

PREFACE BY THE MAYOR

The purpose of financial statement is to provide information about the financial position, performance and changes in the financial position of the local authority in a manner which demonstrates accountability and which is useful to the local community, government departments, investors, employees, trade creditors, the media and economic and financial analysis in making economic, financial or political decisions. It is thus essential that the financial statements be drawn up in time. Unfortunately, because of the vacancy of the Chief Finance Officer post, our financial statements were not drawn up in time, but still in three months after year end.

It is therefore an honour and privilege to introduce the financial statements of the 2008/2009 financial year.

Thank you very much for every staff member, every community member and every councillor who contributed to these achievements.

SUMMARY OF FINANCIAL RESULTS 2008/2009

The financial results of the year under review can be summarised as follows:

	Income	Expenditure	Surplus(deficit)
Budget			
2008/2009	R 73 946 786	R 91 294 100	R -17 347 314
Actual			
2008/2009	R 80 121 099	R 78 251 404	R 1 869 695

The result achieved on the capital budget is as follows:

Budget expenditure	R 20 877 000
Actual expenditure	R 27 706 125
Nett Result	<u>R -6 829 125</u>

Comprehensive comments will be included in the annual report.

I would like to express my appreciation to the Councillors, Municipal Manager, Chief Financial Officer, Managers and Personnel for their support and hard work during the past financial year.

DAANTJIE JAPHTA
MAYOR

**CAMDEBOO MUNICIPALITY
FINANCIAL STATEMENTS
2008/09**

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CAMDEBOO MUNICIPALITY
GENERAL INFORMATION FOR THE YEAR ENDED 30/06/2009

Vision
Camdeboo Municipality strives to ensure the development and participation of all its inhabitants within an economically viable and sustainable environment, where equal opportunities are promoted. Poverty is uprooted and services provided at an affordable cost within a crime free, healthy, environmentally friendly and well managed administration.
GRADING OF LOCAL AUTHORITY
Grade 7
AUDITORS
Auditor General
BANKERS
First National Bank
REGISTERED OFFICE
Church Square PO Box 71 Tel. (049) 8922121 Graaff-Reinet Graaff-Reinet Fax (049) 8924319 6280 6280
MUNICIPAL MANAGER
M G Langbooi
CHIEF FINANCIAL OFFICER
J Joubert
MEMBERS OF THE COUNCIL
Mayor and Speaker Councillor D Japhta
Ward 1 Councillor V G Jacobs
Ward 2 Councillor A R Knott-Craig
Ward 3 Councillor K Hoffman
Ward 4 Councillor C R E Abels
Ward 5 Councillor I Reid
Ward 6 Councillor A Booyesen
Proportional Councillors
ANC Councillor D Japhta
ANC Councillor M Jacobs
Democratic Alliance Councillor M Block
ANC Councillor S J Mbotya
Democratic Alliance Councillor T J Eksteen

CAMDEBOO MUNICIPALITY
GENERAL INFORMATION FOR THE YEAR ENDED 30/06/2009

APPROVAL OF THE FINANCIAL STATEMENTS								
The Annual financial statements set out on pages 1 to 26 were approved by the Municipal Manager/ Accounting Officer on 28 August 2009.								
<table border="0"> <tr> <td>_____</td> <td>_____</td> </tr> <tr> <td>MUNICIPAL MANAGER (M G LANGBOOI)</td> <td>CHIEF FINANCE OFFICER (J JOUBERT)</td> </tr> <tr> <td>(Accounting Officer)</td> <td></td> </tr> <tr> <td>28-Aug-09</td> <td>28-Aug-09</td> </tr> </table>	_____	_____	MUNICIPAL MANAGER (M G LANGBOOI)	CHIEF FINANCE OFFICER (J JOUBERT)	(Accounting Officer)		28-Aug-09	28-Aug-09
_____	_____							
MUNICIPAL MANAGER (M G LANGBOOI)	CHIEF FINANCE OFFICER (J JOUBERT)							
(Accounting Officer)								
28-Aug-09	28-Aug-09							

REPORT OF THE ACCOUNTING OFFICER AS AT 30 JUNE 2009

1 OPERATING RESULTS

The Camdeboo Municipality represents the towns of Graaff-Reinet, Aberdeen, and Nieu-Bethesda. This set of Financial Statements includes the figures of all three units. Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2009 are as follows:

INCOME	Actual 2008 R	Actual 2009 R	Variance 2008/2009 %
Opening Surplus	5 715 150	6 653 066	16%
Operating income for the year	70 249 774	80 121 100	14%
	75 964 924	86 774 166	
EXPENDITURE			
Operating expenditure for the year	64 874 580	78 251 402	21%
Appropriations	4 437 278	3 273 177	-26%
Closing surplus	6 653 066	5 249 587	-21%
	75 964 924	86 774 166	

1.1 Rate and General Services

	Actual 2008 R	Actual 2009 R	Variance 2008/2009 %
Income	40 362 888	42 514 299	5%
Expenditure	37 081 847	47 762 426	29%
Surplus (deficit)	3 281 041	-5 248 127	-260%
Surplus (deficit) as % of total income	8%	-12%	

1.2 Trading Services

The following is a summary of the operating results of the Municipality's Trading services:

Electricity Service

	Actual 2008 R	Actual 2009 R	Variance 2008/2009 %
Income	22 127 048	28 256 146	28%
Expenditure	23 035 578	24 866 836	8%
Surplus (deficit)	-908 530	3 389 310	-473%
Surplus (deficit) as % of total income	-4%	12%	

Water service

The "Free basic service" policy of Government is in place and all consumers received the first six kiloliters free of charge.

