

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

INDEX

	PAGE NUMBER
GENERAL INFORMATION	1 - 2
FOREWORD	3 - 4
MANAGER: FINANCIAL SERVICES REPORT	5 - 6
ACCOUNTING POLICIES	7 - 9
BALANCE SHEET	10
INCOME STATEMENT	11
CASHFLOW STATEMENT	12
NOTES TO THE FINANCIAL STATEMENTS	13 - 16
APPENDIX A	17
APPENDIX B	18
APPENDIX C	19
APPENDIX D	20
APPENDIX E	21
APPENDIX F	22
DISCLOSURES IN TERMS OF MFMA	23 - 25

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
REPORT OF THE MANAGER: FINANCIAL SERVICES DEPARTMENT**

The Maletswai Local Municipality was established in terms of Section 12 of the Local Government Structures Act of 1988 (Act 117 of 1988). The establishment Notice was promulgated under Provincial Notice 82 dated 27 September 2000 as amended. The Maletswai Local Municipality consists of the Area of Jurisdiction of the former Aliwal North Transitional Local Council, the former Jamestown Transitional Local Council as well as the former Aliwal North Representative Council.

In the year under review we experienced a decline in the financial position of the municipality. Expenditure was generally in line with the budget, save for bulk electricity purchases which exceeded the budget.

As per the previous financial year we still experienced the situation that, due to the poor socio-economic conditions in the area, revenue as budgeted did not realise in full. Future budgets will have to address this, both on the operating- and capital side.

From the above it is then also true that Capital Projects, financed from own sources, has become almost non-existent and that the Maletswai Municipality has to rely heavily on Grant funding and external loans for the execution of such Capital Projects and/or the upgrading of existing infrastructure.

These financial statements have been compiled on the formats as issued by the Institute of Municipal Finance Officers in 1996. This is the last time the financial statements will be compiled in this format and future financial statements will be compiled according to the requirements of the Constitution and the Municipal Finance Management Act in General Recognised Accounting Practices (GRAP) standards. It is going to be a huge challenge for all managers and staff to implement these new requirements and much focus will be on that in the coming months to prepare for these significant changes.

The operating results for the year under review are as follows:

	ACTUAL 2007/2008	ACTUAL 2008/2009	VARIANCE %	BUDGET 2008/2009	VARIANCE ACTUAL/BUDGET
REVENUE					
OPENING SURPLUS	7 265 158	15 898 701	118.83	-	-
OPERATING INCOME FOR THE YEAR	58 971 199	84 465 257	43.23	93 483 779	9.6
SUNDRY TRANSFERS	14 658 661	-4 100 617	-127.97	-	-
CLOSING DEFICIT	-	-	-	-	-
	80 895 018	96 263 341	19.00		
EXPENDITURE					
OPENING DEFICIT					
OPERATING EXPENDITURE FOR THE YEAR	64 996 317	86 152 126	32.55	93 483 779	7.8
SUNDRY TRANSFERS	-	-	-	-	-
CLOSING SURPLUS	15 898 701	10 111 215	-36.40	-	-
	80 895 018	96 263 341	19.00		
	ACTUAL 2007/2008	ACTUAL 2008/2009	VARIANCE %	BUDGET 2008/2009	VARIANCE ACTUAL/BUDGET
RATES & GENERAL SERVICES					
REVENUE	30 290 370	43 862 573	44.81	48 495 926	9.6
EXPENDITURE	-41 205 401	-49 423 615	19.94	-57 735 237	14.4
SURPLUS/DEFICIT	-10 915 031	-5 561 042	-49.05	-9 239 311	-149.9
SURPLUS/DEFICIT as % of income	-36.03	-12.68	-199.00		
HOUSING SERVICE					
REVENUE	-	-	-	-	-
EXPENDITURE	-594 370	-816 437	37.36	-816 931	0.1
SURPLUS/DEFICIT	-594 370	-816 437	37.36	-816 931	
ELECTRICITY SERVICE					
REVENUE	27 774 416	39 532 646	42.33	44 987 853	12.1
EXPENDITURE	-19 094 327	-32 212 183	68.70	-34 931 611	7.8
SURPLUS/DEFICIT	8 680 089	7 320 463	-15.66	10 056 242	
CAPITAL EXPENDITURE					
	ACTUAL 2007/2008	ACTUAL 2008/2009	TRANSFER		
LAND		8 148 000	-		
BUILDINGS	1 816 189	918 208	-		
VEHICLES	118 421	2 181 294	-		
HOUSING	-	-	-		
EQUIPMENT	51 622	-	-		
OFFICE FURNITURE	1 290 821	1 356 696	-		
SEWERAGE	-	-	-		
ELECTRICITY	3 298 967	10 466 270	-		
PLANNING	-	333 809	-		
PUBLIC WORKS	7 927 666	7 078 347	-		
SPA	69 508	14 054	-		
GAME	-	-	-		
	14 573 195	30 496 678	-		

EXTERNAL LOANS, INVESTMENTS & CASH

External loans outstanding on 30 June 2009 amounted to R5 623 739 (R 6 056 005 in 2008) as set out in Appendix B.

