

AMATHOLE DISTRICT MUNICIPALITY
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011
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AMATHOLE DISTRICT MUNICIPALITY

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2011

GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE MAYORAL COMMITTEE

ALDERMEN/COUNCILLORS

Konza, N.	<i>Executive Mayor</i>	
Janda, S.	<i>Speaker</i>	
Mtintsilana, S.	<i>Chief Whip</i>	
Papu, M.	<i>Human Resources</i> <i>Human Resources & Administration SC Chairperson</i>	PR
Madikane, E.	<i>Community Safety</i>	PR
Memani, M.	<i>Local Economic Development</i> <i>Development & Planning SC Chairperson</i>	PR
Finca, P.	<i>Land and Housing</i>	PR
Genu, S.	<i>Strategic Planning & IDP</i>	PR
Jacobs, L.E.V.	<i>Budget & Treasury</i>	PR
Bikitsha, M.	<i>Water & Sanitation</i> <i>Infrastructure SC Chairperson</i>	PR
Melitafa, B.	<i>Engineering and Infrastructure</i>	PR
Billie, P.	<i>Health & Protection</i> <i>Community Services SC Chairperson</i>	PR
Kubukeli, T.	<i>Community Liaison & Participation</i>	PR

GRADING AND JURISDICTION OF THE DISTRICT MUNICIPALITY

Grade 6

- *Integrated development planning for the district municipality as a whole including a framework for all municipalities in the area*
- *Potable water supply systems*
- *Domestic waste-water and sewage disposal systems*
- *Solid waste disposal sites, in so far as it relates to:*
 - determining a waste disposal strategy*
 - regulation of waste disposal*
- *Municipal Health services*
- *Fire fighting services serving the area*
- *Promotion of local tourism for the area*
- *The receipt and allocation of grants*

The Amathole District Municipality is located in the mid-section of the Eastern Cape Province along the coastline of the Indian Ocean, encompassing the former homeland areas of the Ciskei and Transkei, as well as the former Cape Provincial Administration areas.

The Amathole District Municipality's demarcated area is made up of eight (8) local municipalities namely:

- *Buffalo City Municipality;*
- *Amahlathi Municipality;*
- *Nxuba municipality;*
- *Nkonkobe Municipality;*
- *Ngqushwa Municipality;*
- *Great Kei Municipality;*
- *Mnquma Municipality; and*
- *Mbhashe Municipality*

AMATHOLE DISTRICT MUNICIPALITY
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011
GENERAL INFORMATION

AUDITORS

Auditor - General

BANKERS

*Standard Bank -East London
ABSA Bank, East London*

REGISTERED OFFICE

*40 Cambridge St PO Box 320 Telephone : 043 701 4000
East London East London Fax : 043 742 0337
5200*

MUNICIPAL MANAGER

Mlokoti, V

CHIEF FINANCIAL OFFICER

Zote, Y

LEGISLATION

The ADM complies with the following:
Municipal Finance Management Act 56 of 2003,
Municipal Demarcation Act 27 of 1998
Municipal Structures Act 117 of 1998,
Laws Amendment Act 51 of 2002
Constitution of the Republic of South Africa Act No.108 as amended,
Municipal Systems Act 32 of 2000,
Water Services Act,
Basic Conditions of Employment Act 75 of 1997,
Labour relations Act 66 of 1995,
Remuneration of Public Office Bearers Act 20 of 1998,
Division of Revenue Act
Housing Act 107 of 1997,
Local government transitions Act 209 of 1993,
Local government transitions Act Second Amendment Act 97 of 1996,
Local government: Municipal Planning and Performance Management Regulations 2001,
Local government: Municipal Performance Regulations for Municipal Managers and managers directly accountable to Municipal Managers 2006,
Supply Chain Management Regulations 2005,
Value Added Tax Act 89 of 1991, and
Unemployment Insurance Act 30 of 1966

AMATHOLE DISTRICT MUNICIPALITY
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011
MEMBERS OF THE AMATHOLE DISTRICT MUNICIPALITY

COUNCILLOR/ ALDERMAN	WARD	COUNCILLOR/ ALDERMAN	WARD
Baleni , X	<i>Mbhashe</i>	Mgidlana , N.	<i>PR</i>
Bangani , L	<i>Great Kei</i>	Mkosana , N	<i>Amahlathi</i>
Benya , N.	<i>Mbhashe</i>	Mkosana , V. V.	<i>PR</i>
Bikitsha , M	<i>PR</i>	Mpande , Q	<i>Mnquma</i>
Billie , P	<i>PR</i>	Mtintsilana S.	<i>PR</i>
Duna , W.	<i>PR</i>	Mvakwedlu , A	<i>PR</i> Resigned
Dwanya , T. P.	<i>Nkonkobe</i>	Ndabazonke , N	<i>Ngqushwa</i>
Dyani , N	<i>Great Kie</i>	Ngqongolo , G.	<i>Mnquma</i>
Dyani , T	<i>Mnquma</i>	Nkukuma , N.	<i>Amahlathi</i>
Finca , P	<i>PR</i>	Nonjaca , N.	<i>Mbhashe</i>
Genu , S	<i>PR</i>	Papu , M.	<i>PA</i>
Jacobs , L	<i>PR</i>	Plaatjie , N.	<i>Mnquma</i>
Jali , S. A.	<i>Ngqushwa</i>	Qaba , p	<i>Amahlathi</i>
Janda , S	<i>PR</i>	Rawana , M	<i>Nkonkobe</i>
Jikwana , R.	<i>Mnquma</i> Resigned	Roji , X.	<i>Amahlathi</i>
Konza , N	<i>PR</i>	Rulashe , N.	<i>Nkonkobe</i>
Kubukeli , T.	<i>PR</i>	Sigcawu , B.	<i>Mbhashe</i>
Macakela , S. W.	<i>Nkonkobe</i>	Sinyongo , L.	<i>Nkonkobe</i>
Madikane , E	<i>PR</i>	Siwisa , M.	<i>Ngqushwa</i>
Magatya , N.	<i>Mbhashe</i>	Solontsi , Z	<i>Mnquma</i>
Malgha , E	<i>PR</i>	Tetyana , M.	<i>Mbhashe</i>
Maloni , Q	<i>Nxuba</i>	Tyala , M	<i>Mnquma</i>
Manxila , T.	<i>Mnquma</i>	Ward , W.	<i>PR</i>
Melitafa , B.	<i>PR</i>	Xego- Sovita , S.	<i>PR</i>
Memani , M. M.	<i>PR</i>		
Mfecane , N.	<i>Mbhashe</i>		

Konza, N.

SPEAKER

Janda, S.

APPROVAL OF THE FINANCIAL STATEMENTS

The annual financial statements were approved by the Municipal Manager

on _____ .

MUNICIPAL MANAGER

Mlokoti, V

CHIEF FINANCIAL OFFICER

Zote, Y

AMATHOLE DISTRICT MUNICIPALITY
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011
DIRECTORS OF ASPIRE

DIRECTOR

Mr. SN Kondlo Chairperson
Ms. P Xuza Chief Executive Officer
Ms. NEP Loyilane
Dr. P Mafuya
Mr. P Majeke
Mr. L Ntshinga

Subsequent to year end STBB Consulting were retained to provide a representative on a short-term basis, to act as the Company Secretary while a permanent appointee is sourced.

AMATHOLE DISTRICT MUNICIPALITY
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

Approval of consolidated annual financial statements

I am responsible for the preparation of these consolidated annual financial statements, which are set out on pages X to X 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, loans made to Councillors, if any, and payments made to Councillors for loss of office, if any, as disclosed in note 24 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 and the Minister of Provincial and Local Government's determination in accordance with this Act.

Municipal Manager: V. Mlokoti

Date

FOREWORD TO THE ANNUAL FINANCIAL STATEMENTS BY THE EXECUTIVE MAYOR – CLR NOMASIKIZI KONZA

The financial year under review was quite a dynamic year, which was characterised by, amongst others the escalating drought situation, the takeover of the housing projects of Amathole District Municipality by the Provincial Department of Human Settlements, the completion of the transfer of the Primary Health Care function to the Provincial Department of Health, finalisation of negotiations for the devolution of the Municipal Health function from the Provincial Department of Health to ADM, the change of status of Buffalo City Municipality from a secondary city to a metropolitan municipality and national municipal elections. The approved budget for the year had to undergo significant adjustments to accommodate the flexibility required to align with changes emanating from these dynamic processes. The greatest challenge emanating from the budget adjustments were the funds that were ultimately requested for rollovers. Even though the leadership expressed displeasure to the extent of rollover applications, commitment by management was acknowledged to deal with the matter moving forward. These commitments include monitoring mechanisms to deal with project spending, the centralisation of project management activities, procurement planning and monitoring and project expenditure monitoring.