This policy is funded out of the council's Equitable share Fund.

In Aberdeen and Nieu-Bethesda all consumers are receiving the first ten kiloliters free of charge.

This is done in conjunction with Council policy of the previous Municipalities.

	Actual 2008 R	Actual 2009 R	Variance 2008/2009 %
Income	7 654 878	9 291 254	21%
Expenditure	4 597 069	5 429 117	18%
Surplus (deficit)	3 057 809	3 862 137	26%
Surplus (deficit) as % of total income	40%	42%	

Concrete works

	Actual 2008 R	Actual 2009 R	Variance 2008/2009 %
Income	103 575	58 016	-44%
Expenditure	160 086	193 023	21%
Surplus (deficit)	-56 511	-135 007	139%
Surplus (deficit) as % of total income	-55%	-233%	

2 CAPITAL EXPENDITURE AND FINANCING

The expenditure on capital items during the year amounted to R27 706 125.

The Capital expenditure is 33% more than budgeted for and consists of the following:

	Actual 2009 R	Budget 2009 R	Actual 2008 R
Land and Buildings	6 566 929	5 281 000	1 831 497
Streets and bridges	6 623 090	4 378 000	4 261 150
Furniture & Fittings	3 154 528	988 000	759 057
Sewerage	2 387 607	125 000	539 104
Vehicles & Machinery	2 024 439	1 350 000	1 301 638
Tools	515 746	100 000	0
Electricity Services	4 745 918	5 160 000	3 363 359
Water Services	1 687 868	3 495 000	3 292 838
	27 706 125	20 877 000	15 348 643

Resources used to finance the capital expenditure were as follows:

	Actual 2009 R	Budget 2009 R	Actual 2008 R
Internal loans	21 239 973	21 044 656	8 508 635
Operating Income			55 358
Reserve funds			
Other	6 466 152	6 661 468	6784650
	27 706 125	27 706 125	15 348 643

Capital items, which represent mainly upgrading and maintenance were financed against the surplus account and not against loans.

This will result in savings to the loan charges in the coming years.

3 EXTERNAL LOANS AND INVESTMENTS

External loans outstanding on 30 June 2009 amounted to R171 139 (R171 139 in 2008) as set out in appendix B.

Investments and cash on hand at 30 June 2009 amounted to R34 397 813 (R41 183 398 in 2008)

More information regarding loans cash on hand and investments are disclosed in the notes 4,10 and 11 and appendix B to the financial statements.

4 FUNDS AND RESERVES

During the year under review the following contributions were made:

Contributions from Operating Account to:

IGG Fund	5 822 345
	<u>5 822 345</u>

Contribution from Accumulated Surplus to :

Working Capital Debtors	2 802 205
Working Capital Stores	23 387
Leave Fund	193 652
	<u>3 019 244</u>

More information regarding funds and reserves are disclosed in the notes (1 to 3) and appendix A to the financial statements.

5 POST BALANCE SHEET EVENTS

No material post balance sheet events took place during the year under review.

6 INTER AUTHORITY GRANT

An amount of R20 661 208 was received from Government during the 2008/2009 financial year.

An amount of R5 822 345 was used to assist the poor for the 2008/2009 financial year. This scheme will continue for the next financial year.

7 WORKING CAPITAL

Working capital for arrear debtors were provided equal to 90 days and longer.

Particulars of the funds are as follows:

Working Capital - Debtors

Balance as at 01/07/2008	16 465 772
Contribution from Accumulated Surplus	2 802 205
Balance at 30/06/2009	<u>19 267 977</u>

Provision is made for inventory to the extent of the year-end inventory value.

Working Capital - Inventory

Balance as at 01/07/2008	2 619 741
Contribution from Accumulated Surplus	23 387
Balance at 30/06/2009	<u>2 643 128</u>

EXPRESSION OF APPRECIATION

I am grateful to the staff of the Finance Department for their loyalty and hard work during the past financial year.

Acknowledgement is given to the Finance staff for a job well done under extremely difficult circumstances.

MUNICIPAL MANAGER (MG LANGBOOI)
(Accounting Officer)
Camdeboo Municipality

Date

CAMDEBOO MUNICIPALITY

ACCOUNTING POLICIES FOR THE YEAR ENDED 30/06/2009

1 **Basis of presentation**

- 1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Treasurers and Accountants in its Code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second edition - January 1996)
- 1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in Accounting Policy note 3. The accounting policies are consistent with those applied in the previous year, except as otherwise indicated.
- 1.3 The financial statements are prepared on the accrual basis:
 - * Income is accrued when measurable and available through finance operations. Certain direct income is accrued when received, such as traffic fines and certain entrance fees.
 - * Expenditure is accrued in the year it is incurred.

2 **Consolidation**

The balance sheet includes the Rate and General Services, Housing service, Trading services and the different funds, reserves and provisions. All inter departmental charges are set-off against each other, with the exception of assessment rates, refuse removal, electricity and water, which are treated as income and expenditure in the respective departments.

3 **Fixed Assets**

- 3.1 Fixed assets are stated as historical cost while they are in existence and fit for use and are written off at the end of their estimated life as determined by the CFO.
- 3.2 All net proceeds from the sale of fixed property are credited to the Revolving Fund.
- 3.3 Capital assets are financed from different sources, including external loans, operating income and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest on internal advances is charged to the service concerned at the ruling interest rate determined by the Treasurer. All internal loans (advances) are only raised at year end (30 June). No interim interest is charged against services in the year that the internal loans are raised.