Investments amounted to R 3 165 690 on 30 June 2009.

More information regarding loans & investments are disclosed in notes 3 & 6 as well as Appendix B to the financial statements.

FUNDS & RESERVES

More information regarding funds & reserves are disclosed in notes 1, & 2 as well as Appendix A to the financial statements.

POST BALANCE SHEET EVENTS

None

I herewith wish to express my and my department's sincere gratitude, for all the support, guidance and help received during this financial year to:

The Mayor and Councillors
The Chairperson and Members of the Financial Standing Committee
The Municipal Manager
All Managers and Acting Managers of the relevant departments
All personnel in the Finance Department

B J Rautenbach
MANAGER: FINANCIAL SERVICES DEPARTMENT

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
BALANCE SHEET AS AT 30 JUNE 2009**

	NOTES	2009	2008
CAPITAL EMPLOYED			R
FUNDS AND RESERVES		265 373	292 384
Accumulated funds	1	265 373	292 384
Accumulated Surplus		10 111 215	15 898 701
Trust funds	2	10 423 657	10 532 678
Long-term liabilities	3	5 155 025	5 782 471
Consumers deposits	4	3 460 652	3 292 449
		29 415 922	35 798 684
EMPLOYMENT OF CAPITAL			
Fixed assets	5	9 069 743	9 513 509
Investments	6	3 165 690	2 534 092
Long-term Debtors	7	-	19 759
		12 235 433	12 067 360
NET CURRENT ASSETS\LIABILITIES		17 180 488	23 731 324
CURRENT ASSETS		29 326 857	35 998 061
Inventory	8	917 819	744 065
Debtors	9	19 925 811	20 103 843
Short-term portion of Long-term Debtors	7	-	7 252
Bank and cash	19	8 483 227	15 142 902
CURRENT LIABILITIES		12 146 369	12 266 737
Provision	10	3 877 777	1 939 882
Creditors	11	7 799 878	10 053 321
Short-term portion of Long-term liabilities	3	468 714	273 534
		29 415 922	35 798 684

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30/06/2009

ACTUAL REVENUE 2008	ACTUAL EXPENDITURE 2008	2008 SURPLUS/ DEFICIT		ACTUAL REVENUE 2009	ACTUAL EXPENDITURE 2009	2009 SURPLUS/ DEFICIT	2009 BUDGET surplus(deficit)
26 148 168	-34 597 570	-8 449 402	COMMUNITY SERVICES	37 706 837	-41 838 530	-4 131 693	-4 819 924
1 478 521	-1 866 709	-388 189	SUBSIDISED SERVICES	2 487 101	-2 369 244	117 857	-88 810
2 663 681	-4 741 122	-2 077 441	ECONOMIC SERVICES	3 668 635	-5 215 841	-1 547 206	-1 740 601
30 290 370	-41 205 401	-10 915 031	RATE & GEN. SERVICE	43 862 573	-49 423 615	-5 561 042	-6 649 335
-	-594 370	-594 370	HOUSING SERVICE	-	-816 437	-816 437	-816 931
28 680 830	-23 196 547	5 484 283	TRADING SERVICES	40 602 684	-35 912 074	4 690 610	7 466 266
58 971 200	-64 996 318	-6 025 118	TOTAL	84 465 257	-86 152 126	-1 686 869	-
	14 658 661		Appropriations for the year (refer note 15)		-4 100 617		
	-6 025 118		Net surplus /deficit for the year		-1 686 869		
	7 265 158		Accumulated surplus/(deficit) Beginning of the year		15 898 701		
	15 898 701		Accumulated Surplus - End of the year		10 111 215		

MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
CASH FLOW STATEMENT FOR THE YEAR
ENDED 30 JUNE 2009

	NOTE	2009	2008
			R
CASH RETAINED FROM OPERATING ACTIVITIES		-12 240 434	-83 515
Cash generated by operations	16	-8 415 987	-11 763 678
Increase/(Decrease) in Working Capital	17	-2 080 960	11 331 793
Capital Charges	14	-379 505	-244 697
Investment Income	14	-1 363 981	593 068
Cash available from operations			
Cash contributions from the public and the State	App "A"	28 993 303	20 275 334
Net proceeds on disposal of fixed assets			-
CASH UTILIZED IN INVESTING ACTIVITIES			
Investment in fixed assets	5	-22 348 678	-14 573 197
NET CASH FLOW		-5 595 809	5 618 623
CASH EFFECTS OF FINANCING ACTIVITIES			
Increase in long-term loans	3	-432 266	4 325 980
(Increase)/Decrease in cash investments	18	-631 598	608 803
(Increase)/Decrease in cash	19	6 659 675	-10 553 406
NET CASH GENERATED		5 595 811	-5 618 623

