

Annual Financial Statement Index

PAGE

1	DECLARATION: MUNICIPAL MANAGER	
2	GENERAL INFORMATION	
3	STATEMENT OF FINANCIAL POSITION	
4	STATEMENT OF FINANCIAL PERFORMANCE	
5	CASH FLOW STATEMENT	
6	STATEMENT OF CHANGES IN NET ASSETS	
7	ACCOUNTING POLICIES	
8	NOTES TO FINANCIAL STATEMENTS	
9	APPENDICES	
	APPENDIX A: Schedule of External Loans	
	APPENDIX B(1): Analysis of PPE - 2009	
	APPENDIX C: Segmental Analysis of PPE 2009	
	APPENDIX D: Segmental Statement of Financial Performance 2009	
	APPENDIX E(1): Budget vs Actual 2009 and 2008	
	APPENDIX E(2): Budget vs Actual 2009	
	APPENDIX F: Grants and Subsidies	

Annual Financial Statements
WEST COAST DISTRICT MUNICIPALITY
GENERAL INFORMATION
COUNCILLORS AS AT 30 JUNE 2009

MAYORAL COMMITTEE

Cllr. H C Kitshoff (Executive Mayor)
Cllr. E B Manuel (Deputy Executive Mayor)
Cllr. A P Mouton (Speaker)
Cllr. E E Jordaan
Cllr. J J Josephus
Cllr. W D Loff

OTHER:

Cllr. E Plaatjies
Cllr. S Swartz
Cllr. M Smit
Cllr. C Ovies
Cllr. C Karools
Cllr. J J Muller
Cllr. E Nackerdien
Cllr. B Zass
Cllr. R R Snyders
Cllr. J P van der Westhuizen
Cllr. M Corneluis
Cllr. M O Stemele
Cllr. R Skei
Cllr. N J A Rust
Cllr. B J Stanley
Cllr. E Schreuder

GRADING OF COUNCIL
GRADE 4

PRIMARY BANK ACCOUNT
FIRST NATIONAL BANK
FIRST NATIONAL BANK

CREDIT RATING
LONG TERM : A-
SHORT TERM : A1-

REGISTERED OFFICES

MOORREESBURG:
58 LONG STREET
MOORREESBURG 7310

TELEPHONE:
022 - 433 8400

AUDITOR
AUDITOR GENERAL

ACCOUNT NUMBER
62001436014
53060007920

POSTAL ADDRESS:
P O BOX 242
MOORREESBURG 7310

FAX:
086 692 6113

.....
Mr. H F Prins
Municipal Manager

.....
Date

.....
Mr. J Koekemoer
Chief Financial Officer

.....
Date

Annual Financial Statements

WEST COAST DISTRICT MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2009

I am responsible for the preparation of these annual financial statements, which are set out on pages 2 to 44, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 18.2 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

.....
H F Prins
Municipal Manager

.....
Date

WEST COAST DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2009

	Note	2009 R	Restated 2008 R
NET ASSETS AND LIABILITIES			
Net assets		292 068 275	265 163 889
Accumulated Surplus		292 068 275	265 163 889
Non-current liabilities		63 664 481	34 618 494
Long-term liabilities	1	28 259 024	2 119 579
Provision	2	140 923	-
Employee benefits	3	35 264 534	32 498 915
Current liabilities		43 076 097	65 236 883
Employee benefits accrual	4	458 506	501 992
Creditors	5	14 545 077	33 552 799
Unspent conditional grants and receipts	6	25 203 952	30 333 528
Current portion of long-term liabilities	1	2 868 562	848 564
Total Net Assets and Liabilities		398 808 853	365 019 266
ASSETS			
Non-current assets		239 630 746	181 821 386
Property, plant and equipment	7	235 046 457	177 269 551
Investment property	8	3 841 651	4 009 066
Intangible assets	9	742 638	253 671
Long-term receivables	10	-	289 098
Current assets		159 178 107	183 197 880
Inventories	11	1 019 520	1 001 772
Consumer debtors	12	4 625 437	6 180 580
Other debtors	13	1 679 068	2 454 105
VAT	14	3 599 672	2 826 568
Cash and Cash Equivalents	15	147 990 962	170 260 271
Current portion of long-term receivables	10	263 448	474 584
Total Assets		398 808 853	365 019 266

WEST COAST DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2009

		Actual	
	Note	2009	2008 R
REVENUE			
Property rates	16	766 723	732 030
Service charges	17	59 687 851	53 186 332
Regional Services Levies – turnover		-	2 128 041
Regional Services Levies - remuneration		-	2 956 117
Interest earned - external investments		16 684 500	18 800 771
Income for agency commission		4 975 572	4 107 130
Infrastructure grants		48 723 430	36 964 167
Government grants and subsidies	18	82 186 394	62 699 165
Other income	19	5 062 264	5 305 242
Gains on disposal of property, plant and equipment		55 838	340 527
Total Revenue		218 142 572	187 219 522
EXPENDITURE			
Employee related costs	20.1	43 078 346	32 413 593
Remuneration of Councillors	20.2	4 569 104	4 223 711
Collection costs		-	-
Depreciation		9 484 401	10 823 437
Repairs and maintenance	21	54 867 378	42 176 092
Interest paid	22	1 804 861	576 822
Bulk purchases	23	6 705 467	4 304 346
General expenses		70 596 069	54 123 301
Loss on disposal of property, plant and equipment		5 062 517	-
Total Expenditure		196 168 143	148 641 302
Surplus from Continuing Operations		21 974 429	38 578 220
NET SURPLUS FOR THE YEAR		21 974 429	38 578 220
Refer to Appendix E(1) for explanation of variances			

WEST COAST DISTRICT MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2009 R	2008 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		211 910 733	183 169 136
Cash paid to suppliers and employees		(207 754 914)	(134 019 821)
Cash generated from/(utilised in) operations	27	4 155 818	49 149 315
Interest received		16 684 500	18 800 771
Interest paid		(1 804 861)	(647 973)
NET CASH FROM OPERATING ACTIVITIES		19 035 457	67 302 113
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(67 444 474)	(55 481 043)
Purchase of intangible assets		(562 695)	(253 671)
Proceeds on disposal of fixed assets		273 859	633 764
Decrease in non-current receivables		289 098	551 683
NET CASH FROM INVESTING ACTIVITIES		(67 444 212)	(54 549 267)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		26 139 445	(734 178)
NET CASH FROM FINANCING ACTIVITIES		26 139 445	(734 178)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(22 269 309)	12 018 668
Cash and cash equivalents at the beginning of the year		170 260 271	158 241 603
Cash and cash equivalents at the end of the year	28	147 990 962	170 260 271

WEST COAST DISTRICT MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2009

	<u>Capital Replacement Reserve</u>	<u>Accumulated Surplus</u>	<u>Total</u>
	R	R	R
Previously stated	66 027 000	158 889 391	224 916 391
Change in accounting policy (Note 24.1)	(66 027 000)	66 027 000	-
Change in accounting policy (Note 24.1)		1 669 278	1 669 278
Restated balance as at 1 July 2007	-	226 585 669	226 585 669
Net surplus for the year	-	38 578 220	38 578 220
Restated balance at at 30 June 2008	-	265 163 889	265 163 889
Net surplus for the year	-	21 974 430	21 974 430
Initial adoption of GRAP 17	-	4 929 956	4 929 956
Balance at 30 June 2009	-	292 068 275	292 068 275

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999) and the Accounting Standards Board in terms of Section 89 where applicable.

The standards are summarised as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investment in Associates
GRAP 8	Investment in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events After the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations
GRAP 101	Agriculture
GRAP 102	Intangible Assets

Accounting policies for material transactions, events or conditions not covered by the above GRAP standards have been developed in accordance with paragraphs 7, 11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (SA GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.

The standards are summarised as follows:

IAS 19 (AC 116)	Employee benefits - Defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. (IAS 19.29, 48-119 and 120A (c) - (g))
IFRS 7 / AC 144	Financial Instruments: Disclosures - Entire standard to be replaced by IAS 32 (AC 125) issued August 2006 and effective for financial statements covering periods beginning on or after 1 January 1998.
IAS 32 (AC 125)	Financial Instruments : Presentation
IAS 39 (AC 129)	Financial Instruments: Recognition and measurement - Initially measuring financial assets and liabilities at fair value. (IAS 39.43, AG 79, AG 64-AG 65 and SAICA circular 9/06)

The Accounting Standards Board has issued Directive 4 (Transitional provision for medium and low capacity municipalities - March 2009) granting a three year transitional period for the initial adoption of GRAP 12, 16, 17 and 102. The municipality will apply these provisions, but will take achievable steps to ensure that the implementation is sensible, particularly in relation to subsequent measurement.

A Summary of all the significant accounting policies, which have been consistently applied, are disclosed below.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

These annual financial statements are prepared on the going concern basis.

WEST COAST DISTRICT MUNICIPALITY

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

4. PROPERTY, PLANT AND EQUIPMENT (PPE)

4.1 Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

4.2 Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended are examples of subsequent expenditure which should be capitalised.

4.3 The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

4.4 Assets under construction

The cost of assets under construction includes all expenditure related directly to specific projects still in progress at period end.

4.5 Depreciation and impairment losses

4.5.1 Depreciation is calculated on cost, using the straight line method, over the estimated useful lives of the assets. Assessment of residual values are performed at acquisition date. Assets under construction are only depreciated once fully completed. The depreciation rates are based on the following estimated useful lives:

ASSETS	YEARS
Infrastructure	
Electricity	20 to 30
Water	15 to 20
Sewerage	15 to 20
Housing	30
Community	
Recreational Facilities	20 to 30
Buildings	30
Other	
Landfill Sites	30
Buildings	30
Specialist Vehicles	20
Other Vehicles	5
Office Equipment	3 to 7
Furniture & Fittings	7 to 10
Specialist plant & equipment	3 to 7
Other Plant & Equipment	3 to 7
Watercraft	5

4.6 Disposal and retirement of assets

* Assets are written off on disposal or retirement.

* The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the Statement of Financial Performance.

4.7 Borrowing costs

Borrowing costs are treated in accordance with the provisions of GRAP 5. In accordance with these provisions borrowing costs are interest and other costs incurred in connection with the borrowing of money. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset can be capitalized. Borrowing costs incurred other than on qualifying assets must be recognised as an expense in surplus or deficit when incurred. The amount of borrowing costs capitalised is limited to the actual borrowing costs incurred on the borrowing less any investment income on the temporary investment of those borrowings.

5 INVESTMENT PROPERTY

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and accumulated impairment losses.

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

6 INTANGIBLE ASSETS

Intangible assets are treated in accordance with the provisions of GRAP 102. In accordance with these provisions intangible assets are initially recorded at their cost price and are subsequently amortised over their expected useful lives. An intangible asset is defined as an identifiable non - monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. The intangible assets under the control of the Municipality, such as computer software (5 years), are amortised according to the straight line method.

After the initial measurement of Intangible Assets subsequent expenditure is only capitalized if future economic benefits or service potential over the total life of the Intangible Assets, in excess of the most recently assessed standard of performance of the existing Intangible Assets, will flow to the Municipality.

7 INVESTMENTS

Financial Instruments

Financial instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at amortised cost.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Financial Performance.

Where investments have been impaired , the carrying value is adjusted by the impairment loss , which is recognised as an expense in the period that the impairment is identified.

8 INVENTORIES

Inventories consist of consumables, raw materials, work in progress and finished goods which are valued at the lower of cost, determined on the weighted average cost basis, and net realisable value (Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale). If inventories are to be distributed at no charge or for a nominal charge they are valued at the lower of cost and current replacement cost.

Cost of inventories comprises all costs of purchase, cost of conversion and other cost incurred in bringing the inventories to its present location and condition.

Redundant and slow moving inventories are identified and written down with regard to their estimated economic or realisable values. Consumables are written down with regard to their age, condition and utility.

9 UNUTILISED CONDITIONAL GRANTS

Unutilised conditional grants are reflected on the Statement of Financial Position as a creditor – Unspent Conditional Grants. They represent unspent government grants, subsidies and contributions from the public. This creditor always has to be backed by cash. The following provisions are set for the creation and utilisation of this creditor:

- * The cash which backs up the creditor is invested until it is utilised.
- * Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.
- * Whenever an asset is purchased out of the unutilised conditional grant an amount equal to the cost price of the asset purchased is transferred from the Unutilised Conditional Grant into the statement of financial performance as revenue.

10 VALUE ADDED TAX

The Council accounts for Value Added Tax on the payment basis. The Municipality is liable to account for Value Added Tax at the standard rate (14%) in terms of section 7 (1) (a) of the VAT Act, in respect of the supply of goods or services except where the supplies are specifically zero-rated in terms of section 11, exempted in terms of section 12 of the VAT Act or out of scope for VAT purposes. The timing of payments to / from the South African Revenue Service is the last day of each of the twelve months of the financial year.

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

11 REVENUE RECOGNITION

Revenue, excluding value-added taxation where applicable is derived from a variety of sources which include rates levied in the District Management Area, Grants from other spheres of Government and other services provided. Revenue is Recognised when it is Probable that future Economic Benefits or Service potential will flow to the Municipality and these benefits can be measured reliably.

- * Government grants and public contributions are recognised as revenue when all conditions associated with the grant are met.
- * Interest earned on unutilised conditional grants is allocated directly to the creditor : unspent conditional grants if the grant conditions indicate that interest is payable to the funder.
- * Interest on outstanding debtors is recognised on a time proportionate basis and is charged on all outstanding debtors older than 30 days.
- * Collection charges are recognized when such amounts are legally enforceable.
- * Donations are recognized on a cash receipt basis or where the donation is in the form of property, plant and equipment, when such items of property, plant and equipment are brought into use.
- * Revenue arising from the application of the approved tariffs is recognized when the relevant service is rendered applying the relevant authorized tariff. This includes the issuing of licences and permits.
- * Commission income is recognised when the related agency services are rendered in terms of the road maintenance agreements with Provincial Administration of the Western Cape.
- * Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

12 GOVERNMENT GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations embodied in the agreement. To the extent that the criteria, conditions or obligations have not been met a liability is recognised.

Revenue received from unconditional grants, donations and funding is recognised as revenue in the Statement of Financial Performance once evidence of the probability of the flow of revenue becomes available.

13 PROVISIONS

A provision is recognised when the municipality has a present obligation (legal or constructive) as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each Statement of Financial Position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

14 EMPLOYEE BENEFITS

14.1 Pension / Retirement Fund

The Council and its employees contribute to various Pension and Retirement Funds and its councillors contribute to the Pension Fund for Municipal Councillors. These funds provide retirement benefits to such employees and councillors.

The retirement benefits are calculated in accordance with the rules of the funds. Full actuarial valuations are performed on a regular basis.

Current contributions are charged against the operating account of the Council at a percentage of the pensionable remuneration paid to employees or councillors.