The outgoing councillors did their utmost to pave the way for the incoming incumbents by completing all the necessary approvals required in terms of legislative requirements. They went the extra mile by implementing their handover processes diligently. While appreciating the foundations laid by the outgoing councillors, the officials did sterling work to introduce the new councillors into the business of ADM.

Whereas there are planning and project management challenges within ADM that result in rollovers, the amounts available from the equitable share allocation and levy replacement grant are unable to perform the functions assigned to ADM. The pace of negotiations between ADM and National Treasury on this matter is a cause for concern as the cash reserves of ADM are diminishing due to their utilisation to fill the funding gaps. The revenue raised by ADM from trading activities has remained at around 30% of the billed amount for the year. As a result, ADM continues to be dependent on funding through equitable share and conditional grants. The municipality's sustainability is threatened by this dependence, especially in view of the fact that the majority of the consumers of its services are free basic service beneficiaries and indigent households.

During the year under review, ADM prioritised the resolution of matters raised by the Auditor General in the audit for the year ended 30 June 2010. The key issues of qualification are revenue and receivables as well as property, plant and equipment. Management have taken significant steps to redo the verification and valuation of the medium and high confidence water schemes. In the process of doing this verification and valuation, there were new low confidence schemes that were also valued, including the schemes that were taken over from the erstwhile Department of Water Affairs. These schemes are all valued by components and I am happy that infrastructure assets have been verified and valued to such an extent.

While performing the infrastructure asset verification and valuation, the municipality also carried out the measurement of the water inventory quantification. That has enabled the institution to have reasonable estimates of water losses through free basic services and network leakages combined, meaning that they are not yet measurable separately.

The service coverage surveys carried out by our Engineering Department have enabled ADM to quantify the revenue losses through unbilled consumers due to non metering, meters not linked to the financial accounting system, faulty meters and serviced vacant stands not billed availability tariffs. Prior-year errors emanating from these revenue losses were corrected in the financial statements of 2010/2011 financial year.

The report by management on the implementation of the audit report action plan demonstrates significant improvements in the resolution of all matters, including the matters of emphasis as well as other matters. These improvements provide comfort in knowing that our path towards a clean audit is becoming ever nearer.

The audit committee has played an important role in advising council on matters of governance, financial management and the control environment. This role has been enhanced by the increased capacity of internal audit to advise management and support the audit committee accordingly. Management has also played their part in ensuring that they perform their risk management responsibilities. Thus the issues of governance are prioritised in the management and leadership of the institution.

The Office of the Auditor General has been knocking on the doors of the Office of the Executive Mayor of ADM with the intentions of sharing information on matters of financial management, governance and controls. This is a positive gesture from the side of the auditors to demonstrate value-added services and commitment to the new developmental approach. It is a legacy that started in prior years and is improving with time. The positive spin-offs of this approach to audits include the prioritisation of external audit matters in the business of council.

We have experienced an increase in discussions on matters of fruitless and wasteful expenditure in the meetings of council and its committees. This shows maturity in the awareness on matters of fruitless and wasteful expenditure, irregular expenditure and unauthorised expenditure at all levels of council. In some instances, council committees were appointed to investigate whereas in other

instances these were resolved by council through direct recommendations by management.

The performance management system improvements have also opened opportunities for councillors to gain insights into the performance of the institution. The high level performance assessments for the four quarters indicate uneven performance levels for the institution, at both departmental and cluster levels. The attention of the Executive Mayor has been drawn to the areas of weakness and management has committed itself to address these without undue delays.

The commitment of ADM to good governance in the district has not enjoyed maximum support from local municipalities as anticipated when the municipal support agreements were signed between the mayors of the district during the Good Governance Summit in 2009. The independence of local municipalities was emphasised when it was time for the implementation of the agreed deliverables. There is still more room for improvement in the implementation of these agreements and meanwhile, there will still be disparities in the best practices of municipalities in the district until the full implementation of the agreements are realised.

On behalf of Council I am proud to present the financial statements for 2010/2011, which reflects our achievements over the past year. I take this opportunity to thank all our Councillors, officials and stakeholders for their smart and hard work in making these successes possible, despite the immense challenges encountered. We look forward to a more successful and productive year ahead, precisely because **TOGETHER WE CAN DO MORE.**

Sincerely

COUNCILLOR NOMASIKIZI KONZA
EXECUTIVE MAYOR

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

AMATHOLE DISTRICT MUNICIPALITY OF FINANCIAL POSITION AT 30 JUNE 2011

STATEMENT 1

MUNICIPALITY		GROUP		
2010/11 R	2009/10 R	Notes	2010/11 R	2009/10 R
2 616 270 732			2 616 859 930	
2 550 786 384	2 377 217 821	1	2 551 225 984	2 377 393 379
64 804 410	36 766 646	2	64 804 410	36 766 646
17 039	266 001	3	167 637	266 001
1 000	1 000	4.1	-	-
661 900	546 599	5	661 900	546 599
866 774 449			890 179 621	
11 062 631	8 361 445	6	11 062 631	8 361 445
50 769 782	51 000 905	7	50 769 782	51 000 905
4 073 181	7 085 120	8	4 285 184	6 292 158
6 625	6 568	5	6 625	6 568
-	-	28	-	83 626
42 951 207	20 823 910	9	42 951 207	21 823 288
466 189 906	469 466 675	4.2	466 189 906	469 466 675
291 721 116	279 773 173	10	314 914 287	292 250 546
3 483 045 181			3 507 039 551	
2 414 798 067			2 414 972 626	
836 517 796			849 285 211	
3 251 315 864			3 264 257 837	
ASSETS				
Non-current assets				
Infrastructure, plant and equipment				
Investment property				
Intangible assets				
Investment in subsidiary				
Long term receivables				
Current assets				
Inventory				
Consumer debtors				
Other receivables				
Current portion of long-term receivables				
Taxation - provisional tax				
VAT receivable				
Financial Assets - Investments				
Cash and cash equivalents				
Total Assets				
NET ASSETS AND LIABILITIES				
108 042 794			108 076 130	
537 614	265 392	11	537 614	265 392
281 579	213 796	12	314 916	226 023
98 450 093	91 963 231	13	98 450 093	91 963 231
8 773 507	10 025 289	15.1	8 773 507	10 025 289
254 897 361			272 422 778	
503 553	350 479	11	503 553	350 479
-	0	9	140 322	0
1 599 907	1 398 833	14	1 599 907	1 398 833
128 573 153	103 929 355	15	128 824 097	104 699 295
-	-	14	-	-
-	-	28	202 335	-
3 223 809	4 716 692	16	3 479 727	4 972 610
120 996 939	127 483 618	19.3	137 672 836	135 472 830
362 940 154			380 498 906	
3 120 105 027			3 126 540 645	
18 665 018	(5 826 003)		18 665 018	(5 826 003)
3 101 440 009	2 916 795 183		3 107 875 627	2 920 709 857
3 483 045 181			3 507 039 551	
3 251 315 864			3 264 257 837	
Non-current liabilities				
Finance lease obligation				
Operating lease liability				
Defined benefit obligations				
Leave accrual				
Current liabilities				
Current portion of finance lease obligation				
VAT payable				
Consumer deposits				
Trade and other payables				
Current portion of deferred income				
Taxation				
Provisions				
Unspent conditional grants and receipts				
Total Liabilities				
Net assets				
Revaluation reserve				
Accumulated surplus/(deficit)				
Total Net Assets and Liabilities				