4 **Inventory**

Inventory is valued at cost, determined on the weighted average basis, and reflected in the Balance sheet at historical cost.

5 **Funds and reserves**

- 5.1 **Revolving Fund**

The municipal ordinance No. 20 of 1974, Section 75(1), requires a contribution to the fund of not less than seven and one-half per cent of the Rates income, which was levied in respect of the financial year immediately preceding the financial year for which such contributions is required to be made.
- 5.2 **Loan Redemption Fund**

The half-yearly redemption is paid into the Loan Redemption Fund and invested at a financial institution to enable full repayment of capital at the maturity date of the loan.
- 5.3 **Housing Development Fund**

This fund is maintained in terms of the Housing Act No.107 of 1997 and all income from housing operations is paid into this account.
- 5.4 **Dog Tax Account**

This fund is maintained in terms of Ordinance No. 19 of 1978 and all income from Dog licences are paid into this account. A monthly contribution is made out of this fund to the local S.P.C.A. to assist in their operating costs.
- 5.5 **Parking Area Development Fund**

This fund was established to provide parking area facilities in town to businesses, where needed.
- 5.6 **Insurance Fund**

A General Insurance fund is maintained to cover unforeseen claims and excess

payments that may occur. Once the fund is large enough, contributions could be made to the operating insurance account to soften tariff increases.

5.7 Reserves

The Sewerage and Sanitation-, Electricity- and Water Tariff Stabilization reserves are maintained to soften future tariff increases.

Some special funds are held on behalf of the Provincial Department and contains special conditions to the use thereof.

All other reserves as set out in Appendix A are maintained to provide capital in future for replacement of capital charges when new assets are to be purchased. Contribution to these funds are made at the end of the year out of income if the year close off with a sufficient surplus.

6 Surpluses and deficits

Any surpluses or deficits arising from the operation of the Electricity and Water services are transferred to Rate and General services.

7 Treatment of administration charges

The cost of internal support services are transferred to the different services on a percentage basis by expenditure of department over total expenditure.

8 Investments

Investments are shown at cost and are invested in terms of the Code of Investment Practice. Investments are also made at registered banking institutions.

9 Income recognition

9.1 Electricity and Water billings

All meters in Council's juridical area are read and billed monthly.

9.2 Assessment Rates

Assessment rates are levied on the total value of land and improvements.

Rebates were granted on State properties in terms of the Rating of State Property Act, (Act 79 of 1984).

Rebates were also granted to owners of property used for agricultural purposes.

CAMDEBOO MUNICIPALITY

BALANCE SHEET FOR THE YEAR ENDED AT 30/06/09

	NOTES	2009 R	2008 R
CAPITAL EMPLOYED			
Funds and Reserves			
		99 175 934	84 916 496
- Statutory funds	1	62 358 799	57 158 706
- Reserves	2	36 817 134	27 757 790
RETAINED INCOME			
		5 249 587	6 653 066
		104 425 520	91 569 562
Trust funds	3	939 067	1 261 266
Long-term liabilities	4	171 139	169 217
Consumer deposits: Services	5	1 144 708	1 098 410
		106 680 434	94 098 455
EMPLOYMENT OF CAPITAL			
Fixed assets	6	52 191 293	33 593 064
Longterm debtors	7	169 214	169 217
Net current assets/(liabilities)		54 319 927	60 336 174
Current assets		69 274 679	68 752 003
- Inventory	8	2 164 401	2 187 787
- Debtors	9	22 069 083	19 838 692
- Bank and Cash	10	10 643 382	5 540 204
- Short-term portion of Long-term debtors			1 922
- Short-term investments	11	34 397 813	41 183 398
Current liabilities		(14 954 752)	(8 415 829)
- Provisions	12	816 508	1 515 680
- Creditors	13	14 138 244	6 898 227
- Short-term portion of long-term liabilities			1 922
		106 680 434	94 098 455

CAMDEBOO MUNICIPALITY
INCOME STATEMENT FOR THE YEAR ENDED 30/06/08

Actual Income 2008 R	Actual expenditure 2008 R	Surplus/ (deficit) 2008 R		Actual Income 2008 R	Actual expenditure 2008 R	Surplus/ (deficit) 2008 R	Budget Surplus/(deficit) 2008 R
40 362 888	37 081 847	3 281 041	RATES AND GENERAL SERVICES	42 514 299	47 762 426	(5 248 127)	(15 536 283)
33 366 113	26 851 705	6 514 408	Community services	34 994 151	33 573 790	1 420 361	(6 905 109)
203 475	3 533 109	(3 329 634)	Subsidised services	212 534	8 343 050	(8 130 516)	(9 928 862)
6 793 300	6 697 033	96 267	Economic services	7 307 614	5 845 586	1 462 028	1 297 688
1 385		1 385	HOUSING SERVICES	1 385		1 385	
29 885 501	27 792 733	2 092 768	TRADING SERVICES	37 605 416	30 488 976	7 116 440	277 098
<u>70 249 774</u>	<u>64 874 580</u>	<u>5 375 194</u>	TOTAL	<u>80 121 100</u>	<u>78 251 402</u>	<u>1 869 698</u>	<u>(15 259 185)</u>
		<u>(4 437 278)</u>	Appropriations for the year			<u>(3 273 177)</u>	
		937 916	Nett surplus for the year			(1 403 479)	
		5 715 150	Accumulated surplus at the beginning of the year			6 653 066	
		<u>6 653 066</u>	ACCUMULATED SURPLUS AT THE END OF THE YEAR (Refer to note 14)			<u>5 249 587</u>	

