMMUNITY ASSETS										
Buildings:										
Community Centres	3 881 303	-		-	3 881 303	209 153	129 377		338 530	3 542 773
										-
	3 881 303	-		-	3 881 303	209 153	129 377	-	338 530	3 542 773
Security Measures:										
Fencing	1 005 642	342 433		-	1 348 075	716 329	284 284		1 000 613	347 462
Security Systems	750	209 764		-	210 514	750	6 992		7 742	202 772
	1 006 392	552 197		-	1 558 589	717 079	291 276		1 008 356	550 234
Total Community Assets	4 887 695	552 197	-	-	5 439 892	926 232	420 653	-	1 346 886	4 093 006
OTHER ASSETS										
Office Equipment:										
Air Conditioners	110 075	234 742			344 817	81 902	47 352		129 254	215 563
Computer Hardware	5 096 956	1 747 133			6 844 089	4 279 263	1 077 883		5 357 146	1 486 944
Computer Software	-	-			-	-	-		-	-
Office Machines	320 182	291 888			612 070	309 251	49 431		358 682	253 389
Miscellaneous	349 325	-			349 325	334 779	4 665		339 444	9 882
Training		-					-			
Audio visual	211 868	32 408			244 276	183 884	31 681		215 565	28 712
Scanners	22 229	-			22 229	20 168	2 061		22 228	1
	6 110 637	2 306 171	-	-	8 416 808	5 209 246	1 213 072	-	6 422 318	1 994 490

	Cost					Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
Plant And Equipment:										
Tractors	261 237	-			261 237	121 483	24 714		146 197	115 040
Farm Equipment	354 137	-			354 137	354 137	-		354 137	-
Lawnmowers	-	-			-	-	-		-	-
Plant and Equipment General	342 636	201 254			543 889	197 114	91 438		288 552	255 337
Telecommunications	57 832	34 961			92 792	54 313	20 696		75 009	17 783
Ambulance /Clinic Equipment	255 975	-			255 975	62 333	27 790		90 123	165 853
Mobile Clinic	-	-			-	-	-		-	-
Tents	1 095 803	-			1 095 803	541 963	184 950		726 913	368 889
Mobile pumps & assesories	3 061	-			3 061	3 061	-		3 061	-
Mowing and cutting equipment	95 867	7 017			102 884	63 479	31 590		95 069	7 815
Water tanker	2 182 756	-			2 182 756	539 082	233 644		772 726	1 410 030
Sucker tanker	695 822	-			695 822	105 803	69 582		175 385	520 437
Vacuum tanker	407 806	-			407 806	109 717	81 561		191 278	216 528
brick machine	-	79 596			79 596	-	5 306		5 306	74 290
Generators	191 469	6 544			198 013	150 103	34 112		184 215	13 798
	5 944 401	329 372			6 273 772	2 302 588	805 384		3 107 972	3 165 800
Furniture And Fittings:										
Cabinets and Cupboards	738 729	37 085			775 814	620 719	75 225		695 944	79 870
Chairs	397 153	95 136			492 288	312 326	45 114		357 440	134 848
Furniture & Fittings Other	3 197 365	76 894			3 274 259	1 328 649	358 974		1 687 623	1 586 635
Safes	-	125 851			125 851	-	6 800		6 800	119 051
Kitchen Equipment	19 476	-			19 476	16 183	1 760		17 943	1 533
Tables and Desks	1 160 687	189 445			1 350 132	341 670	69 860		411 530	938 602
	5 513 409	524 410			6 037 819	2 619 547	557 734		3 177 280	2 860 539
Motor Vehicles:										
Motor Vehicles	1 606 441	1 415 070			3 021 511	747 200	241 615		988 815	2 032 696
Trucks / Bakkies	19 012 883	3 373 740			22 386 622	8 948 164	3 033 718		11 981 883	10 404 739
Caravans	859 756	-			859 756	414 844	28 659		443 503	416 253
Carports	-	368 038			368 038	-	17 935		17 935	350 104
Trailers	7 915	-			7 915	7 915	-		7 915	-
	21 486 994	5 156 848			26 643 842	10 118 124	3 321 926		13 440 050	13 203 792
Emergency Equipment:										
Fire Engines	3 026 971	521 393			3 548 365	837 793	302 697		1 140 490	2 407 875
Compressors	-	-			-	-	-		-	-
General	-	278 441			278 441	-	170 873		170 873	107 569
	3 026 971	799 835			3 826 806	837 793	473 570		1 311 363	2 515 443
General	1 009 283	-			1 009 283	1 009 283	-		1 009 283	-
Total Other Assets	43 091 695	9 116 636			52 208 331	22 096 580	6 371 687		28 468 267	23 740 064
Leased Assets										
Photocopier Machines	2 039 022	-			2 039 022	957 997	486 381		1 444 377	594 645
Total Leased Assets	2 039 022	-			2 039 022	957 997	486 381		1 444 377	594 645
TOTAL	72 094 779	13 251 577			85 346 355	29 634 366	8 149 430		37 783 795	47 562 560