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2009

	2009	2008
1 ACCUMULATED FUNDS - (Refer ANNEXURE A)		R
Revolving Fund Jamestown	0	-27 011
Housing Development Fund	-265 373	-265 373
	-265 373	-292 384
2 TRUST FUNDS (Refer ANNEXURE A)		
MSP Organogram & PMS	-36 350	-91 350
Management Support Programme	-1 429 383	-946 051
Finance Management Act	-805 382	-922 724
IOT. Jamestown	-96 841	-30 650
LEDF Projects	-115 828	-116 259
Arial Survey Fund	-1 505	-1 505
MSP IT Fund	-10 424	-197 940
MSP Financial Statement Fund	-60 031	-157 500
Ukhahlamba IDP Fund	0	-50 000
DPLG - MSIG Funds	-200 000	-150 000
MIG Funds	0	-561 301
Valuations Fund	0	-800 000
Van Coller Grave	-8 443	-8 443
Ukhahlamba District Municipality Library Fund	-252 866	-372 539
1218 Project Link Houses	199 855	-490 835
Hilton 78 Sites Services	18 306	18 306
Houses 330	-263 121	-228 898
Area 5 Services	-63 514	-63 514
78 Sites Survey	2 750	2 750
Hilton 89 Houses	-12 931	-64 887
Aliwal North 100 Houses Fund	47 488	481 565
Jamestown 318 Houses	-373 367	-372 467
Jamestown 858 Houses Planning	-6 090	-6 090
Jamestown 858 Houses	-15 111	-15 111
Jamestown 858 Houses	-639 778	-661 348
838 Wonings Fonds	-690 403	-690 403
Area 13 Fund	-254 064	-254 064
DME Electricity Reticulation Fund	-5 356 623	-3 781 419
	-10 425 666	-10 534 684

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2009	2009	2008
3 LONG TERM LIABILITIES - ANNEXURE B		
Annuity Loans	5 623 739	6 056 005
	5 623 739	6 056 005
Less: Loans to be transferred		-
	5 623 739	6 056 005
Less: Current portion transferred to current Liabilities	-468 714	-273 534
	5 155 025	5 782 471
4 CONSUMER DEPOSITS		
Water and Electricity	2 480 931	2 322 416
Hall	27 767	22 045
Sauer Park	2 393	
Pre-paid Vending	10 000	10 000
Dukathole Electricity	32 914	32 914
Housing	906 647	905 075
	3 460 652	3 292 450
5 FIXED ASSETS - ANNEXURE C		
Fixed Assets at the beginning of the year	97 999 942	84 786 647
Capital Expenditure during the year	30 496 678	14 573 197
TOTAL FIXED ASSETS	128 496 620	99 359 844
Less: Transferred to Inventory - Biological Assets		-721 500
Less Amounts W/O and Adjustments	-1 907 703	-638 402
	126 588 917	97 999 942
Less Loans redeemed and other capital receipts	-117 519 174	-88 486 433
NET FIXED ASSETS	9 069 743	9 513 509
6 INVESTMENTS [See disclosure 2(b)]	3 165 690	2 534 092
7 LONG TERM DEBTORS		
Raised for the year - Transfer from Internal Loans	-	27 011
	-	27 011
Less: Short-term portion transferred to Current Assets	-	7 252
Balance 30 June	-	19 759
The loan was previously reported as an internal loan for water provision. The repayments became the responsibility of the Ukhahlamba District Municipality in terms of the transfer of the water and sanitation functions to the District Municipality.		
8 INVENTORY		
Diesel stored in bulk at Jamestown Depot	14 769	14 127
Game	903 050	729 940
	917 819	744 067
Game was previously reported under Fixed Assets		
9 DEBTORS		
Trade and other	21 563 720	23 414 704
Less: Provision for the impairment of trade and other debtors	-1 637 909	-3 310 861
	19 925 811	20 103 843

Debtors were individually assessed for impairment at the reporting date. Management believes the provision for impairment is a realistic reflection of receivables which will not materialise.