CAMDEBOO MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30/06/09

	NOTES	2009 R	2008 R
CASH (UTILISED)/ RETAINED FROM OPERATING ACTIVITIES			
		26 023 718	20 111 281
Cash generated by operations	15	(19 621 642)	(10 839 377)
Interest earned		6 328 371	5 786 055
(Increase)/decrease in working capital	16	5 081 235	(3 218 734)
Less: Interest paid: External Loans		-	(3 632)
Cash (utilised in)/available from operations		(8 212 037)	(8 275 688)
Cash contributions from the public and the state		34 235 754	28 386 969
Nett proceeds on disposal of fixed assets			
CASH RECEIVED IN INVESTING ACTIVITIES			
Capital expenditure during the year		(27 706 125)	(15 348 643)
NET CASH FLOW		<u>(1 682 407)</u>	<u>4 762 638</u>
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase/(decrease) in long-term loans (external)	17	-	(58 176)
(Increase)/decrease in cash investments	18	6 785 585	(627 478)
(Increase)/decrease in cash on hand	19	(5 103 178)	(4 076 984)
		<u>1 682 407</u>	<u>(4 762 638)</u>

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

	2009 R	2008 R
1 STATUTORY FUNDS	62 358 799	57 158 706
	62 358 799	57 158 706
<i>(Refer to Appendix A for more details)</i>		
2 RESERVES	39 611 345	30 552 001
Less: Transferred to Provisions	2 794 211	2 794 211
	36 817 134	27 757 790
<i>(Refer to Appendix A for more details)</i>		
3 TRUST FUNDS	939 067	1 261 266
	939 067	1 261 266
<i>(Refer to Appendix A for more details)</i>		
4 LONG-TERM LIABILITIES		
Annuity Loans	171 139	171 139
	171 139	171 139
Less: Short Term portion transferred to Current Liabilities		1 922
	171 139	169 217
<i>(Refer to Appendix B for more details)</i>		
5 CONSUMER DEPOSITS: SERVICES		
Electricity and Water	1 144 708	1 098 410
	1 144 708	1 098 410
6 FIXED ASSETS		
Fixed assets at the beginning of the year	146 561 209	131 212 566
Capital expenditure during the year	27 706 125	15 348 643
Less: Assets written off, transferred or disposed of during the year	-	-
Total fixed assets	174 267 334	146 561 209
Less: Loans redeemed and other capital receipts	122 076 041	112 968 145
Nett fixed assets	52 191 293	33 593 064

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

	2009 R	2008 R
7 LONG-TERM DEBTORS		
Housing Loans	169 214	171 139
Motor Loans	-	-
Loans to institutions	-	-
	<u>169 214</u>	<u>171 139</u>
Less: Short-term portion transferred to current assets		1 922
	<u>169 214</u>	<u>169 217</u>
8 INVENTORY		
General	410 066	385 596
Electrical	1 807 554	2 013 420
Water	363 199	205 139
Mechanical Workshop	15 536	15 586
	<u>2 596 355</u>	<u>2 619 741</u>
Less: Obsolete stock transferred to reserves (Appendix A)	431 954	431 954
	<u>2 164 401</u>	<u>2 187 787</u>
9 DEBTORS		
Assesment Rates	8 518 860	7 907 991
Electricity & Water	8 373 252	6 642 589
Housing	5 616 108	4 784 345
Miscellaneous Debtors	751 129	924 331
Other	456 310	1 226 013
	<u>23 715 660</u>	<u>21 485 269</u>
Less: Provision for bad debts (Appendix A)	1 646 577	1 646 577
	<u>22 069 083</u>	<u>19 838 692</u>
10 BANK AND CASH		
<i>Current Bank Account: First National Bank (Acc 52300007898)</i>		
Cash book balance at beginning of the year	5 536 090	1 459 106
Cash book balance at the end of the year	10 639 180	5 536 090
<i>Plus: Cashfloats</i>	4 202	4 114
	<u>10 643 382</u>	<u>5 540 204</u>
<i>Bankstatement Balance at beginning of the year</i>	7 762 607	1 363 279
<i>Bankstatement Balance at the end of the year</i>	10 419 671	7 762 607
11 INVESTMENTS		
Short term deposits	28 587 994	38 518 370
Call deposits	5 809 819	2 665 028
	<u>34 397 813</u>	<u>41 183 398</u>
Management's valuation of unlisted investments	34 397 813	41 183 398
No investments have been written off during the year		
No investment have been pledged as security for any funding facilities of the Council		

