

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008****(Registration Number: 2003/017900/08)**

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MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2008**

	Notes	2008 R	2007 R
NET ASSETS AND LIABILITIES			
NET ASSETS			
Grants & Public Contributions Reserves		606 435	658 489
		606 435	658 489
LIABILITIES			
Non Current Liabilities			
Construction Contract Retention Creditors	2	896 759	632 264
Current Liabilities			
Trade and Other Payables	3	80 114 068	41 262 488
Provisions	4	8 113 927	2 569 771
Deferred Income	5	198 176	318 652
Short term portion of Construction Contract Retention Creditor	2	71 328 829	38 310 431
		473 136	63 634
TOTAL NET ASSETS AND LIABILITIES		81 617 262	42 553 241
ASSETS			
Non-current Assets			
Property, Plant & Equipment	6	606 435	658 489
		606 435	658 489
Current Assets			
Construction (Work in Progress)	7	81 010 827	41 894 752
Trade and Other Receivables	8	42 954 557	17 246 984
Deposits	9	14 101 941	4 966 071
Cash and Cash Equivalents	10	5 605	5 605
		23 948 724	19 676 092
TOTAL ASSETS		81 617 262	42 553 241

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2008**

	NOTES	ACTUAL 2008 R	ACTUAL 2007 R
REVENUE	11	14 625 449	12 372 511
IDC Grants		1 436 019	2 500 000
NMBM Conditional Grants & Receipts		11 004 462	8 988 389
Interest Received - external investments		2 184 968	884 122
OTHER INCOME			
Other Income	12	108 428	98 974
TOTAL REVENUE		14 733 877	12 471 485
EXPENDITURE		14 785 931	12 410 203
Advertising & Media		318 998	98 684
Audit Fees		105 200	104 435
Bank Charges		3 097	2 027
Cleaning, Safety & Security		6 164	3 335
Computer Expenses		19 896	29 881
Consumables		1 600	3 120
Course Fees, Education & Training		29 038	47 275
Depreciation		113 625	116 918
Donations & Social Responsibility		24 145	20 672
Electricity, Water & Rates		67 452	52 532
Employee Related Costs	13	3 764 705	3 498 036
Entertainment		79 073	54 788
Equipment Lease & Rentals		14 625	5 914
Insurance		42 802	33 006
Interest & Penalties	14	576	47
IT Support Costs		76 848	59 859
Legal Fees		210 885	511 268
Loss on disposal of non current asset		1 494	2 499
Meeting Expenses		44 563	44 379
Office Decor & Fittings		12 403	8 196
Postage & Courier		5 971	6 909
Printing & Stationery		22 033	23 985
Professional & Consultant Fees		198 912	97 525
Public Relations & Marketing		710 227	392 837
Recruitment Costs		6 733	7 676
Refreshments		8 651	7 772
Rentals		385 670	366 698
Repairs & Maintenance		6 259	5 499
Small Assets		3 647	16 923
Subscriptions		21 403	20 302
Sundry Expenses		7 107	5 744
Telephone & Fax		101 176	96 159
Travel & Accommodation		314 099	162 521
Strategic Spatial Implementation Framework		1 436 019	-
Cleansing Plan Project		1 541 290	1 468 348
Security Plan Project		5 054 569	4 809 434
Narrow Gauge Feasibility Study		24 976	225 000
NET (DEFICIT)/SURPLUS FOR THE YEAR		(52 054)	61 282

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2008

	R	R	R
	Grants & Public Contributions Reserve	Accumulated Surplus	Total Net Assets
Restated Balance at 1 July 2007	609 149	402 370	1 011 519
Correction of error (<i>refer to note 25</i>)	-	(402 370)	(402 370)
Net Surplus for the year	-	61 282	61 282
Add back depreciation	(116 918)	116 918	-
Grants used to purchase PPE	178 200	(178 200)	-
Asset disposal	(11 942)	-	(11 942)
	658 489	-	658 489
Net Deficit for the year	-	(52 054)	(52 054)
Add back depreciation	(113 625)	113 625	-
Grants used to purchase PPE	73 217	(73 217)	-
Asset disposal	(11 646)	11 646	-
Balance at 30 June 2008	606 435	-	606 435