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2009		2009	2008
10	PROVISIONS		
	Leave (See Accounting Policy Item 14)	3 877 777	1 939 882
		3 877 777	1 939 882
	Provision for the leave days to the credit of employees are calculated at 30 June of each financial year at their remuneration at that date.		
11	CREDITORS		
	Trade Creditors	7 446 225	7 789 567
	Payments received in Advance		1 072 988
	Unidentified Deposits	353 653	1 190 766
		7 799 878	10 053 321
12	ASSESSMENT RATES		
	Valuation	352 551 150	352 551 150
	Actual Income	6 389 952	5 809 779
13	COUNCILLORS' REMUNERATION		
	See Appendix "G"		
14	FINANCE TRANSACTIONS		
	Total external interest earned and paid		
	- Interest earned	1 363 981	593 066
	- Interest paid	379 505	244 697
	Capital charges debited to operating account:		
	Interest :		
	- External	379 505	244 697
	- Internal	-	338
	Redemption :		
	- External	320 317	241 925
	- Internal	27 010	14 020
		726 832	500 980
15	APPROPRIATIONS		
	Appropriation account		
	Accumulated surplus at the beginning of the year	15 898 701	7 265 158
	Operating deficit for the year	-1 686 869	-6 025 118
	Appropriations for the year :	-4 100 617	14 658 661
	Accumulated surplus at the end of the year	10 111 215	15 898 701
16	CASH GENERATED BY OPERATIONS		
	Operating deficit for the year	-1 686 869	-6 025 118
	Prior year adjustments	-4 100 617	14 658 661
	Non-Operating Income	-29 020 314	-30 781 946
	Statutory Funds	-	12 637
	Statutory Funds - Written off	-27 011	-10 942 875
	Provisions	-	537 774
	Internal interest to trust funds	-	286 270
	Trust Funds	-28 993 303	-20 675 752
	Capital Charges:	838 782	869 209
	Interest internal:	-	338
	Interest external	379 505	244 697
	Redemption :		
	Internal	27 010	14 020
	External loans written off	111 950	368 228
	External	320 317	241 925
	Expenditure on fixed assets from operating account	26 917 012	10 585 705
	Investment Income	-1 363 981	-593 066
	Non-operating expenditure:		
	Expenditure charged against Provisions	-	-477 123
	Expenditure charged against Trust Funds	-	-
		-8 415 987	-11 763 678

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2009		2009	2008
17	INCREASE /(DECREASE) IN WORKING CAPITAL		
	Decrease in Inventory	-173 752	-729 650
	(Decrease)/Increase in Debtors	178 032	11 566 399
	(Decrease)/Increase in Long-term Debtors		-27 011
	Increase in Consumer Deposits	168 203	985 768
	Decrease in Creditors	-2 253 443	-463 715
		-2 080 960	11 331 793
18	INCREASE IN EXTERNAL CASH INVESTMENTS		
	Balance beginning of year	2 534 092	3 142 895
	Balance end of year	3 165 690	2 534 092
		-631 598	608 803
19	DECREASE IN CASH ON HAND		
	Cash Balance at the Beginning of the Year	15 142 902	4 589 496
	Less: Cash Balance at the End of the Year	8 483 227	15 142 902
		-6 659 675	10 553 406
20	CONTINGENT LIABILITIES AND CONTRACTUAL OBLIGATIONS		
	Claims by AVBOB	218 399	218 399
	Mr Mzillo payment for remainder of contract period. Court ruling	1 139 155	Unknown
	Nomagwayi Developers (Pty) Ltd	Unknown	Unknown
	None		-
21	CONTINGENT ASSETS		
	Fire at Aliwal Spa. Outstanding claims.	5 266 299	1 049 330
22	CAPITAL COMMITMENTS		
	See Disclosures	18 212 856	25 618 353
23	CONSOLIDATED LOANS FUND		
	External Loans	5 623 739	6 056 005
	Invested	-	-
24	REVOLVING FUND		
	Advance to operating account		-
	Loan to operating account		-
	Sundry debtors	-	27 011
		-	27 011
25	SUBSEQUENT EVENTS		
	Fires at the Aliwal Spa	-	-
26	OTHER DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT		

See Appendix "G"