14.2 Defined benefit plans - Medical Aid: Continued Members

Council provides certain post retirement medical benefits by funding the medical aid contributions of certain retired members of the municipality. According to the rules of the medical aid funds, with which Council is associated, a member (who is on the current condition of service), on retirement, is entitled to remain a continued member of such medical aid fund, in which case the member is liable for 30% or 40% of the medical aid membership fee, and Council for the remaining 70% or 60%. Council adopted a policy whereby the age of staff appointed under the new conditions of service would determine their portion of contribution to the medical aid on retirement.

An Actuarial valuation was performed and a liability was determined as a result of the actuarial valuation. The actuarial valuation will be revised on an annual basis.

Council's obligation to provide post-retirement medical aid benefits are defined benefit obligations. The projected unit credit method is used to determine the present value of the defined benefit obligation the related current service cost and where applicable the past service cost.

Past service costs are recognised as an expense on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested past service costs are recognised immediately.

The municipality will only recognise actuarial gains and losses if it falls outside a corridor of 10%. IAS 19.95 states that actuarial gains and losses may offset one another in the long term. Therefore, estimates of post-employment benefit obligations may be viewed as a range (or 'corridor') around the best estimate. A entity is permitted, but not required, to recognise actuarial gains and losses that fall within that range. The standard requires an entity to recognise, as a minimum, a specified portion of the actuarial gains and losses that fall outside a 'corridor' of plus or minus 10%.

The amount recognised is the excess determined above divided by the expected average remaining working lives of the employees participating in the that plan.

14.3 Accrued Leave Pay

Liabilities for annual leave are recognised as they accrue to employees. Provision is based on the total amount of leave days due to employees at year end and also on the total remuneration package of the employee.

14.4 Provision for Performance Bonuses

The Municipality makes provision for bonuses payable owing to officials in terms of performance agreements.

14.5 Provision for constructive obligations

Provision is made for any constructive obligations of the Municipality. A constructive obligation arises through an established pattern of past practice, published policies or a sufficiently specific current standard, whereby the Municipality has indicated to other parties that it will accept certain responsibilities and as a result, the Municipality has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

14.6 Short-term employee benefits

The cost of all short-term employee benefits is recognised during the period in which the employee renders the related service.

The provisions for employee entitlements to salaries, performance bonuses and annual leave represents the amounts which the Municipality has a present obligation to pay as a result of employees' services provided to the balance sheet date. The provisions have been calculated at undiscounted amounts based on current salary levels at the balance sheet date

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

15 SEGMENTAL INFORMATION

The principal segments have been identified on a primary basis by service operation and on a secondary basis by the classification of income and expenditure. The primary basis is representative of the internal structure for both budgeting and management purposes. The secondary basis classifies all operations based on the classification of income and expenditure.

16 CASH AND CASH EQUIVALENTS

Cash includes cash on hand and cash with banks. Cash equivalents are short-term highly liquid investments that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks and investments in financial instruments, net of bank overdrafts.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred.

17 UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted, expenditure that is not in terms of the conditions of an allocation received from another sphere of government, municipality or organ of state and expenditure in the form of a grant that is not permitted in terms of the Municipal Finance Management Act (Act No.56 of 2003). Unauthorised expenditure is accounted for as an expense in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

18 IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or is in contravention of the Municipality's supply chain management policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

19 FRUITLESS AND WASTEFUL EXPENDITURE

In terms of the MFMA, fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

20 ROUNDING

The amounts reflected in the financial statements of the Municipality are all in Rand, and all amounts are rounded off to the nearest Rand.

21 LEASES

Lessee Accounting

Leases are classified as finance leases where substantially all risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment subject to finance lease agreements are capitalised at their cash cost equivalent and the corresponding liabilities are raised. The cost of the item of property, plant and equipment is depreciated at appropriate rates on the straight-line basis over its estimated useful life. Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the lease term.

WEST COAST DISTRICT MUNICIPALITY

ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

22 FINANCIAL INSTRUMENTS

Financial instruments carried at the statement of financial position date include cash and bank balances, investments, receivables, trade creditors and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

22.1 Financial Assets

22.1.1 Trade receivables

Trade receivables are recognised initially at fair value and measured at amortised cost using the effective interest rate method, less a provision for impairment. This provision is based on a review of all outstanding amounts at year end and is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off during the year in which they are identified. Subsequent recoveries of amounts previously written off are credited against the relevant revenue stream in the statement of financial performance.

22.1.2 Loans and receivables

Loans and receivables are non-derivative financial assets measured at amortised cost with fixed or determinable payments that are not quoted in an active market. Loans and receivables originated by the municipality are included in non current assets. The portion of loans and receivables that is receivable during the next 12 months is included in current assets

22.1.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits that represent short term investments and are carried at face value.

22.2 Financial Liabilities

22.2.1 Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

22.2.2 Long-term liabilities

Long term financial liabilities are classified as financial liabilities that are measured at amortised cost, with changes in fair value through profit or loss.

23 Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence of impairment of Financial assets. If there is such evidence the recoverable amount is estimated and an impairment loss is recognised in accordance with IAS 39.

Initially Accounts Receivable are valued at fair value and subsequently carried at amortised cost using the effective interest rate method. An estimate is made for doubtful debt using the amount outstanding at year end as a percentage of the total amount charged for the year and applying this to the Accounts Receivable balance at year end. Bad debt are written off the year in which they are identified as irrecoverable. Amounts receivable within 12 months from the date of reporting are classified as current.

A provision for impairment of trade receivables is established when there is objective evidence that the municipality will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Consumer Debtors are stated at cost less a provision for bad debts. The provision is made in accordance with IAS 39.64 whereby the recoverability of Consumer Debtors is assessed collectively after grouping the assets in financial assets with similar credit risks characteristics. Government accounts are not provided for as such accounts are regarded as payable.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of Available - for - Sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of Available - for - Sale equity securities, impairment losses previously recognised through profit or loss are not reversed through the Statement of Financial performance. Any increase in fair value subsequent to an impairment loss is recognised directly in net assets.

WEST COAST DISTRICT MUNICIPALITY

**ACCOUNTING POLICIES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

24 Impairment of non-financial assets

The carrying amounts of non-financial assets, other than investment property and inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised if the carrying amount of an assets or cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

25 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The municipality makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

25.1 Provision for impairment of receivables

An estimate for the impairment of receivables is made when collection of the full amount is no longer probable. The provision for doubtful debt shall be calculated on trade receivables only, i.e. service debtors, levy debtors and housing rentals. The total impairment provision of the municipality shall be calculated per risk category.

26 CHANGE IN ACCOUNTING POLICY

Starting as of 1 July 2008, the municipality has changed its accounting policies in the following areas:

- Creditors
- Accumulated surplus

26.1 Creditors

Under the new accounting policy, Priority Funds are no longer reported as part of creditors as these funds are for the use of the municipality. Refer to Note 24.1

26.2 Accumulated surplus

To comply with the requirements of the Standards of GRAP, the municipality does not separately disclose Capital Replacement Reserves as there is no legislative requirement to maintain separate fund accounts. Refer to Note 24.1

27 COMPARATIVE FIGURES

Comparative figures have been restated to disclose the effect of the changes in accounting policies.

.....
Mr. J Koekemoer
Chief Financial Officer

.....
Date

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
1 LONG - TERM LIABILITIES		
Local Registered Stock Loans	31 127 586	2 968 143
Sub - total	<u>31 127 586</u>	<u>2 968 143</u>
Less : Current portion transferred to current liabilities	(2 868 562)	(848 564)
Local Registered Stock Loans	<u>(2 868 562)</u>	<u>(848 564)</u>
Total External Loans	<u>28 259 024</u>	<u>2 119 579</u>
<p>The Municipality has an unsecured external loan at The Department of Water Affairs at a fixed rate of 15.58%. The redeemable date for the loan is 30 June 2011. The loan is redeemed on a yearly basis as at 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department.</p> <p>The Municipality has an unsecured external loan at The Infrastructure Finance Corporation Ltd at a fixed rate of 12.54%. The redeemable date for the loan is 29 June 2018. The loan is redeemed on a half-yearly basis as at 31 December and 30 June of each financial year. The amount borrowed in terms of the loan was to provide finance for capital projects within the Water Provisions Department.</p>		
<p>Refer to Appendix A for more detail on long - term liabilities</p>		
2 PROVISION		
Reclamation of refuse landfill site	140 923	-
Reclamation of refuse landfill site		
<p>In terms of the licencing of the landfill refuse site, the Municipality will incur rehabilitation costs of R250 000 to restore the site at the end of its economic life, estimated to be in 2019. Provision has been made for the net present value of this cost. The discount rate includes risk associated with cash flow is estimated at 5.90%.</p>		
3 EMPLOYEE BENEFITS		
Defined Benefit Plan	35 264 534	32 498 915
Change in Liability		
Opening balance	33 834 325	30 619 711
Service Cost	881 826	820 425
Interest Cost	3 579 056	2 602 675
Actuarial (Gain)/Loss	-2 951 259	1 335 410
Benefits Paid	-1 695 263	-1 543 896
Closing balance	<u>33 648 685</u>	<u>33 834 325</u>
Unrecognised actuarial gains/(losses)		
Opening balance	(1 335 410)	-
Amount recognised	-	-
Corridor Maximum	3 383 433	3 061 971
Balance to be amortised	-	-
Amortisation period	18.40	22.96
New gains/(losses)	2 951 259	(1 335 410)
Closing balance	<u>1 615 849</u>	<u>(1 335 410)</u>
Statement of Financial Position		
Projected Benefit Obligation	33 648 685	33 834 325
Plan Assets	-	-
Net Obligation/(Asset)	33 648 685	33 834 325
Unrecognised actuarial gains/(losses)	1 615 849	(1 335 410)
Unrecognised past service cost	-	-
Unrecognised transitional obligation	-	-
Net Obligation/(Asset) in Statement of Financial Position	<u>35 264 534</u>	<u>32 498 915</u>
Statement of Financial Performance		
Service Cost	881 826	820 425
Interest Cost	3 579 056	2 602 675
Expected return on plan assets	-	-
Change in s59 amount	-	-
Actuarial loss/(gain) recognised	-	-
Past Service cost recognised	-	-
Amount recognised in Statement of Financial Performance	<u>4 460 882</u>	<u>3 423 100</u>
Reconciliation of Statement of Financial Position Item		
Opening value	32 498 915	30 619 711
Employer contribution	(1 695 263)	(1 543 896)
Amount recognised in Statement of Financial Performance	4 460 882	3 423 100
Closing value	<u>35 264 534</u>	<u>32 498 915</u>
Key Valuation Assumptions		
Discount rate	9.22%	10.85%
Medical inflation rate	7.56%	9.69%
Sensitivity of results		
1% increase in inflation assumption	4 184 000	4 539 000
1% increase in accrued liability	12%	13%
	686 000	558 000
1% increase in service cost and interest cost	15%	16%
1% decrease in inflation assumption	(3 805 000)	(3 764 000)
1% decrease in accrued liability	(560 300)	(450 000)
	-11%	-11%
1% decrease in service cost and interest cost	-13%	-13%
History of experience adjustments: Gains and (Losses) (R millions)		
Experience adjustment		
(A) Plan liabilities	0.340	0.143
(B) Plan assets	-	-

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
4 EMPLOYEE BENEFITS ACCRUAL		
Performance bonus	458 506	501 992
Performance bonuses accrue to employees on a yearly basis, subject to certain conditions. The provision is 14% of the actual salary package of the employees.		
Balance at beginning of year	501 992	316 404
Transfers		
Contributions to provision	384 875	497 945
Interest on Investments	-	-
Expenditure incurred	(428 361)	(312 357)
Balance at end of year	458 506	501 992
5 CREDITORS		
Trade creditors	4 935 299	22 071 441
Payments received in advance: Municipal services	53 338	36 885
Retentions	3 334 524	1 461 360
Staff leave	2 453 250	1 898 309
Priority funds to B Municipalities		2 244 724
Deferred operating lease payments	1 527 000	2 576 511
Other creditors	2 241 666	3 263 569
Total Creditors	14 545 077	33 552 799
6 UNSPENT CONDITIONAL GRANTS AND RECEIPTS		
MIG Grants (See note 17)	-	-
PAWC and State Funds: Various Projects (See note 17)	19 063 776	23 858 757
Other conditional receipts	6 140 176	6 474 771
Developers Contributions - Electricity	1 915 652	3 101 588
Public Contributions	4 224 524	3 373 183
Total Conditional Grants and Receipts	25 203 952	30 333 528
See Note 17 for reconciliation of grants from other spheres of government. These amounts are invested in a ring-fenced investment until utilized.		
7 PROPERTY, PLANT AND EQUIPMENT		
The Accounting Standards Board has, in terms of directive 4 (Transitional provisions paragraph .64) exempted entities from applying the measurement requirements of the Standards of GRAP on Investment Property for the reporting periods beginning on or after a date within three years following the date of initial adoption of this Standard.		
Please refer to the detailed schedule of Property, Plant and Equipment. Refer to pages 33 & 34 of this financial statements.		
An amount included in accumulated surplus of R34 299 378 have been ring-fenced to be spent on capital purchases		
8 INVESTMENT PROPERTY		
The municipality owns a beach development (Ganzekraal). The property is 2332.6578 hectares and the municipality receives rental income (camping fees).		
Ganzekraal beach development	3 841 651	4 009 066
Reconciliation of Investment Property		
Carrying values at 1 July 2008		
First time recognition on implementation of Grap 16.	5 637 491	5 637 491
Additions for the period:	-	-
Cost at the end of the period	5 637 491	5 637 491
Accumulated depreciation at the beginning of the period	-1 628 426	-1 421 706
Current depreciation	-167 415	-206 719
Accumulated depreciation at the end of the period	-1 795 840	-1 628 425
Carrying value at 30 June 2009	3 841 651	4 009 066
Investment property was previously reported as part of property, plant and equipment before the implementation of GRAP 16. Investment Property. Prior year Investment Property figures have been restated which has resulted in PPE being reduced accordingly (Refer to PPE note 7).		
The property was fair valued at R8 881 850 as at 30 June 2009.		
9 INTANGIBLE ASSETS		
The municipality acquired other intangible assets with finite useful lives of between three to five years. The straight-line method of amortisation will be used to allocate the depreciable amount of an asset on a systematic basis over its useful life.		
The Accounting Standards Board has, in terms of directive 4 (Transitional provisions paragraph .43 - .50) exempted entities from applying the measurement requirements of the Standards of GRAP on Intangible Assets and implies that any associated presentation and disclosure requirements need not be complied with for intangible assets not measured in accordance with the requirements of the Standards of GRAP on Intangible Assets.		
Reconciliation of Intangible Assets		
Carrying values at 1 July 2008	253 671	-
Cost at the beginning of the period	253 671	-
Additions for the period:	662 695	253 671
Cost at the end of the period	916 366	253 671
Accumulated amortisation at the beginning of the period	-	-
Current amortisation	73 728	-
Accumulated amortisation at the end of the period	73 728	-
Impairment losses recognised in profit or loss during the period	-	-
Impairment losses reversed in profit or loss during the period	-	-
Assets classified as held for sale	-	-
Disposals	-	-
Carrying values at 30 June 2009	742 638	253 671
10 LONG-TERM RECEIVABLES		
Car loans	-	20 710
Student loans	-	10 608
Loans to Agencies and Councils	263 448	732 364
Less : Current portion transferred to current receivables	263 448	763 682
Car loans and Student loans	(263 448)	(474 584)
Loans to Agencies and Councils	(263 448)	(446 982)
Total	-	289 098

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
11 INVENTORIES		
Consumable stores – at cost	704 911	733 008
Water – at cost	295 109	268 764
Other goods held for resale – at cost	19 500	-
Total Inventory	1 019 520	1 001 772

The Accounting Standards Board has, in terms of directive 4 (Transitional provisions paragraph .43 - .50) exempted entities from applying the measurement requirements of the Standards of GRAP on Inventories and implies that any associated presentation and disclosure requirements need not be complied with for inventories not measured in accordance with the requirements of the Standards of GRAP on Inventories.