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008 R	2007 R
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
Cash receipts from government and others		36 442 352	40 058 459
Cash paid to suppliers and employees		<u>(34 291 047)</u>	<u>(25 823 025)</u>
<i>Cash generated from operations</i>	15	2 151 305	14 235 434
Interest received		2 184 968	884 122
Interest paid		(576)	(47)
NET CASH UTILISED FROM OPERATING ACTIVITIES		<u>4 335 697</u>	<u>15 119 509</u>
CASH FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(73 217)	(178 200)
Proceeds on disposal of property, plant and equipment		10 152	9 444
<u>NET CASH UTILISED FROM INVESTING ACTIVITIES</u>		<u>(63 065)</u>	<u>(168 756)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	16	<u>4 272 632</u>	<u>14 950 753</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		19 676 092	4 725 339
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		<u>23 948 724</u>	<u>19 676 092</u>

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008 R	2007 R
2 CONSTRUCTION CONTRACT RETENTION CREDITORS		
Rand Civils - GMA 1	718 456	632 264
Rand Civils - GMA 2	386 257	-
Rand Civils - Parliament Street	201 548	-
Trenchless Technologies	63 634	63 634
	<u>1 369 895</u>	<u>695 898</u>
Less: Short term portion transferred to Current Liabilities	<u>(473 136)</u>	<u>(63 634)</u>
	<u>896 759</u>	<u>632 264</u>
3 TRADE AND OTHER PAYABLES		
Trade Creditors	6 051 361	2 084 163
PAYE	59 839	56 082
UIF	2 440	2 391
Audit fees	31 000	23 000
Staff leave	52 756	65 400
Legal fees	27 000	105 000
Annual Bonuses	67 862	32 376
VAT	876 142	-
Sundry Creditors	945 527	201 359
	<u>8 113 927</u>	<u>2 569 771</u>
4 PROVISIONS		
Performance bonuses		
Balance at beginning of year	168 645	126 090
Contributions to Provisions	198 176	168 645
Adjustment for underprovision	-	27 458
Expenditure incurred	<u>(168 645)</u>	<u>(153 548)</u>
Balance at end of year	<u>198 176</u>	<u>168 645</u>
Narrow Gauge Contract		
Balance at beginning of year	150 007	-
Contributions to Provisions	-	150 007
Expenditure incurred	<u>(150 007)</u>	<u>-</u>
Balance at end of year	<u>-</u>	<u>150 007</u>
	<u>198 176</u>	<u>318 652</u>

NOTE:

The Narrow Gauge contract provision is based on estimated percentage of work completed at financial year end which formed the basis of the provision calculation.

5 DEFERRED INCOME**IDC**

Opening Balance
Amount Received
Recognised as Income

71 328 829

1 063 981

-

2 500 000

(1 436 019)

NMBM

Opening Balance
Restated balance as at 1 July 2007
As previously stated Opening Balance
Add: Capital expenditure previously expensed
Adjust for interest received
Adjust for Operational lease straight line

38 310 431**38 310 431**

-

-

-

-

-

Grants for the year

42 958 884

Less: Amount Recognised as income during the year

(11 004 467)

Interest Received

2 184 968

Expenditure on PPE

(73 216)

Depreciation

113 625

Sundry Income

108 428

Operating expenses

(13 338 272)

38 310 431

-

-

2 500 000

(2 500 000)

11 498 420

-

11 498 420

8 849 803

3 259 726

(470 429)

(140 680)

35 800 400

(8 988 389)

884 122

(178 200)

116 918

98 974

(9 910 203)

(Refer to Note 1.11.1)

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)****6 PROPERTY, PLANT AND EQUIPMENT**2008
R

	Cost			Closing Balance	Accumulated Depreciation			Closing Balance	Carrying Value
	Opening Balance	Additions	Disposal		Opening Balance	Depreciation	Disposal		
Computer Equipment	392 297	43 810	(12 340)	423 767	107 732	63 598	(694)	170 636	253 131
Computer Software	40 524	-	(2 020)	38 504	24 547	3 900	(2 020)	26 427	12 077
Office Equipment	41 747	5 744	-	47 491	7 536	5 860	-	13 396	34 095
Furniture & Fittings	360 613	23 663	-	384 276	64 869	31 828	-	96 697	287 579
Motor Cycles	16 053	-	-	16 053	3 995	3 407	-	7 402	8 651
Leasehold Assets	17 192	-	-	17 192	1 258	5 032	-	6 290	10 902
	868 426	73 217	(14 360)	927 283	209 937	113 625	(2 714)	320 848	606 435