**APPENDIX A
ACCUMULATED AND VARIOUS FUNDS**

	BALANCE 1 July 2008	CONTRI- BUTION	INTEREST	OTHER INCOME	EXPENDITURE	TRANSFERS W/O	BALANCE 30 June 2009
	R	R	R	R	R	R	R
STATUTORY FUNDS							
Revolving Fund (Jamestown)	-27 011	-	-	-	-	27 011	0
Housing Development	-265 373	-	-	-	-	-	-265 373
	-292 384	0	0	0	0	27 011	-265 373
TRUST FUNDS							
MSP Organogram & PMS	-91 350	-	-	-	55 000	-	-36 350
Management Support Fund	-946 051	-	-	-483 332	-	-	-1 429 383
Spatial Development Plan	-30 650	-	-	-400 000	333 809	-	-96 841
Finance Management Act.	-922 724	-	-	-1 500 000	1 617 342	-	-805 382
LED Garden Project Jamestown	-116 259	-	-	-	431	-	-115 828
Arial Survey Fund	-1 505	-	-	-	-	-	-1 505
MSP IT Funds	-197 940	-	-	-	187 516	-	-10 424
MSP Financial Statement Fund	-157 500	-	-	-	97 469	-	-60 031
Ukhahlamba IDP Fund	-50 000	-	-	-	50 000	-	0
DPLG - MSIG Funds	-150 000	-	-	-400 000	350 000	-	-200 000
Valuations Fund	-800 000	-	-	-	800 000	-	0
MIG Funds	-561 301	-	-	-7 315 000	7 876 301	-	0
Van Coller Grave	-8 443	-	-	-	-	-	-8 443
Ukhahlamba Library Equipment Fund	-372 539	-	-	-	119 673	-	-252 866
1218 Link Houses	-490 835	-	-	-423 176	1 113 866	-	199 855
78 Sites Services	18 306	-	-	-	-	-	18 306
78 Sites Survey	2 750	-	-	-	-	-	2 750
330 Houses	-228 898	-	-	-626 480	592 257	-	-263 121
Area 5 Services	-63 514	-	-	-	-	-	-63 514
Hilton 89 Houses	-64 887	-	-	-52 300	104 256	-	-12 931
Area 13 - Fund	-254 064	-	-	-	-	-	-254 064
Aliwal Noord 100 Houses Fund	481 565	-	-	-4 173 215	3 739 138	-	47 488
318 Houses Jamestown	-372 467	-	-	-900	-	-	-373 367
Jamestown 858 Houses Planning	-6 090	-	-	-	-	-	-6 090
Jamestown 858 Houses	-661 348	-	-	-18 900	40 470	-	-639 778
Jamestown Transfers 858 houses	-15 111	-	-	-	-	-	-15 111
838 Wonings Fonds	-690 403	-	-	-	-	-	-690 403
DME Electricity Reticulation Fund	-3 781 419	-	-	-13 600 000	12 024 796	-	-5 356 623
	-10 532 678	-	-	-28 993 303	29 102 324	-	-10 423 657
PROVISIONS							
Leave Endowment	-1 939 882	-1 937 895	-	-	-	-	-3 877 777
	-12 764 944	-1 937 895	-	-28 993 303	29 102 324	27 011	-14 566 807

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
APPENDIX B**

EXTERNAL LOANS AND INTERNAL ADVANCES

LOAN	DATE RED	CERT NO	INTEREST RATE	TOTAL LOAN	BALANCE 1 July 2008	LOANS RAISED	LOANS REPAID	LOAN ADJUSTMENTS	BALANCE 30 June 2009
				R	R	R	R	R	R
ANNUITY LOANS									
Development Bank				4 936 134	4 936 134		-79 714		4 856 420
CPA								0	0
				4 936 134	4 936 134	0	-79 714	0	4 856 420
ABSA ***	2011		Prime linked	209 389	135 565		-41 203	3 541	97 903
ABSA***	2011		Prime linked	1 266 614	984 306		-199 399	-115 491	669 416
SUB TOTAL				6 412 137	6 056 005	0	-320 316	-111 950	5 623 739

* Opening balances adjusted

INTERNAL ADVANCES

Revolving Fund					27 010		-27 010		0
SUB TOTAL					27 010		-27 010		0

	6 083 015	0	-347 326	-111 950	5 623 739
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**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
APPENDIX C
ANALYSIS OF FIXED ASSETS**

EXP. 2008	RATES & GENERAL SERVICES	BALANCE 1 July 2008	EXPEN- DITURE	TRANSFER/ W/O	BALANCE 30 June 2009
R	Community Services	R	R	R	R
2 008	Land	10 184 088	R 8 148 000		18 332 088
1 816 189	Buildings	7 940 803	R 918 208	-15 000	8 844 011
1 820 205	Proclaimed Roads	1 377 193			1 377 193
7 927 666	Streets & Storm water	17 193 725	R 7 078 347		24 272 072
118 421	Vehicles & Implements	5 448 195	R 2 181 294	-1 604 815	6 024 674
51 622	Tools & Equipment	664 813			664 813
1 290 821	Office Furniture	3 161 454	R 1 356 696	-249 737	4 268 413
9 388 530	Planning	1 415 397	R 333 809		1 749 206
22 415 461		47 385 668	R 20 016 354	-1 869 552	65 532 470
	Housing				
	Whites	162 112			162 112
	Coloureds	8 235 671			8 235 671
	Black	1 500 369			1 500 369
	Housing Jamestown	2 448 460			2 448 460
-		12 346 612	-	-	12 346 612
	Trading				
3 298 966.84	Abattoir				
	Electricity	16 607 578	R 10 466 270	-8 795	27 065 053
	Water Supply	1			1
69 508.16	Spa	21 660 086	R 14 054	-29 346	21 644 794
	Game				-
3 368 475		38 267 665	R 10 480 324	-38 141	48 709 849
25 783 936	TOTAL FIXED ASSETS	97 999 945	R 30 496 678	-1 907 703	126 588 931
	Less: Loans Redeemed and other Capital Receipts	88 486 433	R 30 928 945	-1 896 203	117 519 175
	Loans Redeemed	356 131	R 432 268		788 399
	Contributions from Income Provisions, Reserves and other Receipts	38 880 028	R 4 929 888	-2 562 693	41 247 223
		49 250 274	R 25 566 789	666 490	75 483 553
		9 513 512	-R 432 267	-11 500	9 069 756