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

AMATHOLE DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2011

MUNICIPALITY		GROUP			
Actuals		Actuals			
2010/11	2009/10		2010/11	2009/10	
R	R	Notes	R	R	
REVENUE					
115 749 115.34	86 826 453	Service charges	115 749 115	86 826 453	17
-	12 276	Regional service charges	-	12 276	18
268 692.07	233 425	Rental of facilities & equipment	268 692	233 425	
3 034 766.00	2 176 861	Income for agency services	3 034 766	2 176 861	19.2
795 608 177.06	714 358 440	Government grants & subsidies	855 052 700	724 416 358	19
44 245 614.62	35 034 763	Other income	44 691 044	35 611 817	20
40 141 439.08	50 033 771	Interest earned - external investments	40 989 608	50 671 109	30
22 839 169.00	13 673 797	Interest earned - outstanding receivables	22 839 169	13 673 797	31
1 021 886 973.17	902 349 786	Total Revenue	1 082 625 094	913 622 096	
EXPENDITURE					
248 388 545.45	215 934 657	Employee costs	253 824 173	219 783 223	23
11 306 545.67	10 184 714	Remuneration of councillors and directors	11 512 992	10 320 609	24
91 900 931.36	49 732 596	Bad debts	91 900 931	49 732 596	32
1 476 868.00	1 506 682	Collection costs	875 896	1 532 705	
76 608 462.88	75 080 266	Depreciation and amortisation	76 713 247	75 157 509	21
7 876 117.00	13 022 692	Repairs & maintenance	7 919 233	13 065 808	
194 142.00	91 580	Finance costs	724 550	97 185	33
134 481.00	1 648 241	Grants & subsidies paid	60 629 684	13 293 346	27.1
1 832 501.68	(4 590 935)	Grants & subsidies paid: capital	1 832 502	(4 590 935)	27.2
392 927 078.83	415 242 666	General expenses	384 725 480	408 984 329	22
832 645 674.87	777 853 159	Total Expenditure	890 658 689	787 376 375	
189 241 298.30	124 496 628	OPERATING SURPLUS	191 966 405	126 245 720	
321 174.62	414 228	Gain/(loss) on disposal of assets	319 127	425 368	21
189 562 471.92	124 910 856	SURPLUS FOR THE YEAR	192 285 531	126 671 089	
-	-	Less: Taxation	(207 040)	(3 119)	28
189 562 471.92	124 910 856		192 078 492	126 667 970	

Refer to Appendix E (1) for explanation of variances

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE
2011

	Notes	Revaluation Reserve	Accumulated Surplus/ (Deficit)	Total
<i>Balance at 1 July 2009</i>				
Opening balance as previously reported		7 109 925	1 508 277 308	1 515 387 233
Changes in accounting policies	38	-	-	-
Correction of prior period errors	39	(20 952 428)	1 282 912 173	1 261 959 745
Balance at 1 July 2009 as restated		(13 842 503)	2 791 189 481	2 777 346 978
Surplus on the revaluation of property		8 711 346		8 711 346
Surplus for the year		-	124 910 856	124 910 856
Transfer from reserve		(694 846)	694 846	-
		8 016 500	125 605 702	133 622 202
<i>Balance at 30 June 2010</i>		(5 826 003)	2 916 795 183	2 910 969 179
<i>Opening balance 1 July 2010</i>		(5 826 003)	2 916 795 183	2 910 969 179
Surplus on the revaluation of property			-	-
Surplus for the year			189 562 472	189 562 472
Transfer from reserve		24 491 020	(4 917 645)	19 573 375
		24 491 020	184 644 827	209 135 847
<i>Balance at 30 June 2011</i>		18 665 018	3 101 440 009	3 120 105 027

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE
2011 - GROUP

	Notes	Revaluation Reserve	Accumulated Surplus/ (Deficit)	Total
<i>Balance at 1 July 2009</i>				
Opening balance as previously reported		7 109 925	1 510 434 869	1 517 544 794
Changes in accounting policies	38	-	-	-
Correction of prior period errors	39	(20 952 428)	1 282 912 172	1 261 959 745
Balance at 1 July 2009 as restated		(13 842 503)	2 793 347 041	2 779 504 539
Surplus on revaluation of property		8 711 346		8 711 346
Surplus for the year		-	126 667 970	126 667 970
Transfer from reserve		(694 846)	694 846	-
		8 016 500	127 362 816	135 379 316
<i>Balance at 30 June 2010</i>		(5 826 003)	2 920 709 857	2 914 883 855
<i>Opening balance 1 July 2010</i>		(5 826 003)	2 920 709 857	2 914 883 855
Surplus on the revaluation of property		-	-	-
Deficit for the year		-	192 078 492	192 078 492
Transfer from reserve		24 491 020	(4 912 722)	19 578 299
		24 491 020	187 165 770	211 656 791
<i>Balance at 30 June 2011</i>		18 665 018	3 107 875 627	3 126 540 645

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

AMATHOLE DISTRICT MUNICIPALITY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2010/11 R	2009/10 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		926 742 424	764 852 928
Sales of goods and services		24 347 999	25 993 917
Grants		792 156 264	644 978 477
Interest received	30, 31	62 980 608	63 707 568
Other receipts		47 257 554	30 172 966
Payments		(660 510 983)	(558 186 612)
Employee costs		(251 292 352)	(200 048 697)
Suppliers		(407 057 507)	(360 989 029)
Interest paid	33	(194 142)	(91 580)
Other payments		(1 966 983)	2 942 694
Cash generated from operations	34	266 231 440	206 666 317
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(479 762 168)	(126 019 672)
Proceeds on disposal of property, plant and equipment		221 690 889	414 228
Decrease in long term receivables		(115 358)	(182 075)
Purchase of financial assets		3 276 769	8 001 751
NET CASH FROM INVESTING ACTIVITIES		(254 909 867)	(117 785 768)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease payments		425 296	11 147
(Decrease)/Increase in long term loan		-	-
Proceeds from consumer deposits		201 074	433 163
NET CASH FROM FINANCING ACTIVITIES		626 370	444 310
NET CASH FLOW		11 947 943	89 324 857
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		11 947 943	89 324 857
Cash and cash equivalents at the beginning of year		279 773 173	190 448 316
Cash and cash equivalents at year end	10	291 721 116	279 773 173

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

AMATHOLE DISTRICT MUNICIPALITY CASH FLOW STATEMENT- GROUP FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2009/10 R	2008/09 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts		995 162 265	779 305 833
Sales of goods and services		24 347 999	25 993 915
Grants		860 287 472	657 937 665
Interest received	30, 31	63 828 777	64 344 906
Other receipts		46 698 018	31 029 347
Payments		(715 336 212)	(568 726 800)
Employee costs		(256 934 426)	(203 967 933)
Suppliers		(395 008 010)	(179 816 576)
Interest paid	33	(724 550)	(97 185)
Other payments		(62 462 186)	(184 708 702)
Taxation paid		(207 040)	(136 404)
Cash generated from operations	34	279 826 055	210 579 033
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(479 805 776)	(126 063 280)
Proceeds on disposal of property, plant and equipment		218 850 754	414 228
Decrease in long term receivables		(115 358)	(182 075)
Purchase of financial assets		3 276 769	8 001 751
NET CASH FROM INVESTING ACTIVITIES		(257 793 610)	(117 829 376)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease payments		425 296	11 147
Increase in long term loan		-	-
Proceeds from consumer deposits		201 074	433 163
NET CASH FROM FINANCING ACTIVITIES		626 370	444 310
NET CASH FLOW		22 658 815	93 193 967
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		22 663 741	93 193 967
Cash and cash equivalents at the beginning of year		292 250 546	199 056 580
Cash and cash equivalents at year end	10	314 914 287	292 250 546

**CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR AMATHOLE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2011
ACCOUNTING POLICIES**

1. BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, unless specified otherwise.

The annual financial statements have been prepared in accordance with the effective Standards of Generally Recognised Accounting Practice (GRAP), including any interpretations and directives issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except as required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

1.2 SIGNIFICANT JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the process of applying the municipality's accounting policies, management has made the following significant accounting judgements, estimates and assumptions, which have a significant effect on the amounts recognised in the financial statements:

Operating lease commitments -Municipality as lessor

The Municipality has entered into commercial property leases on its investment property portfolio. The municipality has determined that it retains all the significant risks and rewards of ownership of these properties and thus accounts for them as operating leases.

Pension and other post-employment benefits

The cost of defined benefit pension plans and other employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Impairment of trade receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per debtor type.

Property, plant and equipment

The useful lives of assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate. The estimation of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their useful lives, and in what condition they will be at that time.

Infrastructure assets

The determination of the fair value of the water infrastructure assets is based upon assumptions and professional judgement applied by consulting engineers using best engineering practice and industry norms and standards.

The following assumptions have been made in the compilation of the low data confidence infrastructure asset register:

- The construction year is estimated using sources in the following order of precedence: available technical records, interviewing of operations staff, comparison with adjacent infrastructure. When the date of acquisition is not known and the construction year is estimated, the acquisition date is assumed to be on the 1st day of January in the year of construction.
- The consumption of The benefits of infrastructure assets are predominantly uniform over the life of the assets. The depreciation is therefore assumed to be straight line for all infrastructure assets.
- The residual value of all civil infrastructure assets is negligible as there is no open market for the materials used in civil infrastructure and the realizable value is very small. The scrap value of mechanical and electrical plant is also negligible.