2007
R

	Cost			Closing Balance	Accumulated Depreciation			Closing Balance	Carrying Value
	Opening Balance	Additions	Disposal		Opening Balance	Depreciation	Disposal		
Computer Equipment	340 432	90 835	(38 970)	392 297	77 854	61 268	(31 390)	107 732	284 565
Computer Software	21 783	18 741	-	40 524	8 467	16 080	-	24 547	15 977
Office Equipment	34 275	12 091	(4 619)	41 747	2 231	5 562	(257)	7 536	34 211
Furniture & Fittings	321 272	39 341	-	360 613	35 988	28 881	-	64 869	295 744
Motor Cycles	16 053	-	-	16 053	126	3 869	-	3 995	12 058
Leasehold Assets	-	17 192	-	17 192	-	1 258	-	1 258	15 934
	733 815	178 200	(43 589)	868 426	124 666	116 918	(31 647)	209 937	658 489

NOTE

No item of Property, Plant and Equipment has been pledged as security for liabilities.

7 CONSTRUCTION (Work in Progress)2008
R2007
R**Infrastructure - GMA 1 Upgrade**

Balance at beginning of year	14 491 378	2 777 351
Additions	14 431 163	11 714 027
Balance at end of year	<u>28 922 541</u>	<u>14 491 378</u>

Infrastructure - GMA 2 Upgrade

Balance at beginning of year	-	-
Additions	7 224 117	-
Balance at end of year	<u>7 224 117</u>	<u>-</u>

Infrastructure - Sewer Rehabilitation

Balance at beginning of year	2 755 606	-
Additions	34 938	2 755 606
Closing Balance	<u>2 790 544</u>	<u>2 755 606</u>

Infrastructure - Parliament Street Upgrade

Balance at beginning of year	-	-
Additions	4 017 355	-
Balance at end of year	<u>4 017 355</u>	<u>-</u>

Total42 954 55717 246 984**8 TRADE AND OTHER RECEIVABLES**

NMBM - Projects	14 040 055	4 779 141
NMBM - Travel Reimbursement	-	30 734
Vat Refund	-	8 522
Accrued Interest	61 886	147 674
	<u>14 101 941</u>	<u>4 966 071</u>

9 DEPOSITS

Telkom	2 100	2 100
Portnet Rental	2 000	2 000
Africorp Parking Bay and Remote Controls	1 400	1 400
Salaries' Savings Account	105	105
	<u>5 605</u>	<u>5 605</u>

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAI**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008	2007
	R	R
10 CASH AND CASH EQUIVALENTS		
<i>The Municipal Entity has the following bank accounts</i>		
<u>Current Account (Primary Account)</u>		
Standard Bank of SA Limited, Rink Street, Port Elizabeth Account Number - 080308503		
Cashbook balance at beginning of year	100 469	102 425
Cashbook balance at end of the year	<u>71 266</u>	<u>100 469</u>
Bank statement balance at beginning of the year	100 469	102 425
Bank statement balance at end of the year	<u>71 266</u>	<u>100 469</u>
<u>Savings Account</u>		
Standard Bank of SA Limited, Rink Street, Port Elizabeth Account Number - 38368193000		
Cashbook balance	126	101
Bank statement balance	<u>126</u>	<u>101</u>
<u>Short Term Investments</u>		
Standard Bank of SA Limited, Rink Street, Port Elizabeth Account Number - 08846132		
<u>Call Account Deposits</u>		
Cashbook balance at beginning of year	19 575 522	4 622 796
Cashbook balance at end of the year	<u>23 877 332</u>	<u>19 575 522</u>
Bank statement balance at beginning of the year	19 575 522	4 622 796
Bank statement balance at end of the year	<u>23 877 332</u>	<u>19 575 522</u>
<i>Which are disclosed in the Statement of Financial Position as follows:-</i>		
Cash and cash equivalents	23 948 724	19 676 092
Current Account (Primary Account)	71 266	100 469
Call Account Deposits	23 877 332	19 575 522
Savings Account	126	101
NOTE:		
<i>All amounts of Cash and Cash Equivalents are available for use by the Agency.</i>		
11 REVENUE		
IDC Grant	1 436 019	2 500 000
NMBM Conditional Grants & Receipts	11 004 462	8 988 389
Interest Received - external investments	2 184 968	884 122
	<u>14 625 449</u>	<u>12 372 511</u>
12 OTHER INCOME		
Property Conference Attendance Fees	-	80 991
Request for Proposal Deposits	96 596	9 211
Sponsorships	-	8 772
Sundry income	11 832	-
	<u>108 428</u>	<u>98 974</u>
13 EMPLOYEE RELATED COSTS		
Employee related costs - Salaries and Wages	2 912 584	2 714 086
Employee related costs - Social Contributions	546 945	479 927
Car allowances	107 000	135 378
Performance bonus provision	198 176	168 645
Total Employee Related Costs	<u>3 764 705</u>	<u>3 498 036</u>