APPENDIX B
O R TAMBO DISTRICT MUNICIPALITY: DEPARTMENTAL ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
30 JUNE 2007

FIXED ASSETS	HISTORICAL COST					ACCUMULATED DEPRECIATION				CARRYING VALUE
	DESCRIPTION	OPENING BALANCE	ADDITIONS	UNDER CONSTRUCTION	DISPOSALS	CLOSING BALANCE	OPENING BALANCE	ADDITIONS	DISPOSALS	
Executive & Council	5 406 220	2 525 653			7 931 873	2 561 219	962 051		3 523 270	4 408 603
Finance & Admin	33 925 099	5 779 231			39 704 330	12 625 738	2 270 406		14 896 144	24 808 186
Planning & Developme	1 472 639	79 596			1 552 235	1 192 856	258 053		1 450 909	101 326
Health	-	2 029 251			2 029 251	-	-		-	2 029 251
Community & Social Services	3 995 687	1 798			3 997 485	1 777 893	512 909		2 290 801	1 706 684
Housing	31 079	-			31 079	24 385	3 598		27 984	3 096
Public Safety	7 346 556	906 447			8 253 003	2 535 358	947 774		3 483 132	4 769 871
Environmental Protection	-				-	-	-		-	-
Water & Sanitation	2 350 549	617 047			2 967 597	843 270	402 692		1 245 962	1 721 635
Road Transport	176 411	1 312 553			1 488 964	176 137	60 447		236 584	1 252 380
Other Functions	17 390 539				17 390 539	7 897 508	2 731 501		10 629 010	6 761 529
TOTALS	72 094 779	13 251 577	-	-	85 346 355	29 634 365	8 149 431	-	37 783 796	47 562 560

APPENDIX C
O R TAMBO DISTRICT MUNICIPALITY: DEPARTMENTAL INCOME STATEMENT FOR THE YEAR ENDED
30 JUNE 2007

2006 Actual Income R	2006 Actual Expenditure R	2006 Surplus/ (Deficit) R		2007 Actual Income R	2007 Actual Expenditure R	2007 Surplus/ (Deficit) R
4 649 198	36 909 428	(32 260 230)	Executive and Council	2 010 050	33 772 839	(31 762 789)
184 900 806	48 469 927	136 430 879	Finance and Administration	260 856 454	85 353 529	175 502 925
4 258 233	44 446 586	(40 188 352)	Planning and Development	4 047 410	52 595 162	(48 547 752)
	1 172 620	(1 172 620)	Health	2 801 859	4 329 674	(1 527 815)
	3 408 983	(3 408 983)	Community and Social services	229 468	4 644 632	(4 415 164)
36 603 573	39 871 872	(3 268 299)	Housing	40 667 278	36 192 500	4 474 778
3 250 025	6 104 024	(2 853 999)	Public safety	2 141 860	8 484 695	(6 342 835)
	1 184 318	(1 184 318)	Environmental Protection	1 018 847	1 819 426	(800 579)
17 600 821	34 456 744	(16 855 922)	Road Works		12 457 894	(12 457 894)
	2 903 834	(2 903 834)	Sanitation	-	0	-
	2 424	(2 424)	Electricity		10 413	(10 413)
44 551 692	60 428 268	(15 876 576)	Water	24 816 211	80 537 818	(55 721 608)
229 906 584	235 512 547	(5 605 963)	Other	288 078 673	325 428 364	(37 349 691)
525 720 933	514 871 575	10 849 358	Sub Total	626 668 110	645 626 946	-18 958 835
						0
525 720 933	514 871 575	10 849 358	TOTAL	626 668 110	645 626 946	-18 958 835