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- To calculate the asset value at 1 July 2006, the current replacement cost at 30 June 2010 was indexed back using the SA Building and Construction Index[1]. The last 12 months index figures were not available from the Department of Trade and Industry, so the Service Provider's index tracking published on its internal website was used to update the published indices. The Remaining Useful Life was estimated using a combination of visual inspection and information on asset performance provided by operations staff. For hidden assets, such as pipes, the assessment is based on the age of the pipes and information on performance from the operations staff.

Water stock

The estimation of the water stock in the reservoirs and pipelines is based on an assumption of the network reticulation capacity at year end. Existing drought conditions have also been taken into consideration.

The water stock on hand has been estimated using engineering best practice and industry norms and standards.

Provisions and contingent liabilities

Management's judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the effect of discounting is material.

Held-to-maturity financial assets

Management has reviewed the held-to-maturity financial assets in light of its capital management and liquidity requirements and has confirmed the positive intention and ability to hold these assets to maturity.

1.3. CONSOLIDATED FINANCIAL STATEMENTS

The municipality's financial statements incorporate the financial statements of the parent entity, Amathole District Municipality, and its municipal entity, Amathole Economic Development Agency, presented as a single entity and consolidated at the same reporting date as the parent entity.

All inter-entity transactions and balances, unrealised gains and losses within the economic entity are eliminated upon consolidation. Where appropriate the accounting policies of controlled entities conform to the policies adopted by the Municipality.

1.4. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

The amounts in the annual financial statements are rounded to the nearest rand.

1.5. GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on a going concern basis.

1.6. COMPARATIVE INFORMATION

Current year comparatives (budget)

Budget information in accordance with GRAP 1, has been provided in an annexure to these financial statements.

In addition a note has been added to the annual financial statements, for the current financial year only.

Prior year comparatives

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified and restated. The nature and reason for the reclassification and restatement are disclosed in the Notes to the Financial Statements. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

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1.7. STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

A number of new GRAP standards were issued but are not yet effective for the year ended 30 June 2010 and are presented below:

No.	Title of Standard	Impact on financial statements
GRAP 18	Segment Reporting	No segment required for 2009/10 reporting period
GRAP 21	Impairment of Non-cash	Full compliance not required
GRAP 23	Revenue from non-exchange	Full compliance not required
GRAP 24	Presentation of budget	Full compliance not required
GRAP 25	Employee benefits	Not required for 2009/10 reporting period. IAS 19 and IFRIC
GRAP 126	Impairment of cash generating	Full compliance not required. IAS 36 applied to formulate an
GRAP 103	Heritage assets	Full compliance not required
GRAP 104	Financial instruments	Not required for 2009/10 reporting period. IAS 32 , IAS 39,

All the above standards, where applicable, will be complied with in the financial statements once the effective date has been set. Preliminary investigations indicated that the impact of the standards on the financial statements will be minimal except for additional disclosures.

The municipality has adopted IAS 36 Impairment for impairment testing in conjunction with the tools issued by National Treasury.

Where a Standard of GRAP is approved as effective, it replaces the equivalent Statement of IPSAS, IFRS or SA GAAP. Where a standard of GRAP has been issued, but not yet in effect, an entity may select to apply the principles established in that standard in developing an appropriate accounting policy dealing with a particular section or event before applying paragraph .12 of the Standard of GRAP on Accounting Policies, Changes in Accounting Estimates and Errors.

2. RESERVES

The municipality maintains reserves in terms of specific requirements.

2.1 REVALUATION RESERVE

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve.

The re-valued assets are depreciated, through a transfer from the revaluation reserve to the accumulated surplus/ (deficit). On disposal, the net revaluation surplus is transferred to the accumulated surplus/ (deficit) while gains or losses on disposal, based on re-valued amounts, are credited or charged to the Statement of Financial Performance.

The surplus arising from the revaluation of land and buildings is credited directly to equity in the revaluation reserve. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to equity in the revaluation reserve to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Depreciation on re-valued buildings is charged to surplus or deficit. On the subsequent sale or retirement of a re-valued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to accumulated surplus/(deficit).

3. PROPERTY, PLANT AND EQUIPMENT

3.1 INITIAL RECOGNITION

Property, plant and equipment is stated at cost, less accumulated depreciation.

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the company; and
- the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it.

If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

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When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

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 amounts of the asset(s) given up.

3.2 SUBSEQUENT MEASUREMENT - COST MODEL

Subsequent to initial recognition, items of plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

3.3 SUBSEQUENT MEASUREMENT - REVALUATION MODEL (LAND AND BUILDINGS)

Land and buildings are carried at the re-valued amount, being the fair value at the date of revaluation less any subsequent accumulated depreciation. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the statement of financial position date. Land and buildings are re-valued every 3-5 years.

An increase in an asset's carrying amount, as a result of a revaluation, is credited directly to equity in the revaluation reserve. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

A decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current period. The decrease is debited directly to equity in the revaluation reserve to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

3.4 DEPRECIATION AND IMPAIRMENT

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Land is not depreciated as it is deemed to have an indefinite life.

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:

	<u>Useful life</u>		<u>Useful life</u>
Infrastructure		Other	
Roads and paving	10-30	Buildings	30
Pedestrian malls	20-30	Specialist vehicles	3-20
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
Community		Bins and containers	5
Improvements	10-30	Specialised plant and equipment	10-15
Recreational facilities	20	Other items of plant and equipment	2-5
Security	3-5		

The municipality maintains and acquires assets to provide a social service to the community, with no intention of disposing of the assets for any economic gain and thus no residual values are determined other than for motor vehicles.

Residual values are estimated at 10% of the purchase cost of the asset (motor vehicles). The depreciable amount of an asset is determined after deducting the residual value of the asset.

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The residual value, the useful life of an asset and the depreciation method, if not insignificant, are reviewed annually and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying value of an item of property, plant and equipment is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of an impairment is recognised in the Statement of Financial Performance

Assets are capitalised on the last day of the month of purchase.

Assets under construction are carried at cost. Depreciation of an asset commences when the asset is ready for its intended use.

Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful lives of the assets.

3.5 DERECOGNITION

Items of Property, Plant and Equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in the Statement of Financial Performance when the item is derecognised. The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the sales proceeds, if any, and the carrying value of the item.

3.6 INFRASTRUCTURE ASSETS

Water infrastructure assets were transferred to the municipality on 1 July 2006 when the municipality assumed responsibility for the provision of water and sanitation services in its district in terms of Government Notice 849 issued in terms of section 84(3)(a) of the Municipal Structures Act, 1998 (Act No. 117 of 1998). These assets are recognised at fair value on the date of acquisition and depreciated to their estimated residual lives on the straight line basis over their estimated useful lives. A three year implementation plan for the identification and valuation of these water infrastructure assets inherited from the local municipalities has been approved by Council due to the lack of sufficient data pertaining to each scheme. The implementation plan will assist in the physical identification and condition analysis of all major components of each scheme. The identification of the water infrastructure assets is based upon assumptions and professional judgement applied by consulting engineers using best engineering practice and industry norms and standards.

During the current year, all "low data confidence" schemes were physically verified by consulting engineers. Any uncertainties using engineering best practice and accepted norms were corrected prospectively.

The ASB Directive 7 indicates that 'deemed cost' can be used (Depreciated Replacement Cost method for infrastructure) when an entity initially recognizes an asset and the acquisition cost are not available. All the low confidence schemes were developed prior to 2006 and asset costs are not available.

To improve the low confidence data, the study required the determination of deemed cost at 1 July 2006 and that depreciation be reflected from that date forwards to 30 June 2010. The deemed cost was determined by estimating the asset depreciated replacement cost at 1 July 2006.

GRAP 17 requires that each part of an item of PPE with a cost that is significant in relation to the total cost of the item of PPE and with a different expected useful life be depreciated separately.

The infrastructure was componentized to a level that satisfies the differing useful lives requirement as well as the practical management requirements.

In the case of reticulation pipelines where no spatial data is currently available, it is impractical and very costly to survey the exact location of every reticulation pipe. In these cases, the extent of the pipelines were calculated and grouped.

Specialised buildings associated with the infrastructure facility and are included in the infrastructure asset register. These buildings are valued using the depreciated replacement cost method.

The Remaining Useful Life was estimated using a combination of visual inspection and information on asset performance provided by operations staff. For hidden assets, such as pipes, the assessment is based on the age of the pipes and information on performance from the operations staff.