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008 R	2007 R
13 EMPLOYEE RELATED COSTS (continued)		
Remuneration of the Chief Executive Officer		
Annual Remuneration including social contributions	854 733	781 351
Car allowance	60 000	60 000
Performance bonus provision	119 598	108 725
Total	1 034 331	950 076
Remuneration of Chief Financial Officer		
Annual Remuneration including social contributions	480 668	435 680
Car allowance	24 000	28 000
Performance bonus provision	65 912	59 920
Total	570 580	523 600
Remuneration of Planning and Development Manager		
Annual Remuneration including social contributions	222 575	350 000
Car allowance	23 000	60 000
Performance bonus provision	12 666	-
Total	258 241	410 000
<i>Remuneration in 2008 for 6 months</i>		
14 INTEREST AND PENALTIES		
Interest on overdraft	576	47
	576	47
15 CASH (UTILISED IN)/GENERATED FROM OPERATIONS		
Net (deficit)/surplus for the year	(52 054)	61 282
Depreciation	113 625	116 918
Investment Income	(2 184 968)	(884 122)
Interest Paid	576	47
Loss on sale of Property Plant and Equipment	1 494	2 499
Operating (loss)/surplus before working capital changes:	(2 121 327)	(703 376)
Increase in Trade and other Payables	5 544 156	190 762
Decrease/Increase in provisions	(120 476)	192 562
Increase in deferred income	33 018 398	26 683 279
Increase in construction contract retention creditors	673 997	695 898
Increase in construction (work in progress)	(25 707 573)	(14 469 633)
(Increase)/decrease in Trade and other Receivables	(9 135 870)	1 659 085
Increase in deposits paid	-	(1 200)
Disposal of PPE	-	(11 943)
Cash generated from operations	2 151 305	14 235 434
16 MOVEMENT IN CASH AND CASH EQUIVALENTS		
Balance at the end of the year	23 948 724	19 676 092
Balance at the beginning of the year	19 676 092	4 725 339
Net increase in cash and cash equivalents	4 272 632	14 950 753
17 ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT		
17.1 Audit fees		
Opening balance	23 000	14 014
Current year audit fee	105 200	38 176
Amount paid - current year	(74 200)	-
Amount paid - previous year	(23 000)	(31 273)
Underprovision - previous year	-	2 083
Balance unpaid	31 000	23 000

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008 R	2007 R
17 ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT (continued)		
17.2 PAYE and UIF		
Opening balance	58 473	47 925
Current year payroll deductions	798 340	733 395
Amount paid - current year	(736 061)	(674 922)
Amount paid - previous year	(58 473)	(47 925)
Balance unpaid	<u>62 279</u>	<u>58 473</u>
17.3 Performance Bonuses		
Opening balance	168 645	126 090
Amount paid	(168 645)	(153 548)
Under prior year	-	27 458
Provisions for the year	198 176	168 645
Balance unpaid	<u>198 176</u>	<u>168 645</u>
17.4 VALUE ADDED TAX		

As at 30 June 2008 all VAT returns have been submitted timeously to the South African Revenue Services.

18 RELATED PARTIES**18.1 Relations**

Parent Municipality	Nelson Mandela Bay Municipality
Funder	Industrial Development Corporation
<i>(see also note 2)</i>	

18.2 Related party balances**Amounts included in Trade and Other Receivables (Trade and Other Payables) regarding related parties**

Nelson Mandela Bay Municipality	14 040 055	4 779 141
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These balances have no fixed terms and conditions.

18.3 KEY MANAGEMENT PERSONNEL

The following are persons having authority and responsibility for planning, directing and controlling the activities of the municipal entity, directly or indirectly including any director of MBDA:

Chief Executive Officer: Pierre Voges
 Chief Financial Officer: Ashwin Badra Daya
 Planning and Development Manager: Dorelle Giuliana Esilda Sapere

Their short term employee benefits are disclosed in note 13.