12 CONSUMER DEBTORS

	<u>Gross</u> <u>Balance</u>	<u>Provision for</u> <u>Bad Debt</u>	<u>Net</u> <u>Balance</u>
As at 30 June 2009	4 806 273	-	4 806 273
Service debtors			
Rates	79 525	-	79 525
Electricity	39 315	-	39 315
Water	4 590 054	-	4 590 054
Sewerage	34 454	-	34 454
Other	62 925	-	62 925
Levy Debtors (VAT excluded)	95 683	-	95 683
Housing rentals	-	-	-
Less : Provision for Bad Debt	-	(276 519)	(276 519)
Total	4 901 956	(276 519)	4 625 437

	<u>Gross</u> <u>Balance</u>	<u>Provision for</u> <u>Bad Debt</u>	<u>Net</u> <u>Balance</u>
As at 30 June 2008	4 492 653	-	4 492 653
Service debtors			
Rates	38 626	-	38 626
Electricity	32 805	-	32 805
Water	4 341 981	-	4 341 981
Sewerage	30 130	-	30 130
Other	49 111	-	49 111
Levy Debtors (VAT excluded)	3 618 044	-	3 618 044
Housing rentals	58 833	-	58 833
Less : Provision for Bad Debt	-	(1 988 950)	(1 988 950)
Total	8 169 530	(1 988 950)	6 180 580

<u>Trade Debtors: Ageing</u>			
Current (0 – 30 days)	4 323 461	-	4 165 366
31 - 60 Days	127 084	-	113 110
61 - 90 Days	142 542	-	73 514
91 - 120 Days	44 921	-	39 338
121 - 365 Days	168 265	-	101 325
+ 365 Days	-	-	-
Total	4 806 273	-	4 492 653

<u>Levy Debtors: Ageing</u>			
Current (0 – 30 days)	-	-	-
31 - 60 Days	-	-	-
61 - 90 Days	-	-	-
91 - 120 Days	-	-	-
121 - 365 Days	-	-	3 618 044
+ 365 Days	-	-	-
Total	-	-	3 618 044

<u>Housing rentals: Ageing</u>			
Current (0 – 30 days)	49 559	-	40 525
31 - 60 Days	25 777	-	6 051
61 - 90 Days	14 282	-	5 618
91 - 120 Days	3 292	-	4 005
121 - 365 Days	2 773	-	2 634
+ 365 Days	-	-	-
Total	95 683	-	58 833

<u>Summary of Debtors by Customer Classification</u>	<u>Consumers</u>	<u>Industrial/</u>		<u>National and</u>
		<u>Commercial</u>	<u>Provincial</u>	
30 June 2009	R	R	R	R
Current (0 – 30 days)	4 373 020	-	-	-
31 - 60 Days	152 861	-	-	-
61 - 90 Days	156 824	-	-	-
91 - 120 Days	48 213	-	-	-
121 - 365 Days	171 038	-	-	-
+ 365 Days	-	-	-	-
Sub-total	4 901 956	-	-	-
Less: Provision for bad debts	(276 519)	-	-	-
Total debtors by customer classification	4 625 437	-	-	-

<u>Summary of Debtors by Customer Classification</u>	<u>Consumers</u>	<u>Industrial/</u>		<u>National and</u>
		<u>Commercial</u>	<u>Provincial</u>	
30 June 2008	R	R	R	R
Current	4 205 891	-	-	-
Current (0 – 30 days)	119 161	-	-	-
31 - 60 Days	79 132	-	-	-
61 - 90 Days	43 343	-	-	-
91 - 120 Days	3 722 003	-	-	-
121 - 365 Days	-	-	-	-
Sub-total	8 169 530	-	-	-
Less: Provision for bad debts	(1 988 950)	-	-	-
Total debtors by customer classification	6 180 580	-	-	-

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
13 OTHER DEBTORS	R	R
Payments made in advance	-	-
Unauthorized expenditure	-	-
Fruitless and wasteful expenditure	-	-
Other	1 658 286	2 427 495
Insurance claims	20 782	26 610
Government subsidies	-	-
Total Other Debtors	1 679 068	2 454 105
IMPAIRMENT OF FINANCIAL ASSETS		
Financial Assets		
No provision for bad debt on other debtors (loans and receivables) exists as this debt will be recovered. Loans and receivables were assessed individually and grouped together at the Statement of Financial Position as financial assets with similar credit risk characteristics and collectively assessed for impairment.		
Total Provision for Bad Debt on Other Debtors	-	-
14 VAT		
VAT receivable	3 599 672	2 826 568
VAT is payable on the receipts basis. Only once payments is received from debtors is VAT paid over to SARS.		
Reconciliation of VAT accounts		
VAT 201 return as at 30 June	4 185 135	3 369 575
VAT Output	(585 463)	(543 007)
VAT receivable	3 599 672	2 826 568
15 CASH AND CASH EQUIVALENTS		
The Municipality has the following bank accounts: - Current Account (Primary Bank Account)		
First National Bank		
Account Number 62001436014	7 105 984	13 283 327
Account Number 53060007920	10 610 697	12 286
Bank statement balance at end of year	17 716 681	13 295 613
Cash book balance at end of year	147 990 962	170 260 271
Primary Bank Account	9 899 003	12 701 641
Floats	1 050	1 050
Short-term Investments	138 090 909	157 557 580
Cash and Cash Equivalent balance at beginning of year	170 260 271	158 241 603
Cash and Cash Equivalent balance at end of year	147 990 962	170 260 271
16 PROPERTY RATES		
Actual		
Residential	766 723	732 030
Commercial	-	-
State	-	-
Total Assessment Rates	766 723	732 030
Valuations		
	July 2008	July 2007
	R000's	R000's
Residential	737 676 750	727 935 850
Commercial	-	-
State	-	-
Municipal	-	-
Total Property Valuations	737 676 750	727 935 850
Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2007.		
17 SERVICE CHARGES		
Electric Income	1 059 015	813 334
Water Income	57 869 333	51 910 156
Sewerage and sanitation charges	759 503	462 842
Total Service Charges	59 687 851	53 186 332
18 GOVERNMENT GRANTS AND SUBSIDIES		
Equitable share	2 944 931	2 309 931
MIG	6 786 000	1 990 059
Kliprand Electricity	1 417 051	154 343
West Coast Mission - Bird & Fossil Route	-	1 843
Main Street Program Goedvenwacht	-	462
Wuppenthal Guesthouse	-	13 841
Vuna Awards	67 227	-
Global Fund	1 798 725	1 958 295
Infrastructure Project Divisional Road 2151	-	905 465
Wuppenthal - RDP Water	112 032	-
MSIG	473 711	596 693

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
GOVERNMENT GRANTS AND SUBSIDIES (continued)		
Finance Management Grant	835 633	401 882
Development Unit	174 700	11 550
Upgrading Bitterfontein Water	-	41 860
Western Gateway	6 676	2 468
WCDM Tourism Road Signage	85 617	-
LEGSETA	582 941	-
Drought Relief Programme	1 918 351	3 129 769
West Coast Biosphere	22 390	194 329
Gateway Vanrhynsdorp	83 092	-
Drought Relief Programme Kliprand	201 922	102 475
Patemoster Archeo - Tourism trail	56 835	-
Cederberg Biosphere	-	139 675
Training of Housing Officials	25 100	20 292
Economic Development	17 785	4 453
Economic Development Wupperthal	-	98 253
Social Development Projects	687 974	235 351
Alternative Water Reserve Study	1 820 991	537 266
Designated Media	15 000	-
Asset Management Bulk Water	147 379	-
Leamership Grant	90 000	-
Wupperthal Ner	33 185	-
Rietpoort Water	208 942	36 899
T Funding Stofkraal	27 441	-
Rural Area Water	508 415	480 234
Estab.Human Rights Program	54 661	14 497
Soup Kitchen West Coast	-	54 309
DMA Multi Purpose Centres	689 994	683 745
"Knersvlakte Biosphere"	-	5 401
MCM Signage	29 278	26 635
Marcuskraal / Middeltuin Road	282 199	1 303 495
Bucket Eradication Chatsworth	442 484	42 061
Disaster Control	-	43 458
Spatial Development Framework	-	40 070
Other Government Grants and Subsidies	59 537 702	47 117 806
Government Grant and Subsidies	82 186 394	62 699 165
18.1) Equitable share		
Balance unspent at the beginning of the year	6 900 202	4 740 688
Current year receipts	328 186	3 910 513
Current year interest	350 941	558 932
Conditions met - transferred to revenue	(2 944 931)	(2 309 931)
Conditions still to be met - transferred to liability:	4 634 398	6 900 202
18.2) MIG		
Balance unspent at the beginning of the year	-	1 198 806
Current year receipts	6 786 000	791 253
Current year interest	-	-
Conditions met - transferred to revenue	(6 786 000)	(1 990 059)
Conditions still to be met - transferred to liability:	-	-
18.3) Kliprand Electricity		
Balance unspent at the beginning of the year	3 101 588	640 395
Current year receipts	-	2 508 000
Current year interest	231 115	107 536
Conditions met - transferred to revenue	(1 417 051)	(154 343)
Conditions still to be met - transferred to liability:	1 915 652	3 101 588
18.4) West Coast Mission , Bird & Fossil Route		
Balance unspent at the beginning of the year	-	1 794
Current year receipts	-	-
Current year interest	-	49
Conditions met - transferred to revenue	-	(1 843)
Conditions still to be met - transferred to liability:	-	-
18.5) Moorreesburg Regional Craft Centre		
Balance unspent at the beginning of the year	184 480	168 824
Current year receipts	-	-
Current year interest	17 155	15 656
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liability:	201 635	184 480
18.6) Main Street Program Goedverwacht		
Balance unspent at the beginning of the year	6 670	6 553
Current year receipts	-	-
Current year interest	620	579
Conditions met - transferred to revenue	-	(462)
Conditions still to be met - transferred to liability:	7 290	6 670
18.7) Wupperthal Guesthouse		
Balance unspent at the beginning of the year	-	13 358
Current year receipts	-	-
Current year interest	-	483
Conditions met - transferred to revenue	-	(13 841)
Conditions still to be met - transferred to liability:	-	-
18.8) Vuna Award		
Balance unspent at the beginning of the year	511 030	467 750
Current year receipts	750 000	-
Current year interest	88 039	43 280
Conditions met - transferred to revenue	(67 227)	-
Conditions still to be met - transferred to liability:	1 281 842	511 030

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
GOVERNMENT GRANTS AND SUBSIDIES (continued)		
18.9) Global Fund		
Balance unspent at the beginning of the year	363 975	481 071
Current year receipts	1 458 728	1 818 064
Current year interest	15 115	23 135
Conditions met - transferred to revenue	(1 798 725)	(1 958 295)
Conditions still to be met - transferred to liability:	<u>39 093</u>	<u>363 975</u>
18.10) Infrastructure Project Divisional Road 2151		
Balance unspent at the beginning of the year	-	861 848
Current year receipts	-	-
Current year interest	-	43 617
Conditions met - transferred to revenue	-	(905 465)
Conditions still to be met - transferred to liability:	<u>-</u>	<u>-</u>
18.11) Wuppertal - RDP Water		
Balance unspent at the beginning of the year	475 783	435 406
Current year receipts	-	-
Current year interest	38 014	40 377
Conditions met - transferred to revenue	(112 032)	-
Conditions still to be met - transferred to liability:	<u>401 765</u>	<u>475 783</u>
18.12) MSIG		
Balance unspent at the beginning of the year	403 307	-
Current year receipts	735 000	1 000 000
Current year interest	-	-
Conditions met - transferred to revenue	(473 711)	(596 693)
Conditions still to be met - transferred to liability:	<u>664 596</u>	<u>403 307</u>
18.13) Finance Management Grant		
Balance unspent at the beginning of the year	1 274 011	1 055 001
Current year receipts	500 000	500 000
Current year interest	141 793	120 892
Conditions met - transferred to revenue	(835 633)	(401 882)
Conditions still to be met - transferred to liability:	<u>1 080 171</u>	<u>1 274 011</u>
18.14) Development Unit		
Balance unspent at the beginning of the year	325 938	309 016
Current year receipts	-	-
Current year interest	29 453	28 472
Conditions met - transferred to revenue	(174 700)	(11 550)
Conditions still to be met - transferred to liability:	<u>180 691</u>	<u>325 938</u>
18.15) Upgrading Bitterfontein Water		
Balance unspent at the beginning of the year	-	41 590
Current year receipts	-	-
Current year interest	-	270
Conditions met - transferred to revenue	-	(41 860)
Conditions still to be met - transferred to liability:	<u>-</u>	<u>-</u>
18.16) WCDM Econ Development (Cederberg Gateway)		
Balance unspent at the beginning of the year	372 589	340 969
Current year receipts	-	-
Current year interest	34 647	31 620
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liability:	<u>407 236</u>	<u>372 589</u>
18.17) Western Gateway		
Balance unspent at the beginning of the year	11 535	841
Current year receipts	-	12 435
Current year interest	994	727
Conditions met - transferred to revenue	(6 676)	(2 468)
Conditions still to be met - transferred to liability:	<u>5 853</u>	<u>11 535</u>
18.18) WCDM Tourism Road Signage		
Balance unspent at the beginning of the year	232 415	212 691
Current year receipts	-	-
Current year interest	20 167	19 724
Conditions met - transferred to revenue	(85 617)	-
Conditions still to be met - transferred to liability:	<u>166 965</u>	<u>232 415</u>
18.19) LEGSETA		
Balance unspent at the beginning of the year	-	-
Current year receipts	1 380 000	-
Current year interest	8 023	-
Conditions met - transferred to revenue	(592 941)	-
Conditions still to be met - transferred to liability:	<u>805 082</u>	<u>-</u>
18.20) Drought Relief Programme		
Balance unspent at the beginning of the year	3 102 932	5 842 521
Current year receipts	-	-
Current year interest	168 644	390 180
Conditions met - transferred to revenue	(1 918 381)	(3 129 769)
Conditions still to be met - transferred to liability:	<u>1 353 195</u>	<u>3 102 932</u>
18.21) West Coast Biosphere		
Balance unspent at the beginning of the year	21 635	205 513
Current year receipts	-	-
Current year interest	755	10 451
Conditions met - transferred to revenue	(22 390)	(194 329)
Conditions still to be met - transferred to liability:	<u>-</u>	<u>21 635</u>
18.22) Gateway Vanrhynsdorp		
Balance unspent at the beginning of the year	752 566	688 700
Current year receipts	-	-
Current year interest	69 599	63 866
Conditions met - transferred to revenue	(83 092)	-
Conditions still to be met - transferred to liability:	<u>739 073</u>	<u>752 566</u>