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

	2009 R	2008 R
12 PROVISIONS		
Leave Pay Provision	715 680	715 680
Audit Fee Provision (Previous year shown as creditor)	100 828	800 000
	816 508	1 515 680
13 CREDITORS		
Trade Creditors	2 290 229.14	3 329 360
VAT	1 897 476	1 330 989
Housing	363 170	344 325
Consumers paid in advance	739 014	546 141
Other	8 848 355	1 347 412
	14 138 244	6 898 227
14 APPROPRIATIONS		
Appropriation account:		
Accumulated surplus at the beginning of the year	6 653 066	5 715 150
Operating (deficit)/surplus for the year	1 869 698	5 375 194
	8 522 764	11 090 344
Less: Appropriations for the year:	(3 273 177)	(4 437 278)
Working capital Debtors	(2 802 205)	(2 156 837)
Working Capital Stores	(23 387)	(653 523)
Additional Provision for Audit Fees		(17 451)
Provision for Performance Bonusses		
Leave Fund	(193 652)	(304 744)
Closing of IGG Account		
Contr to operating account		(2 000 000)
VAT recovered i.r.o. previous years	(73 713)	1 356 028
Adjustments i.r.o. previous year	(180 220)	(660 751)
Accumulated surplus at the end of the year	5 249 587	6 653 066
Operating account:		
Capital expenditure - Fixed assets	-	55 358
Contributions to:		
- Equitable share		
- Leave reserve		6 330
- Provision Performance Bonus		
- Revolving Fund	-	563 328
Contributions from:		
- Transport Fund		(500 000)
- Water stab Fund		(300 000)
- Sewerage		(100 000)
- Accumulated Surplus		(2 000 000)
	-	(2 274 984)

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

	2009 R	2008 R
15 CASH GENERATED BY OPERATIONS		
Surplus for the year	1 869 698	5 375 194
- Prior Year Adjustments and other appropriations (note 14)	(3 273 177)	(4 437 278)
Appropriations charged against income	3 182 353	3 640 120
Surplus acc	193 652	311 074
Leave reserve	163 109	563 328
Revolving fund	-	800 000
Provision for Audit Cost	-	55 358
Fixed assets	-	(900 000)
Transfers from reserves	2 825 592	2 810 360
Working capital transfers		
Equitable share		
Performance Bonus		
Capital Charges:	6 213 087	4 958 840
Interest paid to: Internal Funds	1 398 401	1 313 321
External loans		3 632
Redemption of: Internal loans	4 814 686	3 594 309
External loans		47 578
Investment income	(2 607 601)	(1 369 038)
Operating contr from Central and Prov. Govmnt	(20 661 208)	(17 569 673)
Non Operating Expenditure		
- Expenditure charged against funds	(8 367 976)	(2 126 365)
Non Operating Income		
- Income Credited to Funds	4 023 182	688 823
	(19 621 642)	(10 839 377)
16 (INCREASE)/DECREASE IN WORKING CAPITAL		
(Increase)/Decrease in inventory	23 386	(694 233)
(Increase)/Decrease in Long-term debtors	1 925	147 440
(Increase)/Decrease in Debtors	(2 230 391)	(2 282 224)
Increase/(Decrease) in Creditors, Consumers deposits	7 286 315	(389 717)
	5 081 235	(3 218 734)
17 INCREASE/(DECREASE) IN LONG-TERM LOANS (EXTERNAL)		
Loans raised		
Loans repaid	-	(58 176)
	-	(58 176)
18 (INCREASE)/DECREASE IN CASH INVESTMENTS		
Investments realised	6 785 585	
Investments made		(627 478)
	6 785 585	(627 478)

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

	2009 R	2008 R
19 (INCREASE)/DECREASE IN CASH ON HAND		
Cash balance at the beginning of the year	5 540 204	1 459 106
Less: Cash balance at the end of the year	10 643 382	5 536 090
	(5 103 178)	(4 076 984)
20 PROPERTY RATES		
Rateable valuation of land and improvements :		
Land: R 71 243 139		
Improvements: R 583 195 331		
Date of last General Valuation: 1 Nov 2003		
Actual Rateable Income	8 535 300	7 972 614
21 REMUNERATIONS		
21.1 Council		
Mayor's allowance	277 097	249 629
Councillor's allowance	1 799 600	1 402 410
Councillor's Total Allowances	2 076 697	1 652 039
21.2 Municipal Manager	677 431	587 508
21.3 Chief Finance Officer	408 682	529 625
	1 086 113	1 117 133
22 FINANCE TRANSACTIONS		
<i>Total external interest earned or paid</i>		
- Interest earned	2 607 601	5 786 055
- Interest paid: External loans	-	3 632
<i>Capital charges debited to operating account:</i>		
Interest:		
- External		3 632
- Internal	1 398 401	1 313 321
Redemption:		
- External	-	47 578
- Internal	4 814 686	3 594 309
	6 213 087	4 958 840

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

2009 R	2008 R
-----------	-----------

23 CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS

Building Society - bond quarentees Alleged claim based on incorrect transformers supplied and other insurance claims against Council	350 000	140 528
	<hr/>	<hr/>

24 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure	6 795 103	38 684 426
This expenditure will be funded financed from:-		
- Internal Sources	6 795 103	25 593 497
- External Sources	-	13 090 929
Other sources		
Government Grants		13 090 929
	<hr/>	<hr/>
	6 795 103	38 684 426
	<hr/>	<hr/>

25 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

Reconciliation of unauthorised expenditure

Opening balance		
Unauthorised expenditure current year		
Approved by Council or condoned		
Unauthorised expenditure awaiting authorising	-	-
	<hr/>	<hr/>

Reconciliation of wastefull expenditure

Opening balance		
Fruitless and wastefull expenditure current year		
Approved by Council or condoned		
Fruitless and wastefull expenditurre awaiting condonement	-	-
	<hr/>	<hr/>

Reconciliation of irregular expenditure

Opening balance	-	-
Irregular expenditure current year	-	1 887 838
Approved by Council or condoned		
Irregular expenditurre awaiting condonement	-	1 887 838
	<hr/>	<hr/>