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

APPENDIX D

**ANALYSIS OF OPERATING INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2009**

ACTUAL 2008		ACTUAL 2009	BUDGET 2009
R	REVENUE	R	R
17 291 555	Grants and subsidies	36 991 286	38 475 794
17 291 555	Central Government	33 439 783	32 572 000
	Provincial Government	3 551 503	5 903 794
41 679 641	Operating revenue:	47 473 971	55 007 985
5 809 779	Assessment rates	6 389 952	6 392 366
24 423 969	Sale of electricity	28 975 914	31 002 853
	Sale of water		-
11 445 893	Other service charges	12 108 105	17 612 766
58 971 196	TOTAL REVENUE	84 465 257	93 483 779
R	EXPENDITURE	R	R
23 260 609	Salaries and allowances	26 903 536	27 775 105
30 023 989	General expenses:	34 805 914	39 055 258
11 875 091	Purchase of electricity	16 344 679	16 051 293
18 148 898	Other general expenses	18 461 235	23 003 965
2 131 161	Repairs and maintenance	3 185 596	3 027 300
493 728	Capital charges	699 821	703 402
9 912 791	Contributions to fixed assets	21 535 702	24 098 400
836 681	Contributions	1 009 909	588 694
66 658 958	GROSS EXPENDITURE	88 140 478	95 248 159
-1 662 640	Less: Amounts charged out	-1 988 352	-1 764 380
64 996 318	NET EXPENDITURE	86 152 126	93 483 779

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
APPENDIX E**

**DETAILED INCOME STATEMENT FOR THE YEAR
ENDED 30 JUNE 2009**

2008 Actual Revenue	2008 Actual Expenditure	2008 Surplus/ (Deficit)		2009 Actual Revenue	2009 Actual Expenditure	2009 Surplus/ (Deficit)
R	R	R	RATES AND GENERAL	R	R	R
5 809 779	-	5 809 779	ASSESSMENT RATES	6 389 952	-	6 389 952
50 500	-6 784 467	-6 733 967	COUNCIL'S GENERAL EXPENSES	1 592 000	-7 160 834	-5 568 834
178 180	-1 302 692	-1 124 512	MANAGER	188 000	-1 685 581	-1 497 581
471 356	-3 311 589	-2 840 233	CORPORATE SERVICES	615 263	-4 105 498	-3 490 235
-	-44 318	-44 318	INTEGRATED DEVELOPMENT PLANNING	57 614	-57 614	0
-	-252 825	-252 825	SPECIAL PROGRAMS UNIT	176 136	-368 315	-192 179
121 065	-18 654	102 410	CEMETERY	123 424	-63 061	60 363
1 300 942	-1 840 257	-539 315	LIBRARIES	50 531	-761 116	-710 585
188 020	-13 023	174 997	COMMONAGE	330 140	-14 219	315 921
3 352 907	-5 697 871	-2 344 964	PUBLIC WORKS	6 962 781	-11 511 483	-4 548 702
627 462	-1 148 799	-521 337	ADMINISTRATION & LAND AFFAIRS	673 955	-2 036 560	-1 362 605
162	-1 810 569	-1 810 407	PARKS & PUBLIC PLACES	29	-2 052 392	-2 052 363
6 445	-105 725	-99 281	SPORT GROUNDS	10 163	-42 242	-32 079
370 400	-1 156 636	-786 236	TECHNICAL SERVICES ADMINISTRATION	393 000	-1 341 460	-948 460
12 446 499	-9 115 575	3 330 924	FINANCE DEPARTMENT	17 629 056	-8 061 610	9 567 446
0	-6 329	-6 328	MECHANICAL WORKSHOP	-	-5 198	-5 198
0	-2 350	-2 350	MUSEUM	-	-4 782	-4 782
1 224 449	-1 079 027	145 421	TRAFFIC	2 514 793	-1 757 223	757 570
0	-879 852	-879 852	COMMUNITY SERVICES	-	-801 782	-801 782
0	-27 011	-27 011	LOCAL ECONOMIC DEVELOPMENT	-	-1 625	-1 625
			OCCUPATIONAL HEALTH & SAFETY	-	-5 935	-5 935
26 148 168	-34 597 569	-8 449 402		37 706 837	-41 838 530	-4 131 693
			SUBSIDISED SERVICES			
934	-12 318	-11 384	FIRE BRIGADE SERVICES	-	-2 559	-2 559
1 474 854	-1 784 671	-309 817	HEALTH SERVICES	556 707	-368 548	188 159
0	0	0	CLINICS	1 928 727	-1 928 727	-
2 733	-69 722	-66 989	AERODROME	1 667	-69 410	-67 743
1 478 521	-1 866 710	-388 189		2 487 101	-2 369 244	117 857
			ECONOMIC SERVICES			
78 816	-8 959	69 857	NATURE RESERVE	341 857	-10 254	331 603
2 546 097	-3 454 447	-908 350	REFUSE REMOVAL	3 326 197	-3 880 932	-554 735
38 768	-1 277 717	-1 238 949	CLEANSING	581	-1 324 655	-1 324 074
-	-	-	DISASTER MANAGEMENT	-	-	-
2 663 681	-4 741 122	-2 077 441		3 668 635	-5 215 841	-1 547 206
30 290 370	-41 205 401	-10 915 032	RATES & GENERAL SERVICES	43 862 573	-49 423 615	-5 561 042
-	-594 370	-594 370	HOUSING ADMINISTRATION	-	-816 437	-816 437
			TRADING SERVICES			
27 774 416	-19 094 327	8 680 089	ELECTRICITY SERVICES	39 532 646	-32 212 183	7 320 463
838 431	-3 992 941	-3 154 510	ALIWAL SPA	964 691	-3 577 231	-2 612 540
67 983	-109 279	-41 296	CONFERENCE CENTRE	105 347	-122 660	-17 313
28 680 830	-23 196 546	5 484 284		40 602 684	-35 912 074	4 690 610
58 971 199.20	-64 996 317	-6 025 118	TOTAL	84 465 257	-86 152 126	-1 686 869
	14 658 661		Appropriations for this year (refer note 18)			-4 100 617
	-6 025 118		Net deficit for the year			-1 686 869
	7 265 158		Accumulated Surplus Beginning of year			15 898 701
	15 898 701		Accumulated Surplus end of year			10 111 215