19 CONTINGENT LIABILITY

We are not aware of any pending or threatened litigation, proceedings, hearings, claims or negotiations which may result in significant loss to the Development Agency.

20 CONTINGENT ASSETS

We are not aware of the existence of any contingent assets at the financial year end.

21 IN-KIND DONATIONS

No in-kind donations and/or assistance was received during the financial year that would require adjustments to the annual financial

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008 R	2007 R
22 POST BALANCE SHEET EVENTS		
We are not aware of the occurrence of any events post balance sheet date that would require adjustments to the annual financial statements		
23 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE		
Balance at beginning of year	47	-
Fruitless and wasteful expenditure	3 696	47
Balance at end of year	<u>3 743</u>	<u>47</u>
23.1 Interest and Penalties	576	47
Interest paid on bank account		
23.2 Unauthorised use of Cellphone	3 120	-
Theft of cellphone by an employee, resulting in disciplinary action and subsequent dismissal.		

24 OPERATING LEASES

The following are the total minimum future lease payments

	0 - 1 year	1 - 5 years	more than 5 years
Office accommodation rental	439 151	74 318	-
Warehouse rental	4 975	-	-
Office plants rental	6 307	-	-
Public toilets rental	24 490	35 489	-

NOTE:

The Agency is the lessee.

25 RESTATEMENT OF ERRORS

Financial Performance which is transferred from Deferred Income was incorrect due to the following:

Interest received during 2007 and prior periods were incorrectly omitted in calculating the revenue to be transferred from Deferred Income in 2007 and prior periods and were only included during 2008.

The operating lease for the office premises which has a fixed escalation of 10% per year has not been straight-lined as required by IAS 17.

Statement of Financial Performance (Extract)*Prior to restatement*

Revenue		
Conditional Grants & Receipts	9 764 580	9 860 946
Total Revenue	<u>13 493 995</u>	<u>13 344 042</u>
Rentals expenditure	432 281	355 133
Total Expenditure	<u>14 832 542</u>	<u>12 398 638</u>
Net (Deficit) Surplus for the year	<u>(1 338 547)</u>	<u>945 404</u>

After restatement

Revenue		
Conditional Grants & Receipts	11 004 462	8 988 389
Total Revenue	<u>14 733 876</u>	<u>12 471 485</u>
Rentals expenditure	385 670	366 698
Total Expenditure	<u>14 785 931</u>	<u>12 410 203</u>
Net (Deficit) Surplus for the year	<u>(52 055)</u>	<u>61 282</u>

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 (continued)**

	2008 R	2007 R
25 RESTATEMENT OF ERRORS (continued)		
Statement of Changes in Net Assets (Extract)		
<i>Prior to restatement</i>	-	-
Accumulated surplus at beginning of year	1 286 492	402 370
Net (Deficit) Surplus for the year	(1 338 547)	945 404
Accumulated Surplus at year end	<u>-</u>	<u>1 286 492</u>
<i>After restatement</i>		
Accumulated Surplus at beginning of year	-	402 370
Correction of error	-	(402 370)
Restated balance at 1 July 2007	-	-
Net (Deficit) Surplus for the year	(52 055)	61 282
Accumulated Surplus at year end	<u>-</u>	<u>-</u>
Statement of Financial Position (Extract)		
<i>Prior to restatements</i>		
Trade & other payables	8 041 272	2 417 526
Deferred income	71 401 484	37 176 184
<i>After restatement</i>		
Trade & other payables	8 113 925	2 569 771
Deferred income	71 328 829	38 310 431

APPENDIX A

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2008**2008
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	Cost			Accumulated Depreciation				Carrying Value	
	Opening Balance	Additions	Disposal	Closing Balance	Opening Balance	Depreciation	Disposal		Closing Balance
Computer Equipment	392 297	43 810	(12 340)	423 767	107 732	63 598	(694)	170 636	253 131
Computer Software	40 524	-	(2 020)	38 504	24 547	3 900	(2 020)	26 427	12 077
Office Equipment	41 747	5 744	-	47 491	7 536	5 860		13 396	34 095
Furniture & Fittings	360 613	23 663	-	384 276	64 869	31 828		96 697	287 579
Motor Cycles	16 053	-	-	16 053	3 995	3 407		7 402	8 651
Leasehold Assets	17 192	-	-	17 192	1 258	5 032		6 290	10 902
	868 426	73 217	(14 360)	927 283	209 937	113 625	(2 714)	320 848	606 435