APPENDIX D
O R TAMBO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED
30 JUNE 2007

REVENUE	Actual 2007	Budget 2007	Variance R	Variance %	Explanation of Significant Variances Greater than 10% versus Budget
Regional Services Levy- Turnover	0	-	0		
Regional Services Levy- Remuneration	0	-	0		
Rental	35 045	240 000	204 955	-85	During the adjustment budget period it was anticipated that the hall will be used more frequently, however not many functions were held in there.
Service charges	62 840 255	60 000 000	(2 840 255)	5	
Investment Interest	3 339 743	1 700 000	(1 639 743)	96	Additional funds were received during the year and also the receipt of the VAT refund which was invested to a call account led to this variance.
Other Interest	2 918 794	-	(2 918 794)	100	
Income for agency services	0		0		
Government grants and subsidies	556 982 283	648 849 360	91 867 077	-14	The variance is caused by the fact that monies that were budgeted for to be received from government institutions both nationally and provincially were not received.
Other income	486 619	46 530	(440 089)	946	The variance is caused by the fact that we budgeted for VAT refunds which when received did not go through the income statement but rather transferred to the call account.
Gains on disposal of property, plant and equipment	65 370	-	(65 370)	100	The variance emanates from the fact that the district municipality did not foresee that it would dispose off motor vehicles that were not needed by the council when budgeting.
Total Income	626 668 110	710 835 890	84 167 780		
EXPENDITURE					
Executive & Council	33 772 839	42 389 680	8 032 327	-19	Included in the total budget is a budget for the operational centre, sustainable villages, communications e.t.c. which were not fully utilised hence the variance.
Finance & Admin	85 353 529	52 084 283	(24 921 681)	48	The variance is caused by the inclusion of provision for loss of investments held with NRB Bank which is in curatorship since 2000 and also the increase in the depreciation. Also a provision for the irrecoverable overpayments has been made.
Planning & Developme	52 595 162	61 724 936	9 129 775	-17	Included in the budget for developmental planning is the budget for Tourism which has not yet been fully operational hence the variance.
Health	4 329 674	3 789 494	(540 180)	14	Acquisition of park homes led to the variance
Community & Social Services	4 644 632	4 424 793	(219 839)	5	
Housing	36 192 500	100 514 006	64 321 506	-64	During the year there has been a shortage of materials from suppliers like cement and the province not transferring in time the allocations for housing led to the variance.
Public Safety	8 484 695	8 704 781	220 086	-3	Delays in the awarding of tenders for fire fighting equipment and other materials led to the variance.
Environmental Protection	1 819 426	2 053 095	233 669	-11	Shortage of technicians and engineers is the cause of the variance
Water & Sanitation	80 537 818	120 456 950	39 919 132	-33	During the review of the budget, virements were made to this budget in anticipation of acquiring equipment for maintenance of the roads, however as this exercise was done towards the end of the financial year, the equipment was not acquired.
Road Transport	12 457 894	16 709 637	4 251 743	-34	
Other Functions	325 438 777	335 137 217	9 698 440	-3	
Total Expenditure	645 626 946	747 988 872	110 124 977		
NET SURPLUS/(DEFICIT) FOR THE YEAR	(18 958 836)	(37 152 982)	(25 957 197)		