26 EMPLOYEE RELATED COST

Salaries	17 189 479	12 637 641
Wages	8 426 801	7 629 312
Overtime	1 188 778	1 307 361
Group Insurance	418 029	439 262
Housing subsidy	101 627	76 638
Medical Aid Fund	1 644 571	1 377 608
Pension Fund	4 265 745	3 098 526
Travelling allowance	488 952	275 779
Unemployment Insurance Fund	225 615	199 068
Uniforms & Overalls	136 723	104 987
Total	<hr/> 34 086 320 <hr/>	<hr/> 27 146 182 <hr/>

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

2009	2008
------	------

	R	R
27 REVOLVING FUND		
Accumulated Funds	53 600 564	50 147 420
Creditors	22 908	22 908
	<u>53 623 472</u>	<u>50 170 328</u>
Less: External Investments	7 928 875	19 524 731
External loans to institutions		
Staff vehicle loans		
Advances to borrowing Services	52 128 925	35 695 972
Temporary advance from(to) Rate Fund	<u>(6 434 328)</u>	<u>(5 050 375)</u>
28 ADDITIONAL DISCLOSURES IN TERMS OF MFMA		
28.1 Contribution to SALGA		
Opening Balance		
Council subscription	146 275	109 774
Amount paid current year	(146 275)	(109 774)
Amount paid previous year		
Balance unpaid (included in Creditors)	<u>-</u>	<u>-</u>
28.2 Audit Fees		
Opening Balance	800 000	1 071 554
Current year audit fee		800 000
Amount paid current year		-
Amount paid i.r.o. previous year	(699 172)	(1 071 554)
Total Audit fees outstanding (included in provisions)	<u>100 828</u>	<u>800 000</u>
28.3 PAYE and UIF		
Opening Balance		
Current year payroll deductions	2 736 539	2 288 677
Amount paid current year	(2 736 539)	(2 288 677)
Amount paid i.r.o. previous year		
Balance unpaid (included in Creditors)	<u>-</u>	<u>-</u>
28.4 Pension and Medical aid		
Opening Balance		
Current year payroll deductions	8 197 310	6 483 858
Amount paid current year	(8 197 310)	(6 483 858)
Amount paid i.r.o. previous year		
Balance unpaid (included in Creditors)	<u>-</u>	<u>-</u>

CAMDEBOO MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30/06/09

2009 R	2008 R
-----------	-----------

28.5 Councillors arrear consumer accounts

The following Councillors had arrear accounts for more than 90 days

Rates & services

Clr K Hoffman		1 221
Clr I Reid	493	564
	493	1 785

Overpayment of allowances

Clr T Eksteen	8 265	14 535
Clr J Jacobs	11 520	19 920
Clr D Japtha	11 500	25 471
Clr A Knott-Craig	11 334	18 135
	42 619	78 061

CAMDEBOO MUNICIPALITY
APPENDIX A
STATUTORY FUNDS, RESERVES AND TRUST FUNDS FOR THE YEAR ENDED 30/06/09

	Balance at 30/06/2008 R	Contr for the year R	Interest received R	Other income & transfers R	Operating expenditure during year R
<u>STATUTORY FUNDS</u>					
Dog Tax Account	613 076		55 676		18 000
Housing Development fund	4 515 761		524 520	2 886	2 749 871
Insurance Fund	1 666 146		184 420	4 019 216	292 747
Parking Area Dev. Fund	216 303		19 769	1 080	
Revolving Fund	50 147 420	163 109	3 308 682		18 647
	57 158 706	163 109	4 093 067	4 023 182	3 079 265
<u>RESERVES</u>					
Accumulated Leave	1 789 199	193 652	146 053		331 571
Fire Brigade	1 703 437		189 701		
Machinery.& Office	386 739		43 843		
Municipal Buildings	188 566		21 377		
Special Fund Eastern Cape	5 950 636		383 658	8 711 292	3 159 115
Tarriff Stab Sew & San	275 074		25 144		
Tarriff Stabilization Electricity	214 445		19 600		
Tarriff Stabilizaton Water	285 193		26 074		
Traffic Control	63 856		5 805		
Transitional Local Grant	464 779				
Transport	144 564		16 400		
Unspent grants*			33 562	7 036 193	661 767
Working Capital - Debtors	16 465 772	2 802 205			
Working Capital - Stores	2 619 741	23 387			
	30 552 001	3 019 244	911 216	15 747 485	4 152 452
<i>Less transferred to provisions</i>					
Leave Pay (Note 12)	715 680				
Absolute Stock (Note 8)	431 954				
Bad debts (Note 9)	1 646 577				
Grandtotal	27 757 790	3 019 244	911 216	15 747 485	4 152 452
<u>TRUST FUNDS</u>					
Aloe Project	850 799		77 341		437 087
Alex Laing Play grounds	309 979		28 331		
Graaff-Reinet Cemetery	16 023		1 476		
Laing Hall Furnisher	20 467		1 871		
Mary Lane Park	50 072		4 608		
R Church Cemetery	13 926		1 261		
	1 261 266	0	114 888	0	437 087
* Unspent grants - previously capitalised when received and immediately expensed, the opening balance had been incl Capital Receipts amounting to R 2172939					

Capital expenditure during year R	Balance at 30/06/2009 R
	650 752
	2 293 296
	5 577 035
	237 152
	53 600 564
0	62 358 799
	1 797 333
	1 893 138
	430 582
	209 943
2 315 861	9 570 610
	300 218
	234 045
	311 267
	69 661
	464 779
	160 964
4 150 288	2 257 701
	19 267 977
	2 643 128
6 466 149	39 611 345
	715 680
	431 954
	1 646 577
6 466 149	36 817 134
	491 053
	338 310
	17 499
	22 338
	54 680
	15 187
0	939 067
uded in the Loans Redeemed and	