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
GOVERNMENT GRANTS AND SUBSIDIES (continued)		
18.23) Drought Relief Kliprand		
Balance unspent at the beginning of the year	408 787	-
Current year receipts	-	500 000
Current year interest	27 150	11 262
Conditions met - transferred to revenue	(201 922)	(102 475)
Conditions still to be met - transferred to liabilities:	<u>234 015</u>	<u>408 787</u>
18.24) Paternoster Archeo - Tourism trail		
Balance unspent at the beginning of the year	58 486	53 523
Current year receipts	-	-
Current year interest	4 901	4 963
Conditions met - transferred to revenue	(56 835)	-
Conditions still to be met - transferred to liabilities:	<u>6 552</u>	<u>58 486</u>
18.25) Training of Housing Officials		
Balance unspent at the beginning of the year	198 140	200 088
Current year receipts	-	-
Current year interest	17 352	18 344
Conditions met - transferred to revenue	(25 100)	(20 292)
Conditions still to be met - transferred to liabilities:	<u>190 392</u>	<u>198 140</u>
18.26) Economic Development		
Balance unspent at the beginning of the year	17 472	20 136
Current year receipts	-	-
Current year interest	313	1 789
Conditions met - transferred to revenue	(17 785)	(4 453)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>17 472</u>
18.27) Wuppertal Economic Development		
Balance unspent at the beginning of the year	-	95 869
Current year receipts	-	-
Current year interest	-	2 384
Conditions met - transferred to revenue	-	(98 253)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>-</u>
18.28) Social Development Projects		
Balance unspent at the beginning of the year	931 463	-
Current year receipts	-	1 104 220
Current year interest	43 439	62 594
Conditions met - transferred to revenue	(687 974)	(235 351)
Conditions still to be met - transferred to liabilities:	<u>286 928</u>	<u>931 463</u>
18.29) Alternative Water Reserve Study		
Balance unspent at the beginning of the year	1 539 008	-
Current year receipts	700 000	2 052 000
Current year interest	103 533	24 274
Conditions met - transferred to revenue	(1 820 991)	(537 266)
Conditions still to be met - transferred to liabilities:	<u>521 550</u>	<u>1 539 008</u>
18.30) Bucket Eradication Chatsworth		
Balance unspent at the beginning of the year	8 423	-
Current year receipts	420 000	50 000
Current year interest	14 061	484
Conditions met - transferred to revenue	(442 484)	(42 061)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>8 423</u>
18.31) Designated - Media		
Balance unspent at the beginning of the year	15 000	-
Current year receipts	-	15 000
Current year interest	-	-
Conditions met - transferred to revenue	(15 000)	-
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>15 000</u>
18.32) Asset Management Bulk Water		
Balance unspent at the beginning of the year	61 452	-
Current year receipts	140 000	60 000
Current year interest	4 048	1 452
Conditions met - transferred to revenue	(147 379)	-
Conditions still to be met - transferred to liabilities:	<u>58 121</u>	<u>61 452</u>
18.33) "Marcuskraal / Middeluin" Road		
Balance unspent at the beginning of the year	282 199	1 470 616
Current year receipts	-	-
Current year interest	-	115 078
Conditions met - transferred to revenue	(282 199)	(1 303 495)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>282 199</u>
18.34) MCM Signage		
Balance unspent at the beginning of the year	27 928	50 304
Current year receipts	-	-
Current year interest	1 350	4 259
Conditions met - transferred to revenue	(29 278)	(26 635)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>27 928</u>
18.35) Wuppertal Ner		
Balance unspent at the beginning of the year	32 066	29 345
Current year receipts	-	-
Current year interest	1 119	2 721
Conditions met - transferred to revenue	(33 185)	-
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>32 066</u>
18.36) Ebenhaeser New Farmers Projects		
Balance unspent at the beginning of the year	247 518	226 513
Current year receipts	-	-
Current year interest	23 017	21 005
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities:	<u>270 535</u>	<u>247 518</u>

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
GOVERNMENT GRANTS AND SUBSIDIES (continued)		
18.37) "Pakhuis" Pass Farmers		
Balance unspent at the beginning of the year	3 030 989	-
Current year receipts	-	2 850 000
Current year interest	281 754	180 989
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities:	<u>3 312 743</u>	<u>3 030 989</u>
18.38) Disaster Control		
Balance unspent at the beginning of the year	-	-
Current year receipts	-	43 385
Current year interest	-	73
Conditions met - transferred to revenue	-	(43 458)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>-</u>
18.39) Learnership Grant		
Balance unspent at the beginning of the year	-	-
Current year receipts	90 000	-
Current year interest	-	-
Conditions met - transferred to revenue	(90 000)	-
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>-</u>
18.40) Rietpoort Water		
Balance unspent at the beginning of the year	205 382	223 060
Current year receipts	-	-
Current year interest	3 560	19 221
Conditions met - transferred to revenue	(208 942)	(36 899)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>205 382</u>
18.41) T Funding Stofkraal		
Balance unspent at the beginning of the year	26 079	23 866
Current year receipts	-	-
Current year interest	1 362	2 213
Conditions met - transferred to revenue	(27 441)	-
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>26 079</u>
18.42) Rural Area Water		
Balance unspent at the beginning of the year	1 627 184	1 950 575
Current year receipts	-	-
Current year interest	135 193	156 843
Conditions met - transferred to revenue	(508 415)	(480 234)
Conditions still to be met - transferred to liabilities:	<u>1 253 962</u>	<u>1 627 184</u>
18.43) Estab.Human Rights Program		
Balance unspent at the beginning of the year	51 155	61 306
Current year receipts	-	-
Current year interest	3 506	4 346
Conditions met - transferred to revenue	(54 661)	(14 497)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>51 155</u>
18.44) Soup Kitchen West Coast		
Balance unspent at the beginning of the year	-	51 660
Current year receipts	-	-
Current year interest	-	2 649
Conditions met - transferred to revenue	-	(54 309)
Conditions still to be met - transferred to liabilities:	<u>-</u>	<u>-</u>
18.45) DMA Multi Purpose Centres		
Balance unspent at the beginning of the year	3 344 759	3 694 131
Current year receipts	-	-
Current year interest	304 758	334 373
Conditions met - transferred to revenue	(669 994)	(663 745)
Conditions still to be met - transferred to liabilities:	<u>2 959 523</u>	<u>3 344 759</u>
18.46) Cederberg Biosphere		
Balance unspent at the beginning of the year	33 835	162 892
Current year receipts	-	-
Current year interest	3 146	10 618
Conditions met - transferred to revenue	-	(139 675)
Conditions still to be met - transferred to liabilities:	<u>36 981</u>	<u>33 835</u>
18.47) Knersvlakte Biosphere		
Balance unspent at the beginning of the year	135 461	129 059
Current year receipts	-	-
Current year interest	12 597	11 803
Conditions met - transferred to revenue	-	(5 401)
Conditions still to be met - transferred to liabilities:	<u>148 058</u>	<u>135 461</u>
18.48) Spatial Development Framework		
Balance unspent at the beginning of the year	10 081	47 059
Current year receipts	-	-
Current year interest	937	3 092
Conditions met - transferred to revenue	-	(40 070)
Conditions still to be met - transferred to liabilities:	<u>11 018</u>	<u>10 081</u>
18.49) Committee Summit		
Balance unspent at the beginning of the year	-	-
Current year receipts	100 000	-
Current year interest	972	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities:	<u>100 972</u>	<u>-</u>
18.50) Sportgrounds DMA		
Balance unspent at the beginning of the year	-	-
Current year receipts	1 000 000	-
Current year interest	16 278	-
Conditions met - transferred to revenue	-	-
Conditions still to be met - transferred to liabilities:	<u>1 016 278</u>	<u>-</u>

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008	
	R	R	
GOVERNMENT GRANTS AND SUBSIDIES (continued)			
18.51) GIS DBSA			
Balance unspent at the beginning of the year	-	-	
Current year receipts	911 781	-	
Current year interest	-	-	
Conditions met - transferred to revenue	-	-	
Conditions still to be met - transferred to liabilities	-	-	
	<u>911 781</u>	<u>-</u>	
Summary of Government Grants and Subsidies			
MIG Grants (See note 6)	-	-	
PAWC and State Funds: Various Projects (See note 6)	19 063 776	23 858 757	
Other balances not included in Developers or Public Contributions	<u>19 063 776</u>	<u>23 858 757</u>	
Developers Contributions - Electricity (See note 6)	1 915 652	3 101 588	
Public Contributions (See note 6)	4 224 524	3 373 183	
Pakhuis Pass Farmers	3 312 743	3 030 989	
Other	<u>911 781</u>	<u>342 194</u>	
Total Government Grants and Subsidies	<u>25 203 952</u>	<u>30 333 528</u>	
19 OTHER INCOME			
Sundry overpayments	164 395	678 165	
Liquidated damages	1 960	1 904	
Interest on debtors	429 216	535 237	
Sale of property, plant and equipment	218 021	293 812	
Rent	980 433	669 664	
Fines	78 112	95 919	
Cemetery fees	990	715	
Building plan fees	1 414	3 853	
Resort income	2 062 576	1 899 292	
Search fees	462	643	
Sundry income	1 124 666	1 126 038	
Total Other Income	<u>5 062 264</u>	<u>5 305 242</u>	
20 SALARIES WAGES AND ALLOWANCES			
20.1) EMPLOYEE RELATED COSTS			
Employee related costs - Salaries and Wages	29 080 184	21 640 716	
Employee related costs - Contributions for UIF, pensions and medical aids	6 289 512	5 380 752	
Travel, motor car, accommodation, subsistence and other allowances	5 952 158	6 237 414	
Housing benefits and allowances	1 035 276	317 678	
Overtime Payments	2 126 535	1 112 819	
Performance bonus	1 871 890	1 689 734	
Long-service awards	98 821	88 477	
Less: Employee costs capitalised to Property, Plant and Equipment	-	-	
Less: Employee costs included in other expenses	(3 376 030)	(4 053 997)	
Total Employee Related Costs	<u>43 078 346</u>	<u>32 413 593</u>	
Remuneration of the Municipal Manager			
Annual Remuneration	841 532	660 000	
Performance Bonuses	84 673	83 617	
Car Allowance	200 715	83 958	
Contributions to UIF, Medical and Pension funds	24 481	133 464	
Total	<u>1 151 401</u>	<u>961 039</u>	
Remuneration of the Deputy Municipal Manager			
Annual Remuneration	492 000	215 000	
Performance Bonuses	24 797	-	
Car Allowance	57 782	38 957	
Contributions to UIF, Medical and Pension funds	105 226	35 007	
Total	<u>679 805</u>	<u>288 964</u>	
Remuneration of the Chief Finance Officer			
Annual Remuneration	507 600	492 000	
Performance Bonuses	78 625	72 739	
Car Allowance	33 226	8 597	
Contributions to UIF, Medical and Pension funds	114 182	110 918	
Total	<u>733 633</u>	<u>684 254</u>	
Remuneration of Individual Executive Directors			
30 June 2009	<u>Technical Services</u>	<u>Corporate Services</u>	<u>Community Services</u>
	R	R	R
Annual Remuneration	525 600	510 000	487 200
Performance Bonuses	71 367	66 529	38 103
Car Allowance	12 792	51 670	46 557
Contributions to UIF, Medical and Pension funds	116 616	93 338	121 251
Total	<u>726 375</u>	<u>721 537</u>	<u>693 111</u>
30 June 2008	<u>Technical Services</u>	<u>Corporate Services</u>	<u>Community Services</u>
	R	R	R
Annual Remuneration	476 400	468 000	450 000
Performance Bonuses	58 451	48 842	48 708
Car Allowance	15 548	43 840	49 940
Medical and pension funds	119 567	99 675	111 575
Total	<u>669 966</u>	<u>660 357</u>	<u>660 223</u>

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008	
	R	R	
20.2) REMUNERATION OF COUNCILLORS			
Executive Mayor	538 575	485 203	
Deputy Executive Mayor	430 860	388 162	
Speaker	430 860	388 162	
Executive Committee Members	1 056 185	951 518	
Councillors and Secretarial support	1 706 546	1 722 061	
Councillors' pension contribution	406 078	288 605	
Total Councillors' Remuneration	4 569 104	4 223 711	
In-kind Benefits			
The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time Councillors. Each is provided with an office and secretarial support at the cost of the Council.			
21 REPAIRS AND MAINTENANCE			
Repairs and Maintenance consist of the following:			
Executive and Council	-	500	
Finance and Administration	441 656	378 310	
Planning and Development	-	5 169	
Health	9 099	204	
Community and Social Services	713 009	567 722	
Housing	113 492	137 416	
Public Safety	562 788	113 776	
Sport and Recreation	-	588 091	
Waste Management	-	-	
Road Transport	49 788 306	37 337 543	
Water Services	3 153 355	2 991 494	
Electricity Services	85 673	55 867	
	54 867 378	42 176 092	
22 INTEREST PAID			
Long-term liabilities	1 804 861	576 822	
	1 804 861	576 822	
23 BULK PURCHASES			
Electricity	668 106	560 792	
Water	6 037 361	3 743 554	
	6 705 467	4 304 346	
24 GRANTS AND SUBSIDIES PAID			
Priority funds paid to Local Municipalities	-	-	
	-	-	
25.1 CHANGE IN ACCOUNTING POLICY			
The following adjustment amounting to R602 841 was made to Priority Funds previously reported in the annual financial statements of the municipality as creditors. These funds are for the use of the municipality and cannot be accounted as a creditor as the municipality cannot be liable to itself.			
The following adjustment amounting to R1 066 437 was made to Government Grant payable previously reported as a creditor in the financial statements of this Municipality. This credit transferred to the Accumulated Surplus. The change in accounting policy is to comply with paragraphs 29-35, 39-54, 61(b)(iii), (v), (viii), (x) and 62(a) and (b) of GAMAP 9 to adequately address the transaction as GRAP 23 is not yet effective.			
The following adjustment amounting to R66 027 000 was made to the Capital Replacement Reserve. This reserve was transferred to Accumulated Surplus. The change in accounting policy is to comply with the Standards of GRAP as there is no legislative requirement to maintain such separate fund accounts.			
The comparative amounts have been retrospectively restated. The effect of this change in accounting policy is as follows:			
	As previously Reported in 2008	Prior Year adjustment	Restated 2008
	R	R	R
Creditors as previously Stated	35 222 077	(1 669 278)	33 552 799
Capital Replacement Reserve as previously Stated	66 027 000	(66 027 000)	-
25.2 CHANGE IN ACCOUNTING ESTIMATE			
The following change in estimate amounting to R1 190 554 was made to Depreciation reported in the financial statements of this Municipality and is applied prospectively. The change in accounting estimate is due to the efforts of this Municipality to comply with GRAP 17 Property, plant and equipment within the transitional provisions provided by the Accounting Standards Board.			
	Per previous estimate	Adjustment	Restated 2009
	R	R	R
Depreciation for year	10 507 540	(1 190 554)	9 316 986
The following change in estimate amounting to R4 929 956 was made to Property, plant and equipment regarding the implementation of GRAP 17.	287 138 319	4 929 956	292 068 275