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The process of identifying and valuing the infrastructure assets was completed during the current year under review hence provisional amounts previously recognised under ASB Directive 3 are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed at the transfer date.

4. INTANGIBLE ASSETS

4.1 INITIAL RECOGNITION

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.

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the municipality; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

4.2 SUBSEQUENT MEASUREMENT - COST MODEL

Intangible assets are carried at cost less any accumulated amortisation.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but is subject to an annual impairment test. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

4.3 AMORTISATION AND IMPAIRMENT

Amortisation is provided to write down the finite intangible assets, on a straight line basis, over their estimated useful lives as follows:

Item	Useful life
Computer software - Application software	3 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance. Amortisation shall commence when the asset is available for intended use.

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance. The municipality does not have any intangible assets with indefinite useful lives.

4.4 DERECOGNITION

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

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5. INVESTMENT PROPERTY

5.1 INITIAL RECOGNITION

Investment property includes property (land or a building, or part of a building, or both land or buildings held under a finance lease) held to earn rentals and/or for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

5.2 SUBSEQUENT MEASUREMENT - COST MODEL

Investment property is measured using the cost model. Under the cost model, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately.

The annual depreciation rates are based on the following estimated average asset lives:
Investment property 30 years

5.3 Investment property includes land held with an undetermined use. This land is recognised at fair value on the date of recognition.

6. NON-CURRENT ASSETS HELD FOR SALE

6.1 INITIAL RECOGNITION

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

6.2 SUBSEQUENT MEASUREMENT

Non-current assets held for sale (or disposal group) are measured at the lower of carrying amount or fair value less costs to sell.

A non-current asset is not depreciated (or amortised) while it is classified as held for sale, or while it is part of a disposal group classified as held for sale.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale are recognised in surplus or deficit.

7. INVENTORIES

7.1 INITIAL RECOGNITION

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

Where inventory is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of the item on the date acquired.

7.2 SUBSEQUENT MEASUREMENT

Consumables stores, raw materials, work-in-progress, settlements and finished goods are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. In general, the basis of determining cost is the first-in, first-out method.

Redundant and slow-moving inventories are identified and written down from cost to net realisable value with regard to their estimated economic or realisable values. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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The carrying amount of inventories is recognised as an expense in the period that the inventory was sold, distributed, written off or consumed, unless that cost qualifies for capitalisation to the cost of another asset.

7.2.1 Housing development inventory is measured at cost on the first-in, first-out basis. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs. The carrying amount of these inventories held for distribution is recognised as an expense when beneficiaries take occupation of the houses. Housing development funding received is recognised as revenue and expenditure on the Statement of Financial Performance to the extent that the Municipality has complied with any of the criteria, obligations or conditions of the grant.

7.2.2 The cost of water purchased and own water not yet sold in the Statement of financial position comprises the purchase price, import duties, and other taxes and transport, handling and other costs attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the cost of purchase. The estimation of the water stock in the reservoirs and pipelines is based on an assumption of the water reticulation network capacity at year end.

8. FINANCIAL INSTRUMENTS

The municipality initially classifies financial instruments, on initial recognition as a financial asset or financial liability in accordance with the substance of the contractual arrangement.

8.1 INITIAL RECOGNITION

Financial assets and financial liabilities are recognised on the entity's Statement of Financial Position when the municipality becomes party to the contractual provisions of the instrument.

The municipality does not offset a financial asset and a financial liability unless a legally enforceable right to set off the recognised amounts currently exist; and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

8.2 SUBSEQUENT MEASUREMENT

Financial Assets are categorised according to their nature as either financial assets at fair value through profit or loss, held-to maturity, loans and receivables, or available for sale. Financial liabilities are categorised as either at fair value through profit or loss or financial liabilities carried at amortised cost. The subsequent measurement of financial assets and liabilities depends on this categorisation and, in the absence of an approved GRAP Standard on Financial Instruments, is in accordance with IAS 39.

FINANCIAL ASSETS

The municipality classifies its financial assets according to the following categories:

- Financial Assets at Fair Value through Profit or Loss
- Held-to-Maturity Investments
- Loans and Receivables
- Available for Sale

The classification depends on the purpose for which the financial asset is acquired, and is as follows:

- Financial assets at fair value through profit or loss are financial assets that are classified as held for trading, where the municipality has acquired the financial asset principally for the purpose of selling it in the near future. They are subsequently measured at fair value at Statement of Financial Position date. Any fair value adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

- Held-to-maturity investments are financial assets with fixed or determinable payments and fixed maturity, where the municipality has the positive intent and ability to hold the investment to maturity. They are subsequently measured at amortised cost, using the effective interest rate method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

- Loans and receivables are financial assets that are created by providing money, goods or services directly to a debtor. They are subsequently measured at amortised cost, using the effective interest method. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

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- Available for Sale financial assets that are designated as available for sale, and are subsequently measured at fair value at Statement of Financial Position, except for investments in equity instruments that do not have a quoted market price in an active market and for which fair value cannot be reliably measured, which shall be measured at cost. Any adjustment is recorded in the Statement of Financial Performance in the period in which it arises.

An assessment is performed at each Statement of Financial Position date to determine whether objective evidence exists that a financial asset is impaired. The carrying amounts of cash investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments. This reduction in carrying value is recognised in the Statement of Financial Performance.

FINANCIAL LIABILITIES

The municipality measures all financial liabilities, including trade and other payables, at amortised cost, using the effective interest rate method. Financial liabilities include borrowings and other non-current liabilities.

Interest-bearing external loans and bank overdrafts are recorded net of direct issue costs.

Finance charges, including premiums payable, are accounted for on an accrual basis

8.2.1 INVESTMENTS

Financial assets, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorised as held-to-maturity and are measured at amortised cost.

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.

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.

The carrying amounts of such investments are reduced to recognise any decline, other than a temporary decline, in the value of individual investments.

8.2.2 TRADE AND OTHER RECEIVABLES

Trade receivables are categorised as financial assets; loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost. Amortised cost refers to the initial carrying amount, plus interest less repayments and impairments.

An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired.

Bad debts are written off in the year in which they are identified as irrecoverable, subject to the approval of the necessary dedicated authority.

Impairments are determined by discounting expected future cash flows to their present value.

Amounts receivable within 12 months from the date of reporting are classified as current.

An impairment of trade receivables is accounted for by reducing the carrying amount of trade receivables through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance within operating expenses. When a trade receivable is uncollectible, it is written off. Subsequent recoveries of amounts previously written off are credited against operating expenses in the Statement of Financial Performance.

Interest is charged on overdue amounts.

8.2.3 TRADE PAYABLES AND BORROWINGS

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities held at amortised cost, are initially recognised at fair value and subsequently measured at amortised cost which is the initial carrying amount, less repayments, plus interest.

Finance costs are accounted for using the effective interest rate method.

8.2.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and cash with banks and other short-term highly liquid investments that are readily convertible into known amounts of cash, that are held with registered banking institutions and are subject to an insignificant risk of change in value. Where term deposits exceed three months, it is classified under another class of financial instrument, depending on the nature.

These are initially and subsequently recorded at fair value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held on call with banks.

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8.2.5 LOANS TO MUNICIPALITIES, MUNICIPAL ENTITIES AND EMPLOYEES

These financial assets are categorised as loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost.

Amortised cost refers to the initial carrying amount, plus interest less repayments and impairments.

8.2.6 LOANS FROM MUNICIPALITIES

They are categorised as financial liabilities held at amortised cost and are initially recognised at fair value.

Subsequently, these financial liabilities are measured at amortised cost which is the initial carrying amount, less repayments, plus interest.

8.3 DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Financial assets are derecognised when the rights to receive cash flows from the asset have expired, the right to receive cash flows have been retained but an obligation to pay them in full without material delay has been assumed or the right to receive cash flows has been transferred together with substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when the associated obligation has been discharged, cancelled or has expired.

9. INVESTMENT IN SUBSIDIARIES

Subsidiaries are all controlled entities over which the municipality has ownership control or effective control to govern the financial and operating policies of such controlled entities so as to benefit from its activities.

Controlled entities are fully consolidated from the date on which control is transferred to the Municipality, and are carried at cost.

10. LEASES

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

10.1 FINANCE LEASES - LESSEE

Finance leases are initially recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lesser is included in the statement of financial position as a finance lease obligation.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability.

The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate over the remaining balance of the liability.