APPENDIX E
O R TAMBO DISTRICT MUNICIPALITY: CAPITAL EXPENDITURE ACTUAL VERSUS BUDGET FOR THE YEAR ENDED
30 JUNE 2007

	2007 Actual R	2007 Under Construction R	2007 Total Additions R	2007 Budget R	2007 Variance R	2007 Variance %	Explanation of Significant Variances Greater than 5% versus Budget
Executive & Council	2 525 653.28		2 525 653.28	2 525 653.28	-	0.00%	
Finance & Admin	6 333 592.99		6 333 592.99	6 333 592.99	-	0.00%	
Planning & Developme	79 596.49		79 596.49	79 596.49	-	0.00%	
Health	2 029 251.04		2 029 251.04	2 029 251.04	-	0.00%	
Community & Social Services	1 798.00		1 798.00	1 798.00	-	0.00%	
Housing	-		-	-	-	0.00%	
Public Safety	906 446.81		906 446.81	906 446.81	-	0.00%	
Environmental Protection			-		-	0.00%	
Water & Sanitation	617 047.33		617 047.33	617 047.33	-	0.00%	
Road Transport	1 312 552.96		1 312 552.96	1 312 552.96	-	0.00%	
Other Functions			-		-	0.00%	
TOTAL	13 805 939	-	13 805 939	13 805 939			

O. R. TAMBO DISTRICT MUNICIPALITY

APPENDIX F

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

NAME OF GRANT	NAME OF ORGAN OF STATE OR MUNICIPAL ENTITY	QUARTERLY RECEIPTS			QUARTERLY RECEIPTS		
		JULY	AUG	SEPT	OCT	NOV	DEC
BUDGET REFORMS - CALL ACCOUNT	NATIONAL TREASURY		500 000.00				
DWAF CWSS PROJECTS	DEPARTMENT OF WATER AFFAIRS	375 423.29	1 689 500.00			1 004 500.00	
DISASTER MANAGEMENT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT			1 500 000.00			
HADINI SUBSIDY GRANT	EASTERN CAPE HOUSING		3 668 233.40				
O.R. TDM PRESTON SUBSIDIARY GRANT	EASTERN CAPE HOUSING			106 988.56			
EARGOTON	EASTERN CAPE HOUSING			840 750.00			
MPEKO SUBSIDY GRANT	EASTERN CAPE HOUSING			62 500.00			
LINDILE SUBSIDY	EASTERN CAPE HOUSING			12 822.24			
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	DEPARTMENT OF LOCAL GOVERNMENT						
MBIZANA EXT 4 GRANT	EASTERN CAPE HOUSING	1 149 450.00		1 149 450.00			1 712 280.00
MINICIPAL INFRASTRUCTURE GRANT	NATIONAL TREASURY	24 033 014.19				38 557 692.00	33 556 663.00
ZIDINDINI RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						-
OLD PAYNE HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT		989 040.00				56 990.00
UPPER CENTULI HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						989 203.73
UPPER TABASE HOUSING	EASTERN CAPE HOUSING & LOCAL GOVERNMENT			939 320.00			107 647.60
NKONZO RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						
NDLUNKULU RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT			405 000.00			1 318 000.00
MANTLANENI RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						31 549.25
NGQWALA RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						2 094 556.00
NEW PAYNE RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						
KWENXURHA RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						76 300.00
NTSHABENI RURAL HOUSING GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						212 474.00
COMMUNITY DEVELOPMENT GRANT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT	213 120.00					
INTERGRATED TRANSPORT PLAN	DEPARTMENT OF TRANSPORT						
LIBRARIES AND INFORMATION SYSTEMS	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						
INTERGRATED DEVELOPMENT PLAN	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						
AIDS TRAINING AND INFORMATION CENTRE	EASTERN CAPE PROVINCIAL HEALTH DEPT						
DBSA VULUNDLELA GRANT	DEVELOPMENT BANK OF SA						
FIRE AND EMERGENCY	EASTERN CAPE HOUSING & LOCAL GOVERNMENT			1 882 000.00			
SINGISI	SINGISI						250 000.00
SPATIAL DEVELOPMENT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						150 000.00
MASIMANYANE	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						102 166.00
SPATIAL PLANNING	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						600 000.00
VALUATIONS	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						1 120 000.00
LAND SURVEY	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						923 000.00
FREE BASIC	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						328 000.00
ISRDP PROJECTS	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						950 000.00
ISRDP DEVELOPMENT	EASTERN CAPE HOUSING & LOCAL GOVERNMENT						262 000.00