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

25.3 CHANGE TO APPENDIX C - IMPLEMENTATION OF GRAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP:

	Assets Cost R	Accumulated Depreciation R	Carrying Value R
Balance previously reported at 30 June 2008			
Finance and Administration	13 688 841	6 215 045	7 473 796
Health	22 602 419	732 663	21 869 756
Community and Social Services	2 902 393	-122 732	3 025 125
Housing	5 332 899	1 227 784	4 105 115
Public Safety	17 644 123	1 774 086	15 870 037
Sport and Recreation	3 519 152	142 949	3 376 203
Waste Management	7 997 810	1 148 899	6 848 911
Water	132 140 812	27 334 966	104 805 846
Electricity	11 609 030	1 713 274	9 895 756
Total	217 436 479	40 166 928	177 269 551
Implementation of GRAP			
Finance and Administration	13 926 809	4 779 535	9 147 274
Health	564 028	96 735	467 293
Community and Social Services	1 079 449	528 706	550 743
Housing	40 000	7 548	32 452
Public Safety	8 255 285	1 678 743	6 576 542
Sport and Recreation	-	-	-
Waste Management	2 127 838	752 789	1 375 049
Water	134 374 796	27 858 613	106 516 183
Electricity	5 614 300	1 081 875	4 532 425
Other	51 433 974	3 382 384	48 051 590
Total	217 436 479	40 166 928	177 269 551

25.4 CHANGE TO APPENDIX B - IMPLEMENTATION OF GRAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP:

	Previously Reported R	Current Year R	Reclassification 2009 R
Land and Buildings at cost	7 947 454	23 726 468	15 779 014
Infrastructure Assets at cost	135 367 382	143 064 466	7 697 084
Community Assets at cost	39 210 063	23 176 290	(16 033 773)
Heritage Assets at cost	18 850	18 850	
Other Assets at cost	34 892 730	27 450 405	(7 442 325)
Total	217 436 479	217 436 479	
Accumulated depreciation Land and Buildings	(1 345 829)	(1 623 975)	(278 146)
Accumulated depreciation Infrastructure Assets	(24 696 283)	(27 615 871)	(2 919 588)
Accumulated depreciation Community Assets	(952 292)	(957 078)	(4 786)
Accumulated depreciation Heritage Assets	(12 069)	(12 069)	
Accumulated depreciation Other Assets	(13 160 455)	(9 957 935)	3 202 520
Total	(40 166 928)	(40 166 928)	

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
25.5 CHANGE TO APPENDIX B - IMPLEMENTATION OF GRAP		
The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GRAP:		
	Assets Cost R	Accumulated Depreciation R
		Carrying Value R
Balance previously reported at 30 June 2008		
Land and Buildings		
Land	110 000	16 102
Buildings	7 837 454	1 329 727
Sub-Total	7 947 454	1 345 829
Infrastructure		
Water Schemes	54 061 030	14 224 703
Sewerage Mains & Purif	11 925 426	1 529 580
Beach Improvements	-	-
Pumpstations	13 700 566	2 154 010
Electricity Mains	11 587 187	1 693 922
Electricity Peak Load Equip	-	-
Water Mains & Purification	-	-
Reservoirs – Water	42 070 746	5 070 472
Water Meters	218 567	1 198
Paving of Streets	1 600 000	6 575
Security Fencing	203 860	15 822
Water Mains	-	-
Sub-Total	135 367 382	24 696 282
Community Assets		
Parks & Gardens	-	-
Libraries	-	-
Recreation Grounds	245 199	12 383
Civic Buildings	38 964 864	939 910
Sub-Total	39 210 063	952 292
Heritage Assets		
Historical Buildings	-	-
Painting & Art Galleries & Mayoral Chain	18 850	12 069
Sub-Total	18 850	12 069
Other Assets		
Landfill Sites	123 076	6 660
Furniture & Fittings	142 637	58 929
Office Equipment	656 508	189 718
Other Plant	20 239 865	5 968 041
Other Vehicles	10 372 161	5 819 136
Special Plant	-	-
Special Vehicles	357 079	246 629
Fire engines	-	-
Refuse tankers	-	-
Computer equipment	1 315 830	608 176
Councillors Regalia	-	-
Workshops/Depots	1 675 293	258 066
Valuation Roll	-	-
Watercraft	10 281	7 100
Sub-Total	34 892 730	13 160 455
Total	217 436 479	40 166 927
Implementation of GRAP		
Land and Buildings		
Land	16 851 533	16 851 533
Buildings	6 874 935	1 623 975
Sub-Total	23 726 468	1 623 975
Infrastructure		
Water Schemes	48 272 248	9 459 592
Sewerage Mains & Purif	6 203 887	1 370 706
Beach Improvements	-	-
Pumpstations	3 019 142	569 577
Electricity Mains	11 587 185	1 693 920
Electricity Peak Load Equip	-	-
Water Mains & Purification	21 710 382	4 254 352
Reservoirs – Water	51 970 485	10 212 779
Water Meters	258 028	50 562
Paving of Streets	43 109	4 383
Security Fencing	-	-
Water Mains	-	-
Sub-Total	143 064 466	27 615 871
Community Assets		
Parks & Gardens	-	-
Public Parking	588 689	59 853
Libraries	-	-
Recreation Grounds	239 094	9 421
Civic Buildings	22 348 507	887 804
Sub-Total	23 176 290	957 078
Heritage Assets		
Historical Buildings	-	-
Painting & Art Galleries & Mayoral Chain	18 850	12 069
Sub-Total	18 850	12 069
Other Assets		
Landfill Sites	123 076	6 659
Furniture & Fittings	142 637	59 324
Office Equipment	656 508	190 057
Other Plant	12 412 877	2 172 644
Other Vehicles	10 408 299	6 432 647
Special Plant	-	-
Special Vehicles	357 079	246 629
Fire engines	-	-
Refuse tankers	-	-
Computer equipment	1 315 830	606 176
Councillors Regalia	-	-
Workshops/Depots	2 023 819	237 252
Valuation Roll	-	-
Watercraft	10 280	6 547
Sub-Total	27 450 405	9 957 935
Total	217 436 479	40 166 928

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
26 CHANGE IN ACCUMULATED SURPLUS		
The above mentioned prior year adjustments as per Note 24.1 have the following effect on the opening balance of the Accumulated Surplus:		
As previously stated	226 585 669	158 889 391
Change in Accounting Policy - Note 24.1	-	67 696 278
Net surplus for the year	<u>38 578 220</u>	<u>-</u>
Restated opening balance	<u>265 163 889</u>	<u>226 585 669</u>

27 CASH GENERATED FROM OPERATIONS		
Surplus for the year	21 974 429	38 578 220
Adjustment for:-		
Depreciation	9 484 401	10 823 437
Previous year operating transactions and cash transferred to provisions	-	10 071
Gain on disposal of property, plant and equipment	(55 838)	(340 527)
Contribution to provisions - non-current	4 460 882	3 284 334
Contribution to provisions - current	-	138 766
Contribution to bad debt provision	-	229 493
RSC levies adjustment	-	(2 616 636)
Investment income	(16 684 500)	(18 800 771)
Interest paid	1 804 861	647 973
Amortisation	73 728	-
Loss on disposal of property, plant and equipment	5 062 517	-
Correction of Error Note 25	-	(906 311)
Operating surplus before working capital changes:	<u>-21 964 662</u>	<u>18 101 266</u>
Increase in inventories	(17 748)	(9 972)
Decrease/(increase) in consumer debtors	1 555 143	(2 188 738)
Decrease in other debtors	775 037	9 172 215
Employee Benefits paid	-1 695 263	-
(Decrease)/Increase in Government grants and receipts	(5 129 576)	3 998 715
Decrease/(increase) in current portion transferred to current receivables	211 136	(24 035)
Increase in current portion transferred to current liabilities	2 019 998	114 386
Increase in provisions	140 923	2 064 792
(Decrease)/increase in creditors	(19 007 722)	4 805 181
(Increase)/decrease in VAT receivable	(773 104)	168 722
Change in accruals	(43 496)	-
Cash generated by operations	<u>4 155 818</u>	<u>49 149 315</u>

28 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position :		
Cash Book balance	9 900 053	12 702 691
Short-term Investments	<u>138 090 909</u>	<u>157 557 580</u>
Total cash and cash equivalents	<u>147 990 962</u>	<u>170 260 271</u>

The short-term investments included are as follows:

First National Bank (Account no : 61306816905)	2 266 838	2 366 138
Nedcor (Account no : 03/7881714522/60)	-	15 471 900
Absa Bank (Account no : 2069279971)	54 276 119	48 628 481
Nedcor (Account no : 03 / 7881714522 / 62)	31 284 670	46 057 867
Absa Bank (Account no : 2069279939)	<u>50 263 282</u>	<u>45 033 194</u>
Total Investment Deposits	<u>138 090 909</u>	<u>157 557 580</u>

Average Rate of Return on Investments	8.00%	10.00%
---------------------------------------	-------	--------

Other deposits are ring - fenced and attributable to the Capital Replacement Reserve, which are part of the Accumulated Surplus. Fixed deposits amounting to R2 868 562 (2008 : R848 564) has also been ring - fenced for the purpose of repaying long - term liabilities as set out in Note 29

29 UTILISATION OF LONG - TERM LIABILITIES RECONCILIATION		
Long - term liabilities (see Note 1)	31 127 586	2 968 143
Used to finance property , plant and equipment - at cost	<u>31 127 586</u>	<u>2 968 143</u>
Sub - total	-	-
Cash set aside for the repayment of long - term liabilities (see Note 28)	<u>2 868 562</u>	<u>848 564</u>
Cash invested for repayment of long - term liabilities	<u>2 868 562</u>	<u>848 564</u>

Long - term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash has been set aside to ensure that long - term liabilities can be repaid on redemption date.

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
30 UNAUTHORISED,IRREGULAR,FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED		
30.1 Unauthorised expenditure		
Reconciliation of Unauthorised expenditure	-	-
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Unauthorised expenditure awaiting authorisation	-	-
30.2 Fruitless and wasteful expenditure		
Reconciliation of Fruitless and wasteful expenditure	-	-
Opening balance	-	-
Unauthorised expenditure current year	-	-
Condoned or written off by Council	-	-
Fruitless and wasteful expenditure awaiting condonement	-	-
30.3 Irregular expenditure		
Reconciliation of Irregular expenditure	-	-
Opening balance	-	-
Irregular expenditure current year	72 000	-
Condoned or written off by Council	-	-
Irregular expenditure awaiting condonement	72 000	-

Staff Leave

During a local labour forum meeting held on the 20 of February 2008 a decision was taken that 45 trainee fire fighters will be identified to undergo training in conjunction with the Council's recruitment and selection policy as potential fire fighters. Only 30 fire fighter vacancies were available but Council decided to send more to increase the capacity of unemployed people and to use them as voluntary fire fighters. It was discovered that an official used his own discretion outside the recruitment and selection process to identify recruits to be sent as part of the 45 trainee fire fighters. The official was trailed, found guilty and dismissed in accordance with the Council's disciplinary procedures. The matter was referred to the CCMA for arbitration by the official and as at the reporting date it was still unresolved.

31 ADDITIONAL DISCLOSURES IN TERMS OF MFMA

31.1 Contributions to organized local government

Opening balance	-	-
Council subscriptions	281 630	967 981
Amount paid - current year	(281 630)	(967 981)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

31.2 Audit fees

Opening balance	-	-
Current year audit fee	726 321	744 847
Amount paid - current year	(726 321)	(744 847)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

31.3 VAT

VAT inputs receivables and VAT output receivables are shown in Note 13
All VAT returns have been submitted by the due date throughout the year.

31.4 PAYE and UIF

Opening balance	-	-
Current year payroll deductions	7 248 462	5 200 834
Amount paid - current year	(7 248 462)	(5 200 834)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

31.5 Pension and Medical Aid Deductions

Opening balance	-	-
Current year payroll deductions and Council Contributions	6 445 990	5 485 663
Amount paid - current year	(6 445 990)	(5 485 663)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

31.6 Councillor's arrear accounts

The following Councillors had arrear accounts outstanding as at :

	Total	Outstanding less than 90 days	Outstanding more than 90 days
30 June 2009			
Cllr. C Oviés	41	41	-
	41	41	-

During the year the following Councillor had arrear accounts outstanding for less than 90 days as at:

	Highest Amount Outstanding	Ageing
30 June 2009		
Cllr. C Oviés	41	<90 Days
	41	

32 CAPITAL COMMITMENTS

	2009	2008
	R	R
Commitments in respect of capital expenditure		
Approved and contracted for	4 712 433	8 329 646
Infrastructure	3 648 614	5 959 403
Community	1 063 819	1 828 003
Total	4 712 433	8 329 646

This expenditure will be funded from the Accumulated Surplus

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
33 RETIREMENT BENEFIT INFORMATION		
The Municipality provides retirement benefits for all its permanent employees through a defined contribution plan, which is subject to the Pension Fund Act, 1956 as amended. The Municipality's contributions to the plan during the year were:		
Cape Joint Pension Fund	275 551	201 573
Cape Joint Retirement Fund	4 047 845	3 139 743
Councillors Pension Fund	406 079	286 605
Defined contribution plan	4 729 474	3 629 921

Cape Joint Pension fund, which is a defined multi - employer contribution fund. Contribution ratio employees 8% and Council 18%.

Cape Joint Retirement Fund, which is a defined multi - employer contribution fund. Contribution ratio employees 8% and Council 18 %.

Councillors of the West Coast District Municipality are members of the Municipal Councillors Pension Fund, which is a defined contribution plan. Contribution ratio Councillors 13.75% and Council 15%.

Multi employer funds are treated as defined contribution funds.