2009 Budget Surplus/Deficit
R
6 392 366
-5 887 476
-1 447 344
-3 300 724
-10 000
-319 656
86 500
-253 846
9 093
-4 440 056
-1 188 113
-2 041 849
-35 544
-1 051 625
9 644 636
-5 930
-10 642
127 194
-1 079 001
-1 907
-6000
-4 819 924
-7 072
-
-81 738
-88 810
105 840
-476 516
-1 369 925
-
-1 740 601
-6 649 335
-816 931
10 056 242
-2 489 709
-100 267
7 466 266
-

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

**APPENDIX F
STATISTICAL INFORMATION 2009**

	2007	2008	2009
Population	40 037	40 037	40 037
Registered voters	18 486	18 486	20 126
Total valuation	499 604 485	499 604 485	499 604 485
Taxable	352 551 150	352 551 150	352 551 150
Non-taxable	147 053 335	119 134 630	147 053 335
Residential			
Commercial			
Valuation date	2004	2004	2004
No of Properties			
Residential			
Commercial			
Assessment rates:			
Buildings - Aliwal North	0.0150	0.0160	0.0176
Jamestown	0.0150	0.0160	0.0176
Ground - Aliwal North	0.0150	0.0160	0.0176
Jamestown	0.0150	0.0160	0.0176
Rebate	20.00%	20.00%	20.00%
No of Employees	285	403	387
ELECTRIC STATISTICS			
Units purchased (000)	57 225 648	60 597 144	62 984 644
Units sold	46 812 073	50 644 412	38 223 767
Units lost in distribution	10 413 574	9 952 732	24 760 877
% lost in distribution	18.19%	16.42%	39.31%
Cost per units sold	0.1838	0.1960	R 0.2595
Income per units sold	0.4535	0.4822	R 0.7580

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

APPENDIX "G"

DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.

Sect 123 Disclosure on intergovernmental and other allocations

1(a)(i) Allocations received from an organ of state in the National or Provincial sphere of government

R 22 914 385

1(a)(ii) Allocations received from a municipal entity or another municipality

R 583 750

1(b)(i) Allocations made to Mthombo Sediba Development Agency

R 191 921

1(b)(ii) Allocations made to any organ of state

None

1(d)(i) Has the municipality complied with the conditions in terms of allocations received in terms of section 214(1)C of the Constitution

Yes

1(d)(ii) Has municipality complied with conditions of allocations made other than by national organ of state

Yes

1(e) The reasons for any non-compliance of conditions referred to in paragraph (d)

None

1(f) Were funds destined for the municipality in terms of the annual Division of Revenue Act delayed or withheld

No

Sect 124 Disclosures concerning Councillors, Directors and Officials

1 Salaries, Allowances and Benefits Councillors, Directors and Officials

1(a) Salaries, Allowances and Benefits of Political Office Bearers and Councillors

Designation	Salaries	Allowances	Benefits
Mayor	R 291 410.00	R 113 120.00	-
Councillors	R 109 278.00	R 46 398.00	- per councillor

The salaries, allowances and benefits paid are within the upper limits of the framework envisaged in section 219 of the Constitution
The Mayor is full-time and there are no other executive committee members.

1(b) Arrears owed by individual Councillors at 30 June 2009

Name	Amount	Services	Rates
P W Williams	R 831.78	R 831.78	-

At the reporting date certain Councillors and officials had balances for cellphone accounts and laptop computers which is included in debtors.
It is of no fault to the Councillors or officials.