2007
R

	Cost			Accumulated Depreciation				Carrying Value	
	Opening Balance	Additions	Disposal	Closing Balance	Opening Balance	Depreciation	Disposal		Closing Balance
Computer Equipment	340 432	90 835	(38 970)	392 297	77 854	61 268	(31 390)	107 732	284 565
Computer Software	21 783	18 741	-	40 524	8 467	16 080	-	24 547	15 977
Office Equipment	34 275	12 091	(4 619)	41 747	2 231	5 562	(257)	7 536	34 211
Furniture & Fittings	321 272	39 341	-	360 613	35 988	28 881	-	64 869	295 744
Motor Cycles	16 053	-	-	16 053	126	3 869	-	3 995	12 058
Leasehold Assets	-	17 192	-	17 192	-	1 258	-	1 258	15 934
	733 815	178 200	(43 589)	868 426	124 666	116 918	(31 647)	209 937	658 489

APPENDIX B

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2008**

	2008 ACTUAL	2008 BUDGET	2008 VARIANCE	2008 VARIANCE
	R	R	R	%
REVENUE	14 733 877	18 141 734	(3 407 857)	(18.78)
EXPENDITURE				
Advertising & Media	318 998	400 000	81 002	20.25
Audit Fees	105 201	155 000	49 799	32.13
Bank Charges	3 094	10 000	6 906	69.06
Cleaning Safety & Security	6 164	6 951	787	11.32
Computer Expenses	19 896	30 000	10 104	33.68
Consumables	1 600	3 000	1 400	46.67
Course Fees Education & Training	29 038	55 000	25 962	47.20
Depreciation	113 627	193 948	80 321	41.41
Donations & Social Responsibility	24 145	25 000	855	3.42
Electricity, Water & Rates	67 452	84 632	17 180	20.30
Employee Related Costs	3 764 705	4 579 296	814 591	17.79
Entertainment	79 073	107 750	28 677	26.61
Equipment Lease & Rentals	14 625	21 035	6 410	30.47
Insurance	42 802	42 852	50	0.12
Interest & Penalties	576	2 500	1 924	76.96
IT Support Costs	76 848	113 765	36 917	32.45
Legal Fees	210 885	607 798	396 913	65.30
Loss on disposal of non current asset	1 494	-	(1 494)	(100.00)
Meeting Expenses	44 563	55 000	10 437	18.98
Office Decor & Fittings	12 403	20 000	7 597	37.99
Postage & Courier	5 971	9 566	3 595	37.58
Printing & Stationery	22 033	28 191	6 158	21.84
Professional & Consultant Fees	198 912	200 000	1 088	0.54
Public Relations & Marketing	710 227	950 000	239 773	25.24
Recruitment Costs	6 733	20 000	13 267	66.34
Refreshments	8 651	10 500	1 849	17.61
Rentals	385 670	510 915	125 245	24.51
Repairs & Maintenance	6 259	10 500	4 241	40.39
Small Assets	3 647	20 000	16 353	81.77
Subscriptions	21 403	30 000	8 597	28.66
Sundry Expenses	7 107	7 560	453	5.99
Telephone & Fax	101 176	106 323	5 147	4.84
Travel & Accommodation	314 099	318 600	4 501	1.41
Strategic Spatial Implementation Framework	1 436 019	2 375 000	938 981	39.54
Cleansing Plan Project	1 541 290	1 600 000	58 710	3.67
Security Plan Project	5 054 569	5 100 000	45 431	0.89
Narrow Gauge Feasibility Study	24 976	25 000	24	0.10
CBD Facilities	-	300 000	300 000	100.00
Total Expenditure	14 785 931	18 135 682	3 349 751	18.47
NET (DEFICIT)/SURPLUS FOR THE YEAR	(52 054)	6 052	(58 106)	

APPENDIX C

MANDELA BAY DEVELOPMENT AGENCY INCORPORATED ASSOCIATION NOT FOR GAIN**ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT & EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2008**

	2008 Actual Cost R	2008 Budget Cost R	Variance R	Variance %
Computer Equipment	43 810	75 000	31 190	41.59
Computer Software	-	25 000	25 000	100.00
Office Equipment	5 744	25 000	19 256	77.02
Furniture & Fittings	23 663	75 000	51 337	68.45
Totals	73 217	200 000	126 783	63.39