CAMDEBOO MUNICIPALITY

APPENDIX B

EXTERNAL LOANS AND INTERNAL ADVANCES FOR THE YEAR ENDED 30/06/09

EXTERNAL LOANS	Balance at 30/06/2008 R	Received during the year R	Redeemed or written off during the year R
Annuity Loans	171 139		
	171 139	0	0

INTERNAL ADVANCES TO BORROWING SERVICES	Balance at 30/06/2008 R	Received during the year R	Redeemed or written off during the year R
Revolving Fund	35 695 972	21 239 973	4 807 020
Housing Development Fund	70 032		7 665
	35 766 004	21 239 973	4 814 684

Balance
at
30/06/2009
R

171 139

171 139

Balance
at
30/06/2009
R

52 128 925
62 367

52 191 293

CAMDEBOO MUNICIPALITY
APPENDIX C
ANALYSIS OF FIXED ASSETS FOR THE YEAR ENDED 30/06/09

Expenditure 2008		Budget 2009	Balance at 30/06/2008	Expenditure during the year	Written off transferred redeemed or disposed
R		R	R	R	R
8 692 446	RATES AND GENERAL SERVICES	12 222 000	88 175 115	21 272 339	-
1 831 497	Land and buildings	5 281 000	15 529 544	6 566 929	
4 261 150	Street and Bridges	4 378 000	19 596 377	6 623 090	
759 057	Furniture & equipment	988 000	4 721 515	3 154 528	
539 104	Sewerage	125 000	31 567 940	2 387 607	
1 301 638	Motor Vehicles	1 350 000	16 037 424	2 024 439	
	Tools	100 000	722 315	515 746	
-	HOUSING	-	4 078 979	-	-
6 656 197	TRADING SERVICES	8 655 000	54 307 115	6 433 786	-
	Concrete Works		1 794		
3 363 359	Electricity	5 160 000	23 170 957	4 745 918	
3 292 838	Waterworks	3 495 000	31 134 364	1 687 868	
15 348 643	TOTAL FIXED ASSETS	20 877 000	146 561 209	27 706 125	-
10 778 312	LESS: CAPITAL REDEEMED AND OTHER CAPITAL RECEIPTS		112 968 145	11 280 835	2 172 939
3 720 670	Loans redeemed and advances paid		14 240 712	4 814 686	6 466 149
55 358	Contribution ex operating income		28 620 182	0	-6 466 149
7 002 284	Grants and subsidies		70 107 251	6 466 149	2 172 939
4 570 331	NET FIXED ASSETS	20 877 000	33 593 064	16 425 290	-2 172 939

**Balance
at
30/06/2009
R**

109 447 454

22 096 473
26 219 467
7 876 043
33 955 547
18 061 863
1 238 061

4 078 979

60 740 901

1 794
27 916 875
32 822 232

174 267 334

122 076 041

12 589 249
35 086 331
74 400 461

52 191 293

CAMDEBOO MUNICIPALITY**APPENDIX D****ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30/06/08**

Actual 2008 R		Actual 2009 R	Budget 2009 R
INCOME			
17 569 673	Government - Grants & Subsidies	20 661 208	17 323 000
51 311 063	Operating income	56 852 290	56 623 786
7 972 614	- Assessment Rates	8 535 300	10 175 515
21 517 362	- Sale of Electricity	28 256 146	26 947 912
7 583 427	- Sale of Water	9 291 254	8 202 074
14 237 660	- Other service charges	10 769 590	11 298 285
1 369 038	- Interest Received	2 607 601	
70 249 774		80 121 099	73 946 786
EXPENDITURE			
27 146 182	Salaries,wages and allowances	34 086 321	39 939 222
35 594 581	General expenses	35 189 578	38 617 651
11 801 478	-Purchase of electricity	20 107 204	22 204 922
23 793 103	- Other General Expenditure	15 082 374	16 412 729
2 027 640	Repairs and maintenance	2 762 418	3 649 032
4 958 840	Capital charges	6 213 087	9 088 195
55 358	Contributions to fixed assets		
569 658	Contributions to other funds		
70 352 259	Gross Expenditure	78 251 404	91 294 100
5 477 679	Less: Amounts charged out		
64 874 580	Net Expenditure	78 251 404	91 294 100

APPENDIX E
CAMDEBOO MUNICIPALITY
DETAILED INCOME STATEMENT FOR THE YEAR ENDED 30/06/09

Actual Income	Actual expenditure	Surplus/ (deficit)
2008 R	2008 R	2008 R

Actual Income	Actual expenditure	Surplus/ (deficit)
2009 R	2009 R	2009 R

40 362 888	37 081 847	3 281 041
33 366 113	26 851 705	6 514 408
7 972 614	563 328	7 409 286
295 465	2 806 408	(2 510 943)
	100 221	(100 221)
7 207	1 981 802	(1 974 595)
	17 364	(17 364)
3 201 570	3 538 693	(337 123)
	78 130	(78 130)
15 923	1 146 749	(1 130 826)
39 311	8 038 707	(7 999 396)
-	42 974	(42 974)
47 731	698 001	(650 270)
20 081 897	6 768 357	13 313 540
1 704 395	1 070 971	633 424
203 475	3 533 109	(3 329 634)
1 110	452 692	(451 582)
59 842	400 866	(341 024)
138 548	532 089	(393 541)
3 975	1 828 135	(1 824 160)
-	-	-
-	319 327	(319 327)
6 793 300	6 697 033	96 267
2 166 163	2 630 634	(464 471)
96 318	87 893	8 425
10 698	99 113	(88 415)
737 428	1 077 379	(339 951)
3 722 693	2 770 299	952 394
60 000	31 715	28 285