Leases are classified as finance leases if the following situations in accordance with paragraphs 12 and 13 of GRAP 13 individually or in combination occur:

- the lease transfers ownership of the asset to the lessee by the end of the lease term;
- the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
- the lease term is for the major part of the economic life of the asset even if title is not transferred;
- at the inception of the lease the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of such a specialised nature that only the lessee can use them without major modifications;
- if the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee;
- gains or losses from the fluctuation in the fair value of the residual accrue to the lessee (for example, in the form of a rent rebate equalling most of the sales proceeds at the end of the lease); and
- the lessee has the ability to continue the lease for a secondary period at a rent that is substantially lower than market rent.

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Subsequent to initial recognition, the leased assets are accounted for in accordance with the stated accounting policies applicable to property, plant, equipment or intangibles. The lease liability is reduced by the lease payments, which are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are expensed when incurred. The accounting policies relating to derecognition of financial instruments are applied to lease payables. The lease asset is depreciated over the shorter of the asset's useful life or the lease term.

10.2 OPERATING LEASES - LESSOR

Operating lease income is recognised as an rental income on a straight-line basis over the term of the relevant lease.

Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

Income from leases is disclosed under revenue in the Statement of Financial Performance, on a straight line basis over the term of the lease.

10.3 OPERATING LEASES - LESSEE

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability. This asset or liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

11. PROVISIONS

Provisions are recognised when:

- the municipality has a present or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect is material, non-current provisions are discounted to their present value using a pre-tax discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability.

Gains from the expected disposal of assets are not taken into account in measuring a provision.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is probable.

Contingencies are disclosed in note 35.

12. EMPLOYMENT BENEFITS

12.1 SHORT-TERM EMPLOYEE BENEFITS

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

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12.2 RETIREMENT BENEFIT PLANS

The municipality provides retirement benefits for its employees and councillors.

Defined Contribution plans are post-employment benefit plans, under which an entity pays fixed contributions into a separate entity (a fund) and will have no legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined Benefit plans are post-employment plans other than Defined Contribution plans. The Defined Benefit funds, which are administered on a provincial basis are actuarially valued tri-annually by means of projected unit credit method. Deficits identified are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities. The contributions and lump sum payments are charged against income in the year in which they become payable.

12.2.1 DEFINED CONTRIBUTION PLANS

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the company's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

12.2.2 DEFINED BENEFIT PLANS

For defined benefit pension and post retirement medical plans, full actuarial valuations are carried out for each financial year using the projected unit credit method.

Actuarial gains and losses, which can arise from differences between the expected and actual outcomes or changes in actuarial assumptions, are recognised immediately in the Statement of financial performance. Any increase in the present value of plan liabilities expected to arise from employee service during the period is charged to operating surplus.

The expected return on plan assets and the expected increase during the period in the present value of plan liabilities are included in investment income and interest expense.

Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Statement of Financial Position represents the present value of the defined benefit obligation as adjusted for unrecognised past service costs and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

The retirement benefit obligation recognised in the Statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised past service costs and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

The defined benefit funds, which are administered on a provincial basis, are actuarially valued triennially on the projected unit credit method basis. Deficits are recognised as a liability and are recovered through lump sum payments or increased future contributions on a proportional basis to all participating municipalities.

Specific actuarial information in respect of individual participating municipalities is unavailable due to centralised administration of these funds. As a result, defined benefit plans have been accounted for as if they were defined contribution plans.

12.2.3 MEDICAL AID: CONTINUED MEMBERS

The municipality provides post retirement benefits by subsidising the medical aid contributions of certain retired staff.

According to the rules of the medical aid funds, with which the municipality is associated, a member (who is on the current conditions of service), on retirement, is entitled to remain a continued member of such a medical aid fund, in which case the member is liable for 30% of the medical aid membership fee, and the municipality for the remaining 70%.

13. REVENUE RECOGNITION

Revenue is recognised net of indirect taxes, rebates and trade discounts, and consists primarily of rates, grants from National and Provincial Government, service charges, rentals, interest received and other services rendered. Revenue is recognised when it is probable that future economic benefits or services potential will flow to the municipality and these benefits can be measured reliably. Revenue arising from the application of the approved tariff charges is recognised when the relevant service is rendered by applying the relevant authorised tariff.

13.1 REVENUE FROM EXCHANGE TRANSACTIONS

Revenue from exchange transactions refers to revenue that accrued to the municipality directly in return for services rendered, the value of which approximates the consideration received or receivable.

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When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the statement of financial position date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company;
- the stage of completion of the transaction at the statement of financial position date can be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognised only to the extent of the expenses recognised that are recoverable.

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable services provided in the normal course of business, net of value added tax.

An estimate for revenue is raised for manual billing and for the period between the last meter reading and the financial year end.

13.1.1 SERVICES

Service income is recognised on an invoice basis. Service charges from sewerage and sanitation are based on the number of sewerage connections on each developed property using the tariffs approved by Council and are levied monthly.

Service charges relating to water are based on consumption. Meters are read on a monthly basis and are recognised as revenue when invoiced. Provisional estimates of consumption are made monthly when meter readings have not been performed. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. The adjustments are recognised as revenue in the invoicing period.

Revenue arising from consumption of water and sanitation in the month of June is fully accounted for whether invoiced or not.

Revenue arising from fire services is based on set basic tariffs.

13.1.2 INTEREST

Interest are recognised in the Statement of Financial Performance on a time proportionate basis, which takes into account the effective yield on the investment.

13.1.3 RENTALS

Revenue from the rental of facilities and equipment is recognised on a straight-line basis over the term of the lease agreement.

13.1.4 AGENCY SERVICES

Income from agency services is recognised once such income has been received in accordance with a service level agreement.

13.1.5 SALE OF GOODS

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- The municipality has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The municipality retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the company;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably

13.1.6 SPONSORSHIP INCOME

Sponsorship income received by the Agency is recognised as and when received.

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13.2 REVENUE FROM NON-EXCHANGE TRANSACTIONS

Revenue from non-exchange transactions refers to transactions where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transactions is generally recognised to the extent that the related receipt or receivable qualifies for recognition as an asset and there is no liability to repay the amount.

Revenue from public contributions and donations is recognised when all conditions associated with the contribution have been met or where the contribution is to finance property, plant and equipment, when such items of property, plant and equipment qualifies for recognition and first becomes available for use by the municipality. Where public contributions have been received but the municipality has not met the related conditions, a liability is recognised.

Contributed property, plant and equipment is recognised when such items of property, plant and equipment qualifies for recognition and become available for use by the municipality.

Revenue from the recovery of unauthorised, irregular, fruitless and wasteful expenditure is based on legislated procedures, including those set out in the Municipal Finance Management Act (Act No.56 of 2003) and is recognised when the recovery thereof from the responsible councillors or officials is probable.

13.3 GRANTS, TRANSFERS AND DONATIONS

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria, conditions and obligations embodied in the agreement. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional and funds are invested until utilised.

Grants without any conditions attached are recognised as revenue when the asset is recognised.

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.

14. CONDITIONAL GRANTS AND RECEIPTS

Government grants and other grants are recognised as revenue when:

- (a) it is probable that the economic benefits or service potential associated with the transaction will flow to the municipality,
- (b) the amount of the revenue can be measured reliably, and
- (c) to the extent that there has been compliance with any restrictions associated with the grant

Income received from conditional grants, donations and subsidies are recognised 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 and funds invested until it is utilised.

Interest earned on the investment is treated in accordance with the grant conditions. If it is payable to the funder it is recorded as part of the creditor.

Income is transferred to the Statement of Financial Performance as revenue to the extent that the criteria, conditions or obligations have been met.

15. IMPAIRMENT OF ASSETS

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset.

Irrespective of whether there is any indication of impairment, the municipality also tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.

If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the cash-generating unit to which the asset belongs is determined.

The recoverable service amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

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ACCOUNTING POLICIES**

An impairment loss is recognised for cash-generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

- to the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

A municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

16. VALUE ADDED TAX

The municipality accounts for value added tax on the payments basis.

17. TAXATION

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/ (recovered from) the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax is recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, outside profit or loss, directly in equity, or a business combination.

18. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are initially accounted for at the rate of exchange ruling on the date of the transaction.

19. UNAUTHORISED EXPENDITURE

Unauthorised expenditure is expenditure that has not been budgeted for, 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.

20. 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 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.

21. FRUITLESS AND WASTEFUL EXPENDITURE

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.

22. RELATED PARTY TRANSACTIONS

The municipality has a related party relationship with its subsidiary Amathole Developemnt Agency (PTY) Ltd t/a ASPIRE. Related party transactions are conducted on an arms length basis with terms comparable to transactions with third parties.