**APPENDIX G
O R TAMBO DISTRICT MUNICIPALITY
CONDITIONAL GRANTS AND RECEIPTS**

	UNSPENT BALANCE 1-Jul-2006	CURRENT YEARS RECEIPTS	INTEREST ALLOCATED	NON CAPITAL EXPENDITURE	CAPITAL EXPENDITURE	TRANSFERS	UNSPENT BALANCE 30-Jun-2007
NATIONAL GRANTS							
MAIZE FARMING PROJECT FUND							
DALINDYEBO REG AUTHORITY							
MHLONTLO MUN EQUITABLE SHARE							
KSD MUN EQUITABLE SHARE	0						0
EMBOLAND REG AUTHORITY	0						0
FINANCIAL MANAGEMENT GRANT	2 595 620	500 000	174 376	-1 752 709			1 517 287
KSD FINANCIAL ASSISTANCE							
NYANDENI MUN EQUITABLE SHARE							
ENGCOBO TRC TRUST							
TRANSPORT INFRASTRUCTURE	3 956 157		158 105	-485 109			3 629 153
URBANIZATION PROGRAMME	0						0
INCOME GENERATING PROJECTS	460 806		15 382				476 188
YOUTH DEVELOPMENT CENTRE	0						0
RURAL ANTI-POVERTY	482 709		28 098				510 807
TSOLO-QUMBU SKILLS	36 023						36 023
CBFWP	683 767	6 457 019	191 361	-6 401 213			930 934
BSRP PROJECTS	4 485 755		230 457	-2 073 054			2 643 157
CMIP PROJECTS							
MSIG PROJECTS	580 280	1 000 000	120 947	-1 214 552			486 675
DWAF PROJECTS	11 231 242	9 465 934	132 571	-4 823 590	-1 294 234		14 711 923
MSP FUND PROJECTS	0						0
IRDP PROJECT FUND	2 379 763		159 335	-1 676 208			862 890
DISASTER MANAGEMENT	3 055 473	1 500 000	70 547	-2 141 860			2 484 160
DISASTER MANAGEMENT PROJECT							
TRAINING FUNDS			2 748	-2 748			-0
DEVELOPMENT RESORTS PROJECT							
LINE MAPPING PROJECT	384 179					-384 179	0
SURVEY & PLANNING PROJECT	344 934		3 152				348 086
LAND DEVELOPMENT OBJECTIVES							
HIV / AIDS PROGRAMME	6 126 227		53 707	-236 284			5 943 650
ESTABLISHMENT FUND (GRANTS RECEIVED)	12 683 163	6 520 135	467 937	-420 000		-8 101 757	11 149 478
BUMBANE GREAT PLACE	-0						-0
SPU YOUTH DEVELOPMENT PROJECT FUND	175 705		9 322				185 027
SPU SIMISONKE FUND	233 149		25 639	-139 737			119 052
MBIZANA DROUGHT RELIEF FUND	817 857		390				818 247
MIG FUND	39 513 300	331 021 845	5 489 506	-282 091 412			93 933 240
UMZINTLAVA/QHINQOLO FUND	4 433 498		295 952	-113 999			4 615 451
SIP FUND	2 840 415	1 872 055	152 678	-1 182 045			3 683 103
COMMUNITY DEV.WORKERS FUND	658 176		103 071	-225 523			535 724
INTEGRATED TRANSPORT FUND	207 550		17 143				224 693
LIBRARIES & INFORMATION FUND	270 124	1 500 000	29 116	-229 468			1 569 772
INTEGRATED DEVELOPMENT FUND	1 097 165	1 300 000	41 506	-663 349			1 775 322
DISTRICT INFO.MAN SYSTEMS FUND							
AIDS TRAINING INFO &COUNSEL FUND	1 644 972		165 254	-2 485 979	-108 319		-784 072
LGWSETA	177 828		3 044				180 872
KANYE/QUTHUBENI SCHOOLS FUND							
JOB EVALUATION FUND	222 872		17 646	-225 171			15 347
IFESH	48 447		3 708				52 155
FIRE & EMERGENCY	682 835	1 882 000	177 328	-1 540 240	-521 393		680 530
BALANCE CARRIED OVER	102 509 994	363 018 988	8 340 025	-310 124 249	-1 923 946	-8 485 936	153 334 876