34 RELATED PARTY TRANSACTIONS

The following related parties exist:

National Treasury
 Provincial Treasury
 Department of Water Affairs and Forestry
 W P Rabbets (Municipal Manager)
 H F Prins (Municipal Manager)
 C January (Deputy Municipal Manager)
 J Koekemoer (Chief Financial Officer)
 W Markus (Director: Corporate Services)
 I A B van der Westhuizen (Director: Technical Services)
 M Mabula (Director: Community Services)

Grants received from related parties

National Treasury	9 338 269	3 362 613
Provincial Treasury	2 873 499	7 008 116
Department of Water Affairs and Forestry	3 723 000	1 213 415
Private donations	2 508 000	4 710 100

Loan from related parties

Department of Water Affairs and Forestry	2 119 579	2 968 143
--	-----------	-----------

Purchases of goods and services from related parties

Department of Water Affairs and Forestry	6 037 361	3 743 554
Eskom	668 106	560 792

Balance owing to related parties

Cederberg Local Municipality	-	111 109
District Management Area	-	2 736 456

Payments made to related parties

Swartland Local Municipality	-	100 000
Bergriver Local Municipality	-	40 000
Saldanhabay Local Municipality	-	995 830
Cederberg Local Municipality	111 109	2 324 772
District Management Area	2 736 456	2 863 044

35 LEASES

The total future minimum operating lease payments payable under existing operating lease arrangements are categorised as follows:

a) Within one year of the reporting date	8 023 898	7 495 045
b) More than one year but less than five years of the reporting date, and	3 839 648	11 585 984
c) More than five years of the reporting date	-	-
Total future minimum operating lease payments	11 863 546	19 081 029

The Accounting Standards Board has, in terms of directive 4 issued Transitional provisions paragraph .53 - .60 to medium and low capacity municipalities where the requirements of the Standard of GRAP on Leases will not apply to an item until the transitional provisions in the relevant Standards of GRAP expire.

The municipality entered into an operating lease for the rental of two photocopiers and 2 fax machines for five years with Mduli Sharp. The date of inception was December 2007 with no escalation clause. The equipment numbers of the photocopiers are AR 1161.

The municipality entered into an operating lease for the rental of five photocopiers for a five year period with Minolta. The serial numbers of the photocopiers are 21765659,217656611,21718750,21718734 and 21765621. There are no escalation clause.

The municipality entered into an operating lease for the rental of photocopiers with Cape Office Machines. The serial numbers of the photocopiers are 3639688703 and 3639688720. There are no escalation clause.

An operating lease transaction exists between the Council and the West Coast Financing Partnership for a ten year period. The payments are payable every six months. The properties is section 36 of the farm Yzerarkensrug number 125 and section 3 of division Malmesbury farm number 91.

The municipality entered into an operating lease for the rental of a emergency and disaster management information system. The lease is between Africon and the municipality. The contract is for a 3 year period.

The municipality entered into an operating lease for the rental of two offices. The lease is between Frank Family Trust and the Municipality. The contract is for a 1 year period. The property involved is Voortrekker Road 47 Malmesbury

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

LEASES (continued)

The municipality entered into an operating lease for the rental of offices. The lease is between Zandbou Constructions and the Municipality. The contract is for a 1 year period. The property involved is erf 859 Riebeeck-West.

The municipality entered into an operating lease for the rental of offices. The lease is between Jan & Marcelle Ellis and the Municipality. The contract is for a 3 year period. The property involved is "Soetkysie Centre 28 Piketberg".

The municipality entered into an operating lease for the rental of offices. The lease is between Carit Estate and the Municipality. The contract is for a 3 year period. The property involved is erf 429 Vredenburg.

The municipality entered into an operating lease for the rental of offices. The lease is between J F J Swart and the Municipality. The contract is for a 3 year period. The property involved is erf 1472 Clanwilliam.

The municipality entered into an new operating lease for the rental of offices. The lease is between Carit Estate and the Municipality. The contract is for a 1 year period. The property involved is erf 6429 Vredenburg.

The municipality entered into an operating lease for the rental of offices. The lease is between Pelican Harbour and the Municipality. The contract is for a 2 year period. The property involved is site number 4.

The municipality entered into two operating leases agreements with Telkom SA which will take effect as soon as the services are delivered. The contract is for a 5 year period with no escalation clause.

36 FINANCIAL RISK MANAGEMENT

36.1) Overview

The Municipality has exposure to the following risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk

The directors have overall responsibility for the establishment and monitoring of the Municipality's risk management policies and procedures which have been established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence the limits. Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the company's activities.

36.2) Credit risk

Credit risk is the risk of financial loss to the Municipality if a consumer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Municipality's receivables from consumers.

The municipality's exposure to credit risk is influenced mainly by the individual characteristics of consumer. There is no significant concentration of unsecured credit risk.

The Council have established a credit control policy under which each new consumer for municipal services will be checked for creditworthiness including checking information from banks, credit bureau, local authorities, trade creditors, and employers.

An allowance for bad debt is established based on managements' estimate of identified incurred losses in respect of specific trade and other receivables. Bad debts identified are written off on a yearly basis.

Reputable financial institutions are used for investing and cash handling purposes.

36.3) Liquidity risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they fall due. The Municipality's approach to managing liquidity is to ensure, as to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Municipality monitors cash flow requirements and has arranged credit facilities with its suppliers.

36.4) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rate will affect the Municipality's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

36.4.1) Interest rate risk

The Municipality finances its operations through a combination of credit from suppliers, and retained reserves and generally adopts a policy of ensuring that its exposure to changes in interest rates is on a fixed rate basis. The Municipality does not utilise derivative financial instruments to hedge its interest rate risk exposures.

36.5) Capital management

The policy of the Council is to maintain a strong capital base so as to maintain market confidence and to sustain future development of the business. There were no changes in the Municipality's approach to capital management during the year.

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	R	R
37 FINANCIAL INSTRUMENTS		
37.1) Credit risk		
The carrying amount of receivables and loans represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:		
Trade and other receivables	6 567 953	9 109 269
	6 567 953	9 109 269
The ageing of trade and other receivables at the reporting date was:		
Current	6 315 536	7 134 580
30 Days	152 861	119 161
60 Days	156 824	79 132
90 Days	48 213	43 343
120 Days plus	171 038	3 722 003
	6 844 472	11 098 219
Provision for bad debt	(276 519)	(1 988 950)
	6 567 953	9 109 269
The movement in the allowance for bad debt in respect of trade receivables over the year was:		
Balance at the beginning of the year	1 988 950	1 759 457
Contributions to provision	254 741	218 184
Interest on Investment	66 891	260 663
Expenditure incurred	(2 034 063)	(249 354)
Balance at the end of the year	276 519	1 988 950

The allowance for bad debts in respect of trade receivables is used to record impairment losses until the Municipality is satisfied that no recovery of the amount owing is possible. At that point the amount is considered irrecoverable and written off directly against the financial assets.

37.2) Liquidity risk

The following are contractual maturities of financial liabilities, including interest payments and excludes the impact of netting agreements:

Non-derivative financial assets	Carrying Amount	Contractual cash flows	Within 1 Year	2 - 5 Years	More than 5 Years
	R	R	R	R	R
30 June 2009					
Trade and other receivables	6 567 953	6 567 953	6 567 953	-	-
Cash and cash equivalents	147 990 962	147 990 962	147 990 962	-	-
	154 558 915	154 558 915	154 558 915	-	-
Non-derivative financial liabilities					
Trade and other payables	12 091 827	12 091 827	12 091 827	-	-
Long term liabilities	31 127 585	31 127 585	2 868 562	11 462 097	16 796 926
	43 219 412	43 219 412	14 960 389	11 462 097	16 796 926
Non-derivative financial assets					
30 June 2008					
Trade and other receivables	9 109 269	9 109 269	9 109 269	-	-
Cash and cash equivalents	170 260 271	170 260 271	170 260 271	-	-
	179 369 540	179 369 540	179 369 540	-	-
Non-derivative financial liabilities					
Trade and other payables	33 552 799	33 552 799	33 552 799	-	-
Long term liabilities	2 968 143	2 968 143	848 564	2 119 579	-
	36 520 942	36 520 942	34 401 363	2 119 579	-

37.3) Interest rate risk

The Municipality's exposure to interest rate risk and the effective interest rates on financial instruments at balance sheet date are as follows:

Assets	Interest rate	Year 1	2 - 5 years	More than 5 Years
	%	R	R	R
30 June 2009				
Trade and other receivables	12.5	6 567 953	-	-
Cash and cash equivalents - Short term investments	8 % Fixed rate	138 090 908	-	-
Cash and cash equivalents - Cash book balances	4.5 % Floating rate	9 900 053	-	-
		154 558 914	-	-
Liabilities				
Trade and other payables	interest free	12 091 827	-	-
Long term liabilities	15.58 & 12.54	2 868 562	11 462 097	16 796 926
		14 960 389	11 462 097	16 796 926
Assets				
30 June 2008				
Trade and other receivables	15.50	9 109 269	-	-
Cash and cash equivalents - Short term investments	8 % Fixed rate	157 557 580	-	-
Cash and cash equivalents - Cash book balances	4.5 % Floating rate	12 702 691	-	-
		179 369 540	-	-
Liabilities				
Trade and other payables	interest free	33 552 799	-	-
Long term liabilities	15.58	848 564	2 119 579	-
		34 401 363	2 119 579	-

Sensitivity analysis

An increase of 1% in interest rates at 30 June would have increased/(decreased) financial assets and profit or loss by the amounts shown below. A decrease of 1% in interest rates at 30 June would have had the equal but opposite effect on the above financial instruments, on the basis that all other variables remain constant.

	Statement of Financial Position	Profit or loss
30 June 2009		
Trade and other receivables	6 633 633	65 680
Cash and cash equivalents - Short term investments	139 471 817	1 380 909
Cash and cash equivalents - Cash book balances	9 999 054	99 001
	156 104 503	1 545 589
30 June 2008		
Trade and other receivables	9 200 362	91 093
Cash and cash equivalents - Short term investments	159 133 156	1 575 576
Cash and cash equivalents - Cash book balances	12 829 718	127 027
	181 163 235	1 793 695

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

37.4) Fair values

Due to their short maturities the fair values of all financial instruments are substantially identical to the values reflected in the balance sheet.

38 ACCOUNTING POLICY DEVELOPMENTS

The Minister of Finance has, in terms of Section 91 of the Public Finance Management Act, 1999 (Act number 1 of 1999), prescribed the following Standards as set by the Accounting Standards Board in terms of Section 89:

At the date of authorization of these financial statements, the following Standards were in issue but not yet effective.

GRAP 18 - Segment Reporting
 GRAP 21 - Impairment of non-cash-generating assets
 GRAP 23 - Revenue from non-exchange transactions (taxes and transfers)
 GRAP 24 - Presentation of budget information in financial statements
 GRAP 26 - Impairment of cash generating assets
 GRAP 103 - Heritage assets

The effective date of these Standards are for periods beginning on or after a date to be determined by the Minister of Finance in a regulation to be published in accordance with section 91 (1)(a) of the Public Finance Management Act, Act No.1 of 1999 as amended if applicable.

Management has evaluated all of these Standards and the impact on future financial statements and has come to the conclusion that the impact of implementation of the above Standards are not significant.

	2009	2008
	R	R

39 CONTINGENT LIABILITY

The municipality is being sued by Blaauw for injuries sustained in an accident in 2004. Council is contesting the claim based on legal advice. This is a High Court matter. The legal experts believe that the trial will be in 2009/2010 and that the Municipality has a reasonable chance of success. The case number is 385/07. The amount includes estimated legal fees and possible losses.

725 000 725 000

The municipality is being sued for services rendered. Council is contesting the claim based on legal advice. The legal experts believe that the trial will only be late in 2008. The case number is 229/08. The amount includes estimated legal fees and possible losses.

58 000 58 000

The municipality is being sued by Jicama 17 (Pty) Ltd for the loss of income from collecting Regional Services Council Levies. Council is contesting the claim based on legal advice. This is a High Court matter. The case number is 5464/06. The amount includes estimated legal fees and possible losses.

2 772 537 2 772 537

The municipality is being sued by Tredoux, wife and on behalf of her minor (child) for injuries sustained in an accident within the boundaries of the WCDM. Council is contesting the claim based on legal advice. The legal experts believe that the municipality has a reasonable chance of success. The case number is 6660/08. This is a High Court matter.

1 263 161 1 263 161

The amount includes estimated legal fees and possible losses.

The municipality is being sued by Mr J A Kock an ex-worker for injuries contained while in the service of the municipality. Council is contesting the claim based on legal advice. The legal experts believe the municipality has a strong chance of success. The amount includes estimated legal fees and possible losses.

850 000 -

The municipality was in the previous financial year being sued on behalf of minors (children) for injuries sustained in an accident in 2004. Council was contesting the claim based on legal advice. During the current year the matter was resolved and a settlement reached.

- 125 000

40 ADDITIONAL DISCLOSURES IN TERMS OF SUPPLY CHAIN MANAGEMENT REGULATION

In terms of the Supply Chain Regulations No. 27636 - 30 May 2005 section 36 (1 - 3) a municipality is allowed to deviate from, and ratification of minor breaches of, the supply chain management processes. As per the reporting period the municipality had the following deviations from, and ratification of the supply chain management processes:

Porterville Groundwork - (Emergency - bridge - flooding)	9 120	-
CK Coetzee - (Emergency - excess road - flooding)	47 890	-
Paardskop Farmers - (Emergency - repair road - flooding)	22 572	-
4 U Transport - (Emergency - repair road - flooding)	30 000	-
S Du Plessis Groundwork's - (Emergency - repair road - flooding)	11 856	-
C R Liebenberg - (Emergency - bridge - flooding)	27 360	-
Fox Electro Hardware (Emergency - repair road - flooding)	29 036	-
Cape Otto Signs - (Emergency - road signs - flooding)	24 031	-
C R Liebenberg - (Emergency - repair road - flooding)	54 720	-
Quarry Road Maintenance - (Emergency - repair road - flooding)	29 333	-
Afrisam SA - (Emergency - repair road - flooding)	13 347	-
Afrisam SA - (Emergency - repair road - flooding)	48 742	-
B Hare Plumbers - (Emergency - water supply)	2 200	-
Steve's Electrical (Emergency - electric cables stolen)	13 608	-
Steve's Electrical (Emergency - electric cables stolen)	15 612	-
Wind stone Adventures - (Regulation 36.1(a) (v) - exceptional case)	2 500	-
West Coast Life - (Regulation 36.1(a) (v) - exceptional case)	4 400	-
Afrisam SA - (Sole supplier - G4 material)	15 913	-
Evangelise Church - (Emergency - repair road - flooding)	10 960	-
Gravity Sea Kayaking - (Regulation 36.1(a) (v) - exceptional case)	3 500	-
B Hare Plumbers - (Emergency - water supply)	3 200	-
Colas SA - (Sole supplier)	25 376	-
B Hare Plumbers - (Emergency - water supply)	3 510	-
Much Asphalt - (Emergency - repairs to excess road)	4 254	-
Combined Systems - (Sole supplier - BAUD system)	9 213	-

Prior year numbers have not been obtained at the time of compiling the financial statements.