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23 POST BALANCE SHEET EVENTS

Events after the reporting date are those events, both favourable and unfavourable, that occur between the reporting date and the date when the financial statements are authorised for issue. Two types can be identified:

- those that provide evidence of conditions that existed at the reporting date (adjusting events after the reporting date); and
- those that are indicative of conditions that arose after the reporting date (non-adjusting events after the reporting date).

The municipality will adjust the amounts recognised in the financial statements to reflect adjusting events after the reporting date once the event occurred.

The municipality will disclose the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made in respect of all material non-adjusting events, where non-disclosure could influence the economic decisions of users taken on the basis of the financial statements.

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1. INFRASTRUCTURE, PLANT AND EQUIPMENT

MUNICIPALITY

Reconciliation of Carrying Value	<u>Land</u>	<u>Buildings</u>	<u>Infrastructure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Total</u>
	R	R	R	R	R	R	R
As at 1 July 2010	4 491 820	21 741 494	2 317 201 061	4 671 629	-	29 111 817	2 377 217 821
Cost	22 587 050	8 700 526	1 430 804 384	5 834 648	-	59 174 726	1 527 101 334
Revaluation	3 184 855	15 143 674	-	-	-	-	18 328 529
Correction of error	(21 280 085)	351 353	1 131 442 901	(75 054)	-	5 644 300	1 116 083 415
Accumulated depreciation	-	(2 454 059)	(245 046 224)	(1 087 965)	-	(35 707 209)	(284 295 457)
Acquisitions	-	-	229 673 522	-	-	25 744 618	255 418 140
Capital under Construction	-	-	221 560 290	2 783 738	-	-	224 344 028
Transfer In / (Out)	79 142	89 522	(229 673 521)	-	-	(760 422)	(230 265 279)
Increases/decreases in revaluation	-	-	-	-	-	-	-
Depreciation	-	(434 437)	(67 027 980)	(181 079)	-	(8 284 829)	(75 928 325)
based on cost	-	(434 437)	(67 027 980)	(181 079)	-	(8 284 829)	(75 928 325)
based on revaluation	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	-	-
Cost/revaluation	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Carrying values	4 570 962	21 396 580	2 471 733 371	7 274 288	-	45 811 183	2 550 786 384
As at 30 June 2011							
Cost	1 386 107	8 790 048	2 783 807 576	8 543 332	-	89 803 222	2 892 330 285
Revaluation	3 184 855	15 495 027	-	-	-	-	18 679 882
Accumulated depreciation	-	(2 888 495)	(312 074 204)	(1 269 044)	-	(43 992 039)	(360 223 783)
Cost	-	(2 888 495)	(312 074 204)	(1 269 044)	-	(43 992 039)	(360 223 783)
Revaluation	-	-	-	-	-	-	-

Carrying values	<u>Land</u>	<u>Buildings</u>	<u>Infrastructure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Total</u>
	R	R	R	R	R	R	R
As at 1 July 2009	22 587 050	19 262 501	1 002 708 641	4 728 554	-	20 830 028	1 070 041 719
Cost	22 587 050	12 075 681	1 308 430 788	5 834 648	-	57 408 124	1 406 336 292
Revaluation	-	9 617 183	-	(75 054)	-	-	9 542 129
Transfers in/(out)	-	-	-	-	-	-	-
Accumulated depreciation	-	(2 430 363)	(305 722 147)	(1 106 094)	-	(36 578 096)	(345 836 701)
Acquisition	-	-	76 166 917	-	-	1 901 646	78 068 563
Capital under construction	-	-	46 206 679	-	-	-	46 206 679
Transfers in/(out)	-	(3 375 155)	-	-	-	131 922	(3 243 233)
Increases/decreases in revaluation	3 184 855	5 526 492	-	-	-	-	8 711 346
Depreciation	-	-	(59 597 707)	(288 822)	-	(13 200 786)	(73 087 315)
based on cost	-	-	(59 597 707)	(288 822)	-	(13 200 786)	(73 087 315)
based on revaluation	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	135 044	135 044
Cost/revaluation	-	-	-	-	-	135 044	135 044
Accumulated depreciation	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-
Carrying values	25 771 905	21 413 838	1 065 484 530	4 439 732	-	9 616 344	1 126 726 347
As at 30 June 2010							
Cost	22 587 050	8 700 526	1 430 804 384	5 834 648	-	59 174 726	1 527 101 334
Revaluation	3 184 855	15 143 675	-	-	-	-	18 328 529
Accumulated depreciation	-	(2 430 363)	(365 319 854)	(1 394 916)	-	(49 558 383)	(418 703 516)
Cost	-	(2 430 363)	(365 319 854)	(1 394 916)	-	(48 424 089)	(417 569 222)
Revaluation	-	-	-	-	-	(1 134 294)	(1 134 294)

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GROUP

Reconciliation of Carrying Value	Land	Buildings	Infrastructure	Community	Heritage	Other	Total	
	R	R	R	R	R	R	R	
As at 1 July 2010	4 491 820	21 741 495	2 317 201 062	4 671 629	-	29 287 375	2 377 393 379	
Cost	22 587 050	8 700 526	1 430 804 384	5 834 648	-	59 677 256	1 527 603 864	
Revaluation	3 184 855	15 143 674	-	(75 054)	-	-	18 253 475	
Correction of error	(21 280 085)	351 353	1 131 442 901	-	-	5 644 300	1 116 158 469	
Accumulated depreciation	-	(2 454 059)	(245 046 224)	(1 087 965)	-	(36 034 181)	(284 622 428)	
Acquisitions	-	-	229 673 522	2 783 738	-	26 194 297	258 651 557	
Capital under Construction	-	-	221 560 290	2 783 738.00	-	-	224 344 028	
Transfer In / (Out)	79 142	89 522	(229 673 521)	-	-	(760 422)	(230 265 279)	
Increases/decreases in revaluation	-	-	-	-	-	-	-	
Depreciation	-	(434 437)	(67 027 980)	(181 079)	-	(8 230 539)	(75 874 035)	
based on cost	-	(434 437)	(67 027 980)	(181 079)	-	(8 230 539)	(75 874 035)	
based on revaluation	-	-	-	-	-	-	-	
Carrying value of disposals	-	-	-	-	-	239 929	239 929	
Cost/revaluation	-	-	-	-	-	239 929	239 929	
Accumulated depreciation	-	-	-	-	-	-	-	
Carrying values	4 570 962	21 396 580	2 471 733 373	7 274 288	-	46 250 782	2 551 225 984	
As at 30 June 2011	4 570 962	21 396 580	2 471 733 373	7 274 288	-	46 250 782	2 551 225 984	
Cost	1 386 107	8 790 048	2 783 807 576	8 618 386	-	90 515 502	2 893 117 619	
Revaluation	3 184 855	15 495 027	-	(75 054)	-	-	18 604 828	
Accumulated depreciation	-	(2 888 496)	(312 074 204)	(1 269 044)	-	(44 264 719)	(360 496 462)	
Cost	-	(2 888 496)	(312 074 204)	(1 269 044)	-	(44 264 719)	(360 496 462)	
Revaluation	-	-	-	-	-	-	-	

Carrying values	Land	Buildings	Infrastructure	Community	Heritage	Other	Total	
	R	R	R	R	R	R	R	
As at 1 July 2009	22 587 050	19 262 501	1 002 708 641	4 728 554	-	21 041 503	1 070 328 249	21 041 503
Cost	22 587 050	12 075 681	1 308 430 788	5 834 648	-	57 028 098	1 405 956 265	57 028 098
Revaluation	-	9 617 183	-	-	-	-	9 617 183	-
Transfers in/(out)	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(2 430 363)	(305 722 147)	(1 106 094)	-	(35 986 595)	(345 245 199)	(35 986 595)
Acquisition	-	-	76 166 917	-	-	1 945 254	78 112 171	1 945 254
Capital under construction	-	-	46 206 679	-	-	-	46 206 679	-
Transfers in/(out)	-	(3 375 155)	-	-	-	131 922	(3 243 233)	131 922
Increases/decreases in revaluation	3 184 855	5 526 492	-	-	-	-	8 711 346	-
Depreciation	-	-	(59 597 707)	(288 822)	-	(13 278 029)	(73 164 558)	(13 278 029)
based on cost	-	-	(59 597 707)	(288 822)	-	(13 278 029)	(73 164 558)	(13 278 029)
based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	137 326	137 326	137 326
Cost/revaluation	-	-	-	-	-	144 844	144 844	144 844
Accumulated depreciation	-	-	-	-	-	(7 518)	(7 518)	(7 518)
Impairment losses	-	-	-	-	-	-	-	-
Carrying values	25 771 905	21 413 838	1 065 484 530	4 439 732	-	9 791 902	1 126 901 906	9 791 902
As at 30 June 2010	25 771 905	21 413 838	1 065 484 530	4 439 732	-	9 791 902	1 126 901 906	58 828 508
Cost	22 587 050	8 700 526	1 430 804 384	5 834 648	-	58 828 508	1 526 755 116	-
Revaluation	3 184 855	15 143 675	-	-	-	-	18 328 529	(49 036 606)
Accumulated depreciation	-	(2 430 363)	(365 319 854)	(1 394 916)	-	(49 036 606)	(418 181 739)	(47 902 312)
Cost	-	(2 430 363)	(365 319 854)	(1 394 916)	-	(47 902 312)	(417 047 445)	(1 134 294)
Revaluation	-	-	-	-	-	(1 134 294)	(1 134 294)	-

No restriction on title exists on any assets held.