RATES AND GENERAL SERVICES

Community services
Assessment rates
Admin Town Clerk
Civil Defence
Council's General Expenses
Grants and Donations
Health Services
Hester Rupert Art Mus.
Libraries
Public Works
Swimming Baths
Town Engineer
Town Treasurer
Traffic Control

Subsidised services

Fire Protection
Airport
Municipal buildings
Parks and Recreation grounds
Proclaimed Roads
Workshops

Economic services

Cleansing Services
Commonage & Pound
Parking Meters
Sanitation
Sewerage Scheme
Urquhart Park

42 514 299	47 762 426	(5 248 127)
34 994 151	33 573 790	1 420 361
8 535 300	-	8 535 300
121 206	5 180 752	(5 059 546)
-	111 265	(111 265)
13 853	3 282 151	(3 268 298)
-	109 731	(109 731)
2 643 060	3 807 439	(1 164 379)
-	75 184	(75 184)
18 162	1 238 977	(1 220 815)
62 374	6 932 937	(6 870 563)
-	34 423	(34 423)
42 878	1 201 326	(1 158 448)
21 623 788	10 054 739	11 569 049
1 933 530	1 544 866	388 664
212 534	8 343 050	(8 130 516)
3 381	509 263	(505 882)
45 133	475 063	(429 930)
160 228	1 128 854	(968 626)
3 792	5 617 493	(5 613 701)
-	-	-
-	612 377	(612 377)
7 307 614	5 845 586	1 462 028
2 302 949	3 033 984	(731 035)
119 618	90 169	29 449
8 999	109 673	(100 674)
753 651	249	753 402
4 062 397	2 585 818	1 476 579
60 000	25 693	34 307

HOUSING SERVICES

Sub Econ. Houses

1 385		1 385
29 885 501	27 792 733	2 092 768
103 575	160 086	(56 511)
22 127 048	23 035 578	(908 530)
7 654 878	4 597 069	3 057 809

1 385		1 385
37 605 416	30 488 976	7 116 440
58 016	193 023	(135 007)
28 256 146	24 866 836	3 389 310
9 291 254	5 429 117	3 862 137

TRADING SERVICES

Concrete Works
Electricity
Water

70 249 774	64 874 580	5 375 194
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80 121 100	78 251 402	1 869 698
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TOTAL

(4 437 278)	Appropriations for the year (refer to note 14)	(3 273 177)
937 916	Nett surplus for the year	(1 403 479)
5 715 150	Accumulated surplus at the beginning of the year	6 653 066
6 653 066	ACCUMULATED SURPLUS AT THE END OF THE YEAR	5 249 587

**Budget
Surplus/
(Deficit)
2009
R**

(15 536 283)

(6 905 109)

10 175 515
(5 483 279)
(111 741)
(3 413 098)
(115 000)
(4 926 267)
(111 649)
(1 413 732)
(8 498 327)
(45 524)
(1 741 728)
8 595 122
184 599

(9 928 862)

(555 546)
(522 136)
(1 202 296)
(6 873 098)

(775 786)

1 297 688

(751 283)
(32 376)
(99 036)
800 771
1 353 188
26 424

1 385

277 098

(86 450)
(1 617 836)
1 981 384

(15 257 800)

CAMDEBOO MUNICIPALITY
APPENDIX F
STATISTICAL INFORMATION FOR THE YEAR ENDED 30/06/09

	<u>2009</u>	<u>2008</u>
<u>a) General statistics</u>		
- Population	45000	45000
- Number of registered Voters	22290	29000
- Area km 2	100	100
Building Survey		
- number of building plans passed	70	102
- total value of building plans passed	R 14 178 354	R 10 083 333
Parks and recreation		
- number of developed parks	10	10
- number of swimming pools	2	3
- number of sport fields and tennis courts	24	24
Total valuations		
- taxable (R million)	654	654
- non taxable (R million)	56	56
Valuation date	01.11.03	01.11.03
Assessment rate		
- basic (cent in the Rand)		1.34
- discount Government	20%	20%
- discount Agricultural	30%	30%
Licences issued - vehicle registrations	6446	8683
Libraries - books issued	79364	85367
Number of employees of Municipality	315	286
Electricity Statistics		
kWh		
i. Number of users (residential and commercial)	6893	6857
ii. Units bought ('000)	63478	61475
iii. Units sold (' 000)	55834	54007
iv. Units lost in distribution (ii – iii)	7643	7468
v. Percentage lost in distribution	12%	12.15
vi. Cost per unit bought (cent)	26.27	19.37
vii. Loss in distribution (iv x vi) (Rand)	2 007 893	1 446 551
viii. Cost per unit sold (cent)	44.54	42.64
ix. Income per unit sold (cent)	50.61	40.97
Water Statistics		
Number of users (residential and commercial)	9150	9122
Kl sold (' 000)	2600	2148
Kl lost in distribution (' 000)	256	379
Percentage lost in Distribution	10%	15
Refuse Removals		
Kilometres travelled	42348	41750
Refuse removed (cubic metre)	67767	72614
Sewerage		
Sewerage water purified (Mega litres)	920	1152
Sanitation removal (litres)	9600	11370