**APPENDIX G
O R TAMBO DISTRICT MUNICIPALITY
CONDITIONAL GRANTS AND RECEIPTS**

	UNSPENT BALANCE 1-Jul-2006	CURRENT YEARS RECEIPTS	INTEREST ALLOCATED	NON CAPITAL EXPENDITURE	CAPITAL EXPENDITURE	TRANSFERS	UNSPENT BALANCE 30-Jun-2007
BALANCE BOUGHT DOWN	102 509 994	363 018 988	8 340 025	-310 124 249	-1 923 946	-8 485 936	153 334 876
ORTDM DROUGHT RELIEF	17 557 110		1 024 683	-16 641 819			1 939 974
VOTING STATIONS	75 606		132 773				208 379
LG SETA	49 141	95 865	7 174				152 180
LED BEAET	1 722 227		137 171	-91 419	-79 596		1 688 382
EMFUNDISWENI B&B	87 126		21 651				108 777
ORTDM SUGAR ASSOCIATION	133		170				303
VULINDLELA DBSA	77 297	419 400	48 878	-214 365			331 210
CAPE TOWN DISASTER FUND	25 674		1 974				27 648
SPATIAL DEVELOPMENT		150 000	6 403				156 403
MASIMANYANE FUND		102 166	4 361				106 527
SPATIAL PLANNING FUND		600 000	12 904	-600 000			12 904
VALUATIONS PROJECT FUND		1 120 000	50 555	-1 120 000			50 555
LAND SURVEY PROJECTS FUND		923 000	29 478	-360 000			592 478
FREE BASIC SERVICES FUND		328 000	14 001				342 001
ISRDP DEVELOPMENT FUND		262 000	11 148				273 148
ISRDP BEEF PROJECT		950 000	20 212	-950 000			20 212
CAPACITY BUILDING		300 000		-168 567			131 433
INSTITUTIONAL TRAINING		150 000		-97 450			52 550
ISMIS FUND		276 620		-237 892			38 728
LANGENI DEVELOPMENT		250 000	10 671	-207 717			52 954
	122 104 306	368 946 039	9 874 232	-330 813 478	-2 003 542	-8 485 936	159 621 621
PROVINCIAL GRANTS							
PRESTON HOUSING FUND FUND	883 030	106 989	147 098	-299 843			837 274
MPEKO HOUSING FUND	229 384	62 500	12 600	-61 261			243 223
HADINI HOUSING FUND	643 105	3 668 233	98 027	-4 006 536			402 829
EAGERTON HOUSING FUND	1 069 334	840 750	63 389	-105 540			1 867 933
LINDILE HOUSING FUND	1 316 217	12 822	25 644	-59 009			1 295 674
ZIDINDI RURAL FUND	2 396 016		121 388	-808 151			1 709 253
PAYNE RURAL FUND	2 440 612	1 457 386	102 676	-2 938 233			1 062 441
UPPER CENTULI FUND	2 155 442	1 551 315	54 320	-3 390 123			370 954
UPPER TABASE FUND	1 479 143	1 435 728	109 611	-2 486 769			537 713
NKONZO RURAL HOUSING FUND	1 227 929	2 108 800	86 254	-2 548 953			874 030
NDLUKULU RURAL HOUSING FUND	1 212 006		20 441	-664 377			568 070
MANTLANENI RURAL HOUSING FUND	2 513 723	1 374 594	70 514	-1 634 064			2 324 767
NCAMBELE RURAL HOUSING FUND	29 066		2 035				31 101
NGWALA RURAL HOUSING FUND	1 600 976	2 772 725	52 441	-3 263 507			1 162 635
NEW PAYNE RURAL FUND	97 063		10 568	-379 125			-271 494
KWENXURHA RURAL HOUSING FUND	2 602 526	745 431	55 563	-2 684 888			718 632
NTSHABENI RURAL HOUSING FUND	1 183 306	654 860	27 728	-1 571 424			294 470
RURAL ACCESS ROADS							
	23 078 878	16 792 133	1 060 297	-26 901 803			14 029 505
PUBLIC CONTRIBUTIONS							
UMTATA COMMUNITY ARTS FUND	58 938		11 236		-18 398		51 776
MBIZANA EXT.4 FUND	559 833	7 459 530	150 103	-6 909 392			1 260 074
	618 771	7 459 530	161 339	-6 909 392	-18 398		1 311 850
TOTAL CONDITIONAL GRANTS	145 801 955	393 197 702	11 095 868	-364 624 674	-2 021 940	-8 485 936	174 962 976
PRIOR YEAR ADJUSTMENT	18 329 068						
RESTATED OPENING BALANCE	164 131 023						