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.**

1c Salaries, Allowances and Benefits of Managers

Designation	Salaries	Allowances	Benefits	Bonus
Municipal Manager	R 839 502	R	18 000	-
Chief Financial Officer	R 666 663	R	10 800	-
Manager Corporate Services	R 584 280	R	10 800	-
Manager Technical Services	R 666 663	R	10 800	-
Manager Community Services	R 666 663	R	10 800	-

2(a) Salaries, Allowances and Benefits of Board of Directors

None

2(b) Salaries, Allowances and Benefits of Executive Officer and Managers

Designation	Salaries	Allowances	Benefits
Operations Manager	R 158 997.00		-

Sect 125 Other Compulsory Disclosures

1(a) List of Municipal Entities

Mthombo Sediba Development Agency

1(b) The total amount of contributions paid to organised local government

Contributions Paid	R	129 427
Contributions Outstanding		-

1(c) The total amount paid in respect of

Audit Fees	R 530 335
Taxes	-
Levies	R 81 003
Duties	-
Pension Contributions	R 3 065 188
Medical Aid Contributions	R 1 220 668
Amounts Outstanding	-

2(a) Bank Account Information

Bank	Account Number	Account Type	Opening Balance	Closing Balance
ABSA	17-5014-6194	Current	R 8 730 021	R 4 067 361
ABSA	40-5445-2522	Current	R 364 836	R 0
ABSA	40-5912-9037	Current	R 5 439	R 5 168
ABSA	40-5340-8352	Current	R 8 318	R 814 833
ABSA	17-5014-1125	Current	R 37 129	R 464 052
ABSA	17-5014-8952	Current	R 1 357 179	R 0
ABSA	90-7864-6459	Savings	R 2 329	R 2 337
Standard Bank	82752656	Current	R 9 648	R 8 684

**MALETSWAI MUNICIPALITY
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009
DISCLOSURES IN TERMS OF SECTION 123, 124 AND 125 OF THE MUNICIPAL FINANCE MANAGEMENT ACT.**

2(b) Summary of Investments

Bank	Account Number	Type	Amount
ABSA	90-8533-5255	32 Days Notice	R 181 211
ABSA	90-8533-5938	32 Days Notice	R 83 000
ABSA	90-8533-5687	32 Days Notice	R 64 171
ABSA	90-8533-5467	32 Days Notice	R 31 168
ABSA	90-8533-6942	32 Days Notice	R 3 819
ABSA	90-8533-6714	32 Days Notice	R 9 688
ABSA	90-8533-6489	32 Days Notice	R 10 387
ABSA	90-8533-6162	32 Days Notice	R 34 161
ABSA	20-4852-8953	Fixed Term	R 3 628
ABSA	20-4792-0520	Fixed Term	R 63 281
ABSA	20-4791-9652	Fixed Term	R 157 760
ABSA	20-4792-6746	Fixed Term	R 42 267
ABSA	20-4913-5147	Fixed Term	R 600 058
ABSA	20-3086-5084	Fixed Term	R 4 003
ABSA	20-4779-4026	Fixed Term	R 14 000
ABSA	20-4791-9733	Fixed Term	R 22 209
ABSA	20-6626-7402	Fixed Term	R 495 885
ABSA	20-6626-7428	Fixed Term	R 1 291 206
Standard Bank	088753581-003	32 Days Notice	R 591 807
Standard Bank	88760758	32 Days Notice	R 1 982
New Republican Bank		Fixed Term	R 0

2(c) Contingent Liabilities

No.	Matter	Estimate of possible loss	Remarks
1	AVBOB Funeral services	R218 399	Claim for damages instituted against Maletswai Municipality
2	Nomagwayi Developers (Pty) Ltd	Not yet determined	Application for an interdict-claim for damages may follow
3	Mzillo	R 1 139 155	Payment for remainder of contract. Court ruling

2(d)(i) Material Losses, Irregular, Fruitless and Wasteful Expenditure

None

2(d)(ii) Criminal or Disciplinary Steps Taken

M Damane Services terminated
D Plaaikie Services terminated

2(d)(iii) Material Losses recovered or written off

None

2(e) Particulars of non compliance of the MFMA

None

2(f) Other matters prescribed

None

2(g) Disclosure of capital commitments (See note 22)

Project / Contract No.	Description of Contract	Contractor	Contract Value	Expenditure At Year End	Commitment At Year End
85/2007	Supply, Installation, testing and commissioning of bulk Electricity supply Infrastructure to New Alwal 22/11kV Substation	Consolidated Power Projects	R 26,528,541.73	R 11 556 434.01	R 14 972 107.72
MIG/EC 1334/57/09/09	Stormwater Construction	Amadwala Construction	R 3 300 000.00	R 59 251.40	R 3 240 748.60
					R 18 212 856.32