41 RETICULATION LOSSES

41.1 Water

Kilolitres purchased - after purification	23 083 499	22 213 488
Kilolitres sold	<u>-21 790 185</u>	<u>-21 162 772</u>
Reticulation loss	<u>1 293 314</u>	<u>1 050 716</u>
Percentage	5.60%	4.73%

The norm for water losses is 10%. The losses occurred due to burst pipes and leaks from the reservoirs to consumers.

41.2 Electricity

No reticulation losses were incurred.

The services provided by the municipality relating to electricity are limited to the installation of electricity points in the area.

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

7. PROPERTY, PLANT AND EQUIPMENT

30 June 2009

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Total</u>
	R	R	R	R	R	R
Carrying values at 1 July 2008	22 102 493	115 448 595	22 219 212	6 781	17 492 470	177 269 551
Cost	7 947 454	135 367 382	39 210 063	18 850	34 892 730	217 436 479
Revaluation	-	-	-	-	-	-
Reclassification Note 24.4	15 779 014	7 697 084	(16 033 773)	-	(7 442 325)	-
Accumulated depreciation	(1 623 975)	(27 615 871)	(957 078)	(12 069)	(9 957 935)	(40 166 928)
- Cost	(1 345 829)	(24 696 283)	(952 292)	(12 069)	(13 160 455)	(40 166 928)
- Revaluation	-	-	-	-	-	-
Reclassification Note 24.4	(278 146)	(2 919 588)	(4 786)	-	3 202 520	-
Acquisitions	-	33 289 482	12 562 377	-	15 933 542	61 785 401
Initial adoption of GRAP 17 Note 24.2	-	-	-	-	4 929 956	4 929 956
Capital under Construction	-	5 159 073	-	-	500 000	5 659 073
Increases/decreases in revaluation	-	-	-	-	-	-
Depreciation	706 205	(6 940 491)	(1 294 783)	(1 885)	(1 786 032)	(9 316 986)
- based on cost	(215 288)	(6 940 491)	(1 294 783)	(1 885)	(2 055 093)	(10 507 540)
Change in Accounting Estimate Note 24.2	921 493	-	-	-	269 061	1 190 554
- based on revaluation	-	-	-	-	-	-
Carrying value of disposals	-	(5 062 517)	-	-	(218 021)	(5 280 538)
Cost/revaluation	-	(5 973 230)	-	-	(348 660)	(6 321 890)
Accumulated depreciation	-	910 713	-	-	130 639	1 041 352
	22 808 698	141 894 142	33 486 806	4 896	36 851 915	235 046 457
Carrying values at 30 June 2009	22 808 698	141 894 142	33 486 806	4 896	36 851 915	235 046 457
Cost	23 726 468	181 513 021	35 738 667	18 850	43 883 947	284 880 953
Initial adoption of GRAP 17	-	-	-	-	4 929 956	4 929 956
Accumulated depreciation	(917 770)	(39 618 879)	(2 251 861)	(13 954)	(11 961 988)	(54 764 452)
Cost	(1 839 263)	(39 618 879)	(2 251 861)	(13 954)	(12 231 049)	(55 955 006)
Revaluation	921 493	-	-	-	269 061	1 190 554

WEST COAST DISTRICT MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

7. PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2008

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Total</u>
	R	R	R	R	R	R
Carrying values at 1 July 2007	6 852 718	89 912 480	14 365 524	8 671	21 559 645	132 699 038
Cost	7 947 454	114 674 276	14 749 377	18 850	31 147 931	168 537 888
<i>Transferred to Investment Property (Refer to Note 8)</i>		(5 637 491)				
Revaluation	-	-	-	-	-	-
Accumulated depreciation	(1 094 736)	(19 124 305)	(383 853)	(10 179)	(9 588 286)	(30 201 359)
- Cost	(1 094 736)	(20 546 011)	(383 853)	(10 179)	(9 588 286)	(31 623 065)
- <i>Transferred to Investment Property (Refer to Note 8)</i>		1 421 706				
- Revaluation	-	-	-	-	-	-
Acquisitions	-	26 330 597	14 684 159	-	4 689 760	45 704 516
Capital under construction	-	-	9 776 527	-	-	9 776 527
Increases/decreases in revaluation	-	-	-	-	-	-
Depreciation	(251 093)	(5 571 978)	(568 439)	(1 890)	(4 223 318)	(10 616 718)
- based on cost	(251 093)	(5 571 978)	(568 439)	(1 890)	(4 223 318)	(10 616 718)
- based on revaluation	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	(293 812)	(293 812)
Cost/revaluation	-	-	-	-	(944 961)	(944 961)
Accumulated depreciation	-	-	-	-	651 149	651 149
Impairment losses	-	-	-	-	-	-
	6 601 625	110 671 099	38 257 771	6 781	21 732 275	177 269 551
Carrying values at 30 June 2008	6 601 625	110 671 099	38 257 771	6 781	21 732 275	177 269 551
Cost	7 947 454	135 367 382	39 210 063	18 850	34 892 730	217 436 479
Revaluation	-	-	-	-	-	-
Accumulated depreciation	(1 345 829)	(24 696 283)	(952 292)	(12 069)	(13 160 455)	(40 166 928)
- Cost	(1 345 829)	(24 696 283)	(952 292)	(12 069)	(13 160 455)	(40 166 928)
- Revaluation	-	-	-	-	-	-

The Accounting Standards Board has, in terms of directive 4 (Transitional provisions paragraph .71 - .81) exempted entities from applying the measurement requirements of the Standards of GRAP on Property, Plant and Equipment and implies that any associated presentation and disclosure requirements need not be complied with for property, plant and equipment not measured in accordance with the requirements of the Standards of GRAP on Property, Plant and Equipment.

APPENDIX A

WEST COAST DISTRICT MUNICIPALITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2009

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 30/06/08	Received during the period	Redeemed / written off during the period	Balance at 30/06/09	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			R	R	R	R	R	R
LONG-TERM LOANS								
Department of Water Affairs @ 15.58%	1	2011/06/30	2 968 143	-	848 564	2 119 579	-	-
INCA @ 12.54%	2	2018/06/29	-	30 000 000	991 993	29 008 007	-	-
Total long-term loans			2 968 143	30 000 000	1 840 557	31 127 586	-	-
ANNUITY LOAN			-	-	-	-	-	-
GOVERNMENT LOANS			-	-	-	-	-	-
Total Government Loans			-	-	-	-	-	-
LEASE LIABILITY			-	-	-	-	-	-
TOTAL EXTERNAL LOANS			2 968 143	30 000 000	1 840 557	31 127 586	-	-

APPENDIX B

WEST COAST DISTRICT MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Cost/Revaluation					Accumulated Depreciation					Carrying Value	Budget Additions 2008
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustment	Additions	Disposals	Closing Balance		
	R	R	R	R	R	R		R	R	R	R	R
Land and Buildings												
Land	16 851 533	-	-	-	16 851 533	-	-	-	-	-	16 851 533	-
Buildings	6 874 935	-	-	-	6 874 935	1 623 975	(921 493)	382 703	-	1 085 185	5 789 750	-
	23 726 468	-	-	-	23 726 468	1 623 975	(921 493)	382 703	-	1 085 185	22 641 283	-
Infrastructure												
Water Schemes	48 272 248	18 017 788	5 159 073	-	71 449 109	9 459 592	-	2 797 114	-	12 256 706	59 192 403	27 200 000
Sewerage Mains & Purif	6 203 887	4 386 751	-	-	10 590 638	1 370 706	-	170 984	-	1 541 690	9 048 948	4 150 000
Beach Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Pumpstations	3 019 142	1 469 200	-	-	4 488 342	569 577	-	124 430	-	694 007	3 794 335	1 800 000
Electricity Mains	11 587 185	250 132	-	(5 973 230)	5 864 087	1 693 920	-	632 669	(910 713)	1 415 876	4 448 211	250 000
Electricity Peak Load Equip	-	-	-	-	-	-	-	-	-	-	-	-
Water Mains & Purification	21 710 382	111 551	-	-	21 821 933	4 254 352	-	1 192 031	-	5 446 383	16 375 550	500 000
Reservoirs – Water	51 970 485	8 564 457	-	-	60 534 942	10 212 779	-	1 946 234	-	12 159 013	48 375 929	8 650 000
Water Meters	258 028	316 694	-	-	574 722	50 562	-	28 900	-	79 462	495 260	320 000
Paving of Streets	43 109	-	-	-	43 109	4 383	-	1 485	-	5 868	37 241	-
Security Fencing	-	172 909	-	-	172 909	-	-	46 644	-	46 644	126 265	180 000
Water Mains	-	-	-	-	-	-	-	-	-	-	-	-
	143 064 466	33 289 482	5 159 073	(5 973 230)	175 539 791	27 615 871	-	6 940 491	(910 713)	33 645 649	141 894 142	43 050 000
Community Assets												
Parks & Gardens	-	-	-	-	-	-	-	-	-	-	-	-
Public Parking	588 689	-	-	-	588 689	59 853	-	32 968	-	92 821	495 868	-
Libraries	-	-	-	-	-	-	-	-	-	-	-	-
Recreation Grounds	239 094	838 703	-	-	1 077 797	9 421	-	10 803	-	20 224	1 057 573	850 000
Civic Buildings	22 348 507	11 723 674	-	-	34 072 181	887 804	-	1 083 597	-	1 971 401	32 100 780	12 090 500
	23 176 290	12 562 377	-	-	35 738 667	957 078	-	1 127 368	-	2 084 446	33 654 221	12 940 500
Heritage Assets												
Historical Buildings	-	-	-	-	-	-	-	-	-	-	-	-
Painting & Art Galleries & Mayoral Chain	18 850	-	-	-	18 850	12 069	-	1 885	-	13 954	4 896	-
	18 850	-	-	-	18 850	12 069	-	1 885	-	13 954	4 896	-
Total carried forward	189 986 074	45 851 859	5 159 073	(5 973 230)	235 023 776	30 208 993	(921 493)	8 452 447	(910 713)	36 829 234	198 194 542	55 990 500

APPENDIX B

WEST COAST DISTRICT MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2009

	Cost					Accumulated Depreciation					Carrying Value	Budget Additions 2008
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustment	Additions	Disposals	Closing Balance		
	R	R	R	R	R	R		R	R	R		
Total brought forward	189 986 074	45 851 859	5 159 073	(5 973 230)	235 023 776	30 208 993	(921 493)	8 452 447	(910 713)	36 829 234	198 194 542	55 990 500
Housing Rental Stock												
Housing Rental 1	-	-	-	-	-	-	-	-	-	-	-	-
Housing Rental 2	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Leased Assets (Infrastructure)												
Sewerage Mains & Purify	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets												
Landfill Sites	123 076	259 189	500 000	-	882 265	6 659	-	1 544	-	8 203	874 062	750 000
Furniture & Fittings	142 637	-	-	-	142 637	59 324	-	26 928	-	86 252	56 385	-
Office Equipment	656 508	-	-	-	656 508	190 057	-	72 403	-	262 460	394 048	-
Other Plant	12 412 877	6 861 542	-	-	19 274 419	2 172 644	-	170 778	-	2 343 422	16 930 997	1 280 000
Other Vehicles	10 408 299	936 094	-	(348 660)	10 995 733	6 432 647	(249 846)	1 282 304	(130 639)	7 334 466	3 661 267	1 000 000
Special Plant	-	-	-	-	-	-	-	-	-	-	-	-
Special Vehicles	357 079	-	-	-	357 079	246 629	(19 215)	32 137	-	259 551	97 528	-
Fire engines	-	11 410 838	-	-	11 410 838	-	-	172 290	-	172 290	11 238 548	12 000 000
Refuse tankers	-	-	-	-	-	-	-	-	-	-	-	-
Computer equipment	1 315 830	-	-	-	1 315 830	606 176	-	188 732	-	794 908	520 922	-
Councillors Regalia	-	-	-	-	-	-	-	-	-	-	-	-
Workshops/Depots	2 023 819	1 395 835	-	-	3 419 654	237 252	-	107 052	-	344 304	3 075 350	1 600 000
Valuation Roll	-	-	-	-	-	-	-	-	-	-	-	-
Watercraft	10 280	-	-	-	10 280	6 547	-	925	-	7 472	2 808	-
	27 450 405	20 863 498	500 000	(348 660)	48 465 243	9 957 935	(269 061)	2 055 093	(130 639)	11 613 328	36 851 915	16 630 000
Total	217 436 479	66 715 357	5 659 073	(6 321 890)	283 489 019	40 166 928	(1 190 554)	10 507 540	(1 041 352)	48 442 562	235 046 457	72 620 500

APPENDIX C
WEST COAST DISTRICT MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
30 June 2009

	Cost					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Under Construction	Disposals	Closing Balance	Opening Balance	Adjustment	Additions	Disposals	Closing Balance	
	R	R	R	R	R	R	R	R	R	R	R
Executive & Council	-	-	-	-	-	-	-	-	-	-	-
Finance & Admin	13 926 809	2 059 590	-	(5 973 230)	10 013 169	4 779 535	(90 816)	1 397 859	(910 713)	5 175 865	4 837 304
Planning & Development	-	-	-	-	-	-	-	-	-	-	-
Health	584 028	27 683	-	-	611 711	96 735	(4 127)	43 278	-	135 886	475 825
Community & Social Services	1 079 449	134 947	-	-	1 214 396	528 706	(28 081)	127 041	-	627 666	586 730
Housing	40 000	-	-	-	40 000	7 548	-	686	-	8 234	31 766
Public Safety	8 255 285	21 364 143	-	(348 660)	29 270 768	1 678 743	(105 201)	1 032 855	(130 639)	2 475 758	26 795 010
Sport & Recreation	-	2 671 950	-	-	2 671 950	-	-	6 316	-	6 316	2 665 634
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-
Waste Management	2 127 838	2 677 262	500 000	-	5 305 100	752 789	(18 587)	184 528	-	918 730	4 386 370
Road Transport	-	-	-	-	-	-	-	-	-	-	-
Water	134 374 796	32 844 510	5 159 073	-	172 378 379	27 858 613	(22 249)	6 696 043	-	34 532 407	137 845 972
Electricity	5 614 300	5 316	-	-	5 619 616	1 081 875	-	325 909	-	1 407 784	4 211 832
Other	51 433 974	4 929 956	-	-	56 363 930	3 382 384	(921 493)	693 025	-	3 153 916	53 210 014
TOTAL	217 436 479	66 715 357	5 659 073	(6 321 890)	283 489 019	40 166 928	(1 190 554)	10 507 540	(1 041 352)	48 442 562	235 046 457

APPENDIX D

WEST COAST DISTRICT MUNICIPALITY: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 June 2009