**O R TAMBO DISTRICT MUNICIPALITY
CONDITIONAL GRANTS AND RECEIPTS**

	CURRENT YEARS RECEIPTS
<u>NATIONAL GRANTS</u>	
MAIZE FARMING PROJECT FUND	
DALINDYEBO REG AUTHORITY	
MHLONTLO MUN EQUITABLE SHARE	
KSD MUN EQUITABLE SHARE	
EMBOLAND REG AUTHORITY	
FINANCIAL MANAGEMENT GRANT	500 000
KSD FINANCIAL ASSISTANCE	
NYANDENI MUN EQUITABLE SHARE	
ENGCOCO TRC TRUST	
TRANSPORT INFRASTRUCTURE	
URBANIZATION PROGRAMME	
INCOME GENERATING PROJECTS	
YOUTH DEVELOPMENT CENTRE	
RURAL ANTI-POVERTY	
TSOLO-QUMBU SKILLS	
CBPWP	6 457 019
BSRP PROJECTS	
CMIP PROJECTS	
MSIG PROJECTS	1 000 000
DWAF PROJECTS	9 465 934
MSP FUND PROJECTS	
IRDIP PROJECT FUND	
DISASTER MANAGEMENT	1 500 000
DISASTER MANAGEMENT PROJECT	
TRAINING FUNDS	
DEVELOPMENT RESORTS PROJECT	
LINE MAPPING PROJECT	
SURVEY & PLANNING PROJECT	
LAND DEVELOPMENT OBJECTIVES	
HIV / AIDS PROGRAMME	
ESTABLISHMENT FUND (GRANTS RECEIVED)	6 520 135
BUMBANE GREAT PLACE	
SPU YOUTH DEVELOPMENT PROJECT FUND	
SPU SIMISONKE FUND	
MBIZANA DROUGHT RELIEF FUND	
MIG FUND	331 021 845
UMZINTLAVA/QHINQOLO FUND	
SIP FUND	1 872 055
COMMUNITY DEV.WORKERS FUND	
INTEGRATED TRANSPORT FUND	
LIBRARIES & INFORMATION FUND	1 500 000
INTEGRATED DEVELOPMENT FUND	1 300 000
DISTRICT INFO.MAN SYSTEMS FUND	
AIDS TRAINING INFO &COUNSEL FUND	
LGWSETA	
KANYE/QUTHUBENI SCHOOLS FUND	
JOB EVALUATION FUND	
IFESH	
FIRE & EMERGENCY	1 882 000
BALANCE CARRIED OVER	363 018 988