2008 Actual Income	2008 Actual Expenditure	2008 Surplus/ (Deficit)		2009 Actual Income	2009 Actual Expenditure	2009 Surplus/ (Deficit)
R	R	R		R	R	R
1 339 170	9 093 022	(7 753 852)	Executive & Council	1 762 142	9 920 936	(8 158 794)
6 770 214	11 273 144	(4 502 930)	Finance & Admin	7 396 976	11 879 289	(4 482 313)
430 029	5 537 666	(5 107 637)	Planning & Development	328 514	2 878 561	(2 550 047)
6 301	7 679 163	(7 672 862)	Health	1 301 414	8 651 903	(7 350 489)
2 022 370	4 030 716	(2 008 346)	Community & Social Services	2 187 120	3 937 159	(1 750 039)
457 778	382 909	74 869	Housing	771 611	477 891	293 720
-	5 271 569	(5 271 569)	Public Safety	1 695 378	15 705 468	(14 010 090)
251 570	885 217	(633 647)	Sport & Recreation	500 540	502 834	(2 294)
-	-	-	Environmental Protection	-	-	-
462 842	372 972	89 870	Waste Management	759 503	515 743	243 760
41 071 297	41 139 390	(68 093)	Road Transport	53 699 193	53 813 290	(114 097)
51 910 157	42 055 819	9 854 338	Water	57 563 905	50 542 160	7 021 745
813 335	654 031	159 304	Electricity	1 059 015	787 048	271 967
81 684 459	20 265 684	61 418 775	Other	89 117 262	36 555 861	52 561 401
187 219 522	148 641 302	38 578 220	Sub Total	218 142 573	196 168 143	21 974 430
-	-	-	Less Inter-Dep Charges	-	-	-
187 219 522	148 641 302	38 578 220	Total	218 142 573	196 168 143	21 974 430
		-	Add: Share of Associate			-
		38 578 220				21 974 430

APPENDIX E(1)

WEST COAST DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2009

REVENUE	2009 Actual (R)	2009 Budget (R)	2009 Variance (R)	2009 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Property rates	766 723	737 850	28 873	3.91%	
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	59 687 851	57 886 510	1 801 341	3.11%	
Regional Services Levies - remuneration	-	-	-	0.00%	
Regional Services Levies - turnover	-	-	-	0.00%	
Rental of facilities and equipment	-	-	-	0.00%	
Interest earned - external investments	16 684 500	12 597 000	4 087 500	32.45%	Due to higher interest rate.
Interest earned - outstanding debtors	-	-	-	0.00%	
Dividends received	-	-	-	0.00%	
Fines	-	-	-	0.00%	
Licences and permits	-	-	-	0.00%	
Income for agency commission	4 975 572	4 652 109	323 463	6.95%	
Infrastructure grants	48 723 430	41 868 981	6 854 449	16.37%	In line with expenditure 2008/2009
Government grants and subsidies	82 186 394	18 721 000	63 465 394	339.01%	Implementation of GRAP
Other income	5 062 264	142 406 490	(137 344 226)	-96.45%	Implementation of GRAP
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	55 838	-	55 838	0.00%	
Total Revenue	218 142 572	278 869 940	(60 727 368)	-21.78%	
EXPENDITURE					
Employee related costs	43 078 346	53 223 580	(10 145 234)	-19.06%	Vacant posts not filled.
Remuneration of Councillors	4 569 104	4 722 780	(153 676)	-3.25%	
Bad debts	-	-	-	0.00%	
Collection costs	-	-	-	0.00%	
Depreciation	9 484 401	18 925 720	(9 441 319)	-49.89%	Implementation of GRAP
Repairs and maintenance	54 867 378	48 692 410	6 174 968	12.68%	More expenditure on road maintenance
Interest paid	1 804 861	3 601 660	(1 796 799)	-49.89%	Delay in taking-up the external loan.
Bulk purchases	6 705 467	4 785 690	1 919 777	40.11%	Outstanding accounts paid.
Contracted services	-	-	-	0.00%	
Grants and subsidies paid	-	-	-	0.00%	
General expenses - other	70 596 069	144 918 100	(74 322 031)	-51.29%	Implementation of GRAP
Loss on disposal of property, plant and equipment	5 062 517	-	5 062 517	0.00%	
Total Expenditure	196 168 143	278 869 940	(82 701 797)	-29.66%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	21 974 429	-	21 974 429	0.00%	

APPENDIX E(1)

WEST COAST DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2008

REVENUE	2008 Actual (R)	2008 Budget (R)	2008 Variance (R)	2008 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Property rates	732 030	500 500	231 530	46.26%	More income then expected
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	53 186 332	47 789 150	5 397 182	11.29%	More income then expected
Regional Services Levies - turnover	2 128 041	1 200 000	928 041	77.34%	More income then expected
Regional Services Levies - remuneration	2 956 117	2 350 000	606 117	25.79%	More income then expected
Rental of facilities and equipment	-	-	-	0.00%	
Interest earned - external investments	18 800 771	12 597 000	6 203 771	49.25%	Due to higher interest rate
Interest earned - outstanding debtors	-	-	-	0.00%	
Dividends received	-	-	-	0.00%	
Fines	-	-	-	0.00%	
Licences and permits	-	-	-	0.00%	
Income for agency commission	4 107 130	4 028 000	79 130	1.96%	
Infrastructure grants	36 964 167	40 277 800	(3 313 633)	-8.23%	
Government grants and subsidies	15 581 359	11 725 000	3 856 359	32.89%	In line with expenditure
Other income	52 423 048	70 687 780	(18 264 732)	-25.84%	Due to under spending of capital expenditure
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	340 527	-	340 527	0.00%	
Total Revenue	187 219 522	191 155 230	(3 935 708)	-2.06%	
EXPENDITURE					
Employee related costs	32 413 593	55 565 260	(23 151 667)	-41.67%	Vacant post not filled
Remuneration of Councillors	4 223 711	4 932 090	(708 379)	-14.36%	Lower expenditure then expected and vacant seat
Bad debts	-	-	-	0.00%	
Collection costs	-	620 000	(620 000)	-100.00%	Due to abolishment of RSC levies
Depreciation	10 823 437	10 789 230	34 207	0.32%	
Repairs and maintenance	42 176 092	49 614 940	(7 438 848)	-14.99%	In line with capital expenditure 2006/2007
Interest on external borrowings	576 822	642 030	(65 208)	-10.16%	Lower expenditure then expected
Bulk purchases	4 304 346	4 488 600	(184 254)	-4.10%	
Contracted services	-	-	-	0.00%	
Grants and subsidies paid	-	-	-	0.00%	
General expenses - other	54 123 301	66 503 080	(12 379 779)	-18.62%	
Loss on disposal of property, plant and equipment	-	-	-	0.00%	
Total Expenditure	148 641 302	193 155 230	(44 513 928)	-23.05%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	38 578 220	(2 000 000)	40 578 220	-2028.91%	

APPENDIX E(2)

ISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT) FOR THE YEAR END

	<u>2009 Actual</u>	<u>2009 Under Construction</u>	<u>2009 GRAP</u>	<u>2009 Total Additions</u>	<u>2009 Budget</u>	<u>2009 Variance</u>	<u>2009 Variance</u>	<u>Explanation of Significant Variances greater than 5% versus Budget</u>
	R	R	R	R	R	R	%	<i>(Explanations to be recorded)</i>
Land and Buildings								
Land	-	-	-	-	-	-	0.00%	
Buildings	-	-	-	-	-	-	0.00%	
	-	-	-	-	-	-	0.00%	
Infrastructure								
Water Schemes	18 017 788	5 159 073	-	23 176 861	27 200 000	(4 023 139)	-14.79%	Work in process
Pump Stations	1 469 200	-	-	1 469 200	1 800 000	(330 800)	-18.38%	Savings on projects
Beach Improvements	-	-	-	-	-	-	0.00%	
Sewerage Mains & Purif	4 386 751	-	-	4 386 751	4 150 000	236 751	5.70%	Savings on projects
Electricity Mains	250 132	-	-	250 132	250 000	132	0.05%	
Electricity Peak Load Equip	-	-	-	-	-	-	0.00%	
Water Mains & Purification	111 551	-	-	111 551	500 000	(388 449)	-77.69%	Savings on projects
Reservoirs - Water	8 564 457	-	-	8 564 457	8 650 000	(85 543)	-0.99%	
Water Meters	316 694	-	-	316 694	320 000	(3 306)	-1.03%	
Paving of streets	-	-	-	-	-	-	0.00%	
Security Fencing	172 909	-	-	172 909	180 000	(7 091)	-3.94%	
Water Mains	-	-	-	-	-	-	0.00%	
	33 289 482	5 159 073	-	38 448 555	43 050 000	(4 601 445)	-10.69%	
Community Assets								
Parks & Gardens	-	-	-	-	-	-	0.00%	
Libraries	-	-	-	-	-	-	0.00%	
Recreation Grounds	838 703	-	-	838 703	850 000	(11 297)	-1.33%	
Civic Buidings	11 723 674	-	-	11 723 674	12 090 500	(366 826)	-3.03%	
	12 562 377	-	-	12 562 377	12 940 500	(378 123)	-2.92%	
Heritage Assets								
Historical Buildings	-	-	-	-	-	-	0.00%	
Painting & Art Galleries	-	-	-	-	-	-	0.00%	
	-	-	-	-	-	-	0.00%	
Total carried forward	45 851 859	5 159 073	-	51 010 932	55 990 500	(4 979 568)		

APPENDIX E(2)

ISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT) FOR THE YEAR END

	<u>2009</u> <u>Actual</u>	<u>2009</u> <u>Under</u> <u>Construction</u>	<u>2009</u> <u>GRAP</u>	<u>2009</u> <u>Total</u> <u>Additions</u>	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Variance</u>	<u>2009</u> <u>Variance</u>	<u>Explanation of Significant Variances</u> <u>greater than 5% versus Budget</u>
	R	R	R	R	R	R	%	
Total brought forward	45 851 859	5 159 073	-	51 010 932	55 990 500	(4 979 568)		
Housing Rental Stock								
Housing Rental 1	-	-	-	-	-	-	0.00%	
Housing Rental 2	-	-	-	-	-	-		
							0.00%	
Leased Assets (Infrastructure)								
Sewerage Mains & Purify	-	-	-	-	-	-	0.00%	
							0.00%	
Other Assets								
Landfill Sites	259 189	500 000	-	759 189	750 000	9 189	1.23%	
Furniture & Fittings	-	-	-	-	-	-	0.00%	
Office Equipment	-	-	-	-	-	-	0.00%	
Other Plant	1 931 586	-	-	1 931 586	1 280 000	651 586	50.91%	Assets funded from revenue contributions
Other Assets	-	-	4 929 956	4 929 956	-	4 929 956	0.00%	Implementation of GRAP
Other Vehicles	936 094	-	-	936 094	1 000 000	(63 906)	-6.39%	Savings on projects
Special Plant	-	-	-	-	-	-	0.00%	
Special Vehicles	-	-	-	-	-	-	0.00%	
Fire engines	11 410 838	-	-	11 410 838	12 000 000	(589 162)	-4.91%	
Refuse tankers	-	-	-	-	-	-	0.00%	
Computer equipment	-	-	-	-	-	-	0.00%	
Councillors Regalia	-	-	-	-	-	-	0.00%	
Workshops/Depots	1 395 835	-	-	1 395 835	1 600 000	(204 165)	-12.76%	Savings on projects
Watercraft	-	-	-	-	-	-	0.00%	
	15 933 542	500 000	4 929 956	21 363 498	16 630 000	4 733 498	28.46%	
Total	61 785 401	5 659 073	4 929 956	72 374 430	72 620 500	(246 070)	-0.34%	

APPENDIX F

WEST COAST DISTRICT MUNICIPALITY: GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA , 56 OF 2003 FOR THE YEAR ENDED 30 JUNE 2009

Name of Grant	Name of organ of state or municipal Entity	Quarterly Receipts					Quarterly Expenditure					Grants and Subsidies delayed / withheld					Reason for delay withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non - compliance
		March	June	Sept	Dec	March	March	June	Sept	Dec	March	March	June	Sept	Dec	March			
		R	R	R	R	R	R	R	R	R	R	R	R	R	R	R			
Global Fund WCDM Community MSIG	Provincial National	508 466	518 776	34 811	317 544	242 679	393 584	455 434	76 823	442 174	537 685						Yes		
Knervlakte Biosphere	Provincial			735 000	353 395		450 000	146 693	2 415	279 514	12 000						Yes		
Cederberg Biosphere	Provincial							3 150									Yes		
West Coast Biosphere	Provincial							35 487									Yes		
Western Gateway	Provincial							66 635		22 389					1 575		Yes		
Economic Development Wupperthal	Provincial							9 789									Yes		
Economic Development Nuwerus	Provincial							2 931	9 765	764	4 839						Yes		
MIG	National	213 874			1 393 061	5 392 939	792 382	645 904		1 393 061	5 392 939						Yes		
Financial Management Grant	National			500 000			173 814	79 491		52 117	178 655	228 804					Yes		
Vuna Rewards	National				750 000		125 932			18 949	(17 145)						Yes		
T Funding Stofkraal	Provincial														27 441		Yes		
Estab.Human Rights Program	Provincial														54 661		Yes		
Training of Housing Officials	Provincial							20 291							36 063		Yes		
Rietpoort RDP Water	Provincial										198 494						Yes		
Development Unit	Provincial							11 550	298	515							Yes		
Rural Area Development	National							33 498	65 267	91 050	114 675						Yes		
Infrastructure Project Divisional Road 2151	Provincial						640 448										Yes		
Wupperthal RDP Water	Provincial										111 765						Yes		
WCDM-Tourism Road Signage	Provincial											58 810					Yes		
Drought Relief Programme	DWAF						1 056 181	361 650	673 300	957 853	258 000						Yes		
DMA Multi Purpose Centres	Provincial						42 658	613 358			113 832						Yes		
CDW Funds	Provincial																Yes		
Kliprand Drought Relief	DWAF	500 000						102 474	40 780	111 431							Yes		
Alternative Water Reserve Study	DWAF	583 317	1 468 683			700 000	537 266			710 914	280 671						Yes		
Social Development Projects	Provincial						57 923	140 222	366 327	202 105	89 456						Yes		
Learnership Grant SAQA 48473	Provincial			90 000					90 000								Yes		
Chatsworth Bucket Eradication	DWAF	35 000		180 000		240 000	42 061				108 203						Yes		
Designatehiphop Media	DWAF	15 000															Yes		
Sportgrounds DMA	Provincial					1 000 000											Yes		
Asset Management Bulk Water	DWAF	60 000				140 000				63 595							Yes		
Kliprand Electricity	Private		2 508 000				38 132			359 829	1 053 855						Yes		
Marcuskraal / Middeltuyn Road	Private							1 303 495	282 199								Yes		
Wupperthal NER	Private									33 184							Yes		
Farmers Pakhuispas	Private																Yes		
Disaster Control	Private						18 800										Yes		
MCM Signage	Private							26 633	12 600								Yes		
Total		1 915 657	4 495 459	1 539 811	2 814 000	7 715 618	4 369 181	4 058 685	1 690 840	5 161 113	8 373 509								