In terms of the IMFO accounting framework used by the local municipalities they were not required to maintain complete fixed asset registers. The municipality took over the infrastructure assets as required by Government Notice 849 issued in terms of section 84(3)(a) of the Municipal Structures Act, 1998 (Act No. 117 of 1998) with effect 1 July 2006. The municipality engaged the services of consulting engineers to identify and value the infrastructure assets taken over. The municipality has a multi-year plan to identify, verify, value and reconcile the infrastructure assets to the fixed asset register in place. This plan is based on the data confidence level of each infrastructure scheme as assessed by the appointed Consulting Engineers. During the 2009/10 financial year, consulting engineers were appointed to undertake the identification, valuation, verification and condition assessment of the low data confidence schemes.

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The low confidence schemes were recognised at provisional amounts, in accordance with the transitional provisions contained in Directive 3 issued March 2009, during 2008/09. The municipality is required to recognise, but not measure the low confidence schemes in terms of the Directive. The provisional amounts recognised were the closing amounts as at 30 June 2008.

The provisional amounts recognised were not subsequently measured, meaning that no depreciation expense was charged for the 2008/09 year.

These provisional amounts recognised are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed at the transfer date as the municipality has completed the process of identifying and valuing the infrastructure assets.

During the 2010/11 financial year, consulting engineers were appointed to undertake a new identification, verification, revaluation and condition assessment project which would encompass high, medium and low data confidence schemes.

All confidence schemes are recognised at deemed cost for all works up to and including 30 June 2006 and actual costs for work done thereafter.

Deemed cost was determined using depreciated replacement cost method. All infrastructure has been componentised to the lowest significant part and depreciated separately.

Reconciliation of capital under construction (work in progress)

Costs incurred on the construction of municipal assets included in infrastructure, plant and equipment. Depreciation only commences once the asset is ready for its intended use.

An analysis is as follows:

	2010/11 R	2009/10 R
Balance at beginning of the year	621 717 030	575 510 352
Restatement	(105 031 824)	-
Additions	224 344 028	122 373 597
Transfer out for capitalisation	(229 673 521)	(76 166 917)
Balance at end of year	511 355 714	621 717 030

Revaluations

All land and buildings have been revalued during the current year.

The effective date of the revaluation was December 2009. The revaluation was performed by an independent valuer Mr. Mark Sanan [Member of the Institute of Valuers], of Messer's Kula Valuation Services. Kula Valuation Services is not connected to the municipality.

The valuation was performed using depreciated replacement values

The carrying amount of the land and buildings would have been R22 587 050 and R10 845 325 respectively had the assets been carried under the cost model.

Refer to Appendix B for more detail on property, plant and equipment

Infrastructure Assets

Infrastructure asset valuation was performed using deemed cost for all works done up to 30 June 2006 and actual cost of work done thereafter.

Deemed cost was determined using the Depreciated Replacement cost method.

The valuation was performed by Aurecon South Africa. Aurecon is not connected to the Municipality.

Breakdown - Other assets

Asset Type	Cost/Revaluation				Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Disposals	Closing Balance	New Opening Balance	Additions	Disposals	Closing Balance	
Total Other assets	64 819 025	25 744 618	760 420	89 803 223	(35 707 208)	(8 699 876)	(415 047)	(43 992 037)	45 811 186
Office Equipment	12 373 317	2 466 402	-	14 839 719	(9 131 830)	(1 836 764)	-	(10 968 594)	3 871 125
Furniture and Fittings	2 533 897	924 211	-	3 458 108	(1 973 695)	(719 781)	-	(2 693 476)	764 632
Plant and Equipment	9 898 308	548 004	-	10 446 312	(5 594 196)	(989 478)	-	(6 583 674)	3 862 638
Motor Vehicles	40 013 503	21 806 001	760 420	61 059 084	(19 007 489)	(5 153 852)	(415 047)	(23 746 294)	37 312 791

Infrastructure, plant and equipment subjected to finance leases

Included in the Other assets above is the following office equipment subject to finance leases:

Office equipment

Cost
Accumulated depreciation

	2010/11 R	2009/10 R
Cost	1 965 314	3 231 221
Accumulated depreciation	(1 054 751)	(2 925 924)
	910 563	305 297

2. Investment Property

Carrying amount at beginning of period
Cost
Correction of error
Accumulated depreciation
Correction of error

Recognition/derecognition
Acquisitions
Depreciation
Transfer from owner-occupied property

Carrying amount at end of period
Cost
Impairment

	2010/11 R	2009/10 R
Land and buildings	36 766 646	19 194 958
Cost	22 723 390.00	19 348 235
Correction of error	14 181 474.05	-
Accumulated depreciation	-182 210.00	-
Correction of error	43 992.00	(153 277)
Recognition/derecognition	32 399 837.95	-
Acquisitions	-4 177 332.00	-
Depreciation	-16 078.32	(28 933)
Transfer from owner-occupied property	-168 664.00	3 375 155
	64 804 410	22 541 180
Cost	69 304 702	22 723 390
Impairment	-16 078	-

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Accumulated depreciation

(4 484 214)

(182 210)

Investment property comprises the following:

Land situated at Farm 754, East London
Land situated at Erf 374, Komga
Land situated at Erf 1676, Stutterheim with a house thereon
Land situated at Farm 2359 and 2363 Stutterheim
Land situated at Farm 92,93,94 Stutterheim
Land situated at Farm 816 East London
Vacant land of which the intended use is uncertain.
Land developed for housing settlement projects of which the intention and transfer of ownership is uncertain.

Total market value of investment property

75 729 778

144 159 438

The municipality applies the cost model

Owner-occupied properties have been transferred to investment property at fair value.

Market valuations were performed by an independent valuer, Mr. Mark Sanan, Professional Associated Valuer, of Messrs Kula Valuation Services are not connected to the entity and have recent experience in location and valuation of properties. Additional properties that had been identified by Kula were recognized in the 0910 financial year at fair value. Effective date of valuation December 2009.

The fair value of the investment property was determined based on current prices in an active market for similar property in the same location and condition and subject to similar lease and other contracts.

The value of the investment property would have been R75 729 778 had the assets been carried under the fair value model.

Properties to the value of R117 223 779 have been derecognised as the issue of ownership of these properties by the municipality is in dispute. These properties were recognised as a result of succession and are hence not in the name of the Amathole District Municipality. Ownership of properties amounting to R34 million has been confirmed in the current financial year and recognised retrospectively. Properties to the value of R2 210 500 have been derecognised as they have since been transferred and registered in the names of beneficiaries. Rental received from leased properties in the 2010/11 financial year amounted to R157 814.86

3. Intangible Assets

Computer software - Application software
License fees
Total

2011 R			2010 R		
Cost	Amortisation	Carrying value	Cost	Amortisation	Carrying value
2 031 763	(2 014 724)	17 039	2 031 763	(1 768 666)	263 097
59 604	(59 604)	-	59 604	(59 604)	-
2 091 367	(2 074 328)	17 039	2 091 367	(1 828 270)	263 097

Reconciliation of intangible assets - 2011

Computer software - Application software

Opening carrying amount R	Additions R	Correction of error R	Disposals R	Amortisation R	Total R
263 097	-	2 904	-	(248 962)	17 039
263 097	-	2 904	-	(248 962)	17 039

Reconciliation of intangible assets - 2010

Computer software - Application software

Opening carrying amount R	Additions R	Disposals R	Amortisation R	Total R
568 141	-	-	(305 045)	263 096
568 141	-	-	(305 045)	263 096

MUNICIPALITY	
2010/11 R	2009/10 R
1 000	1 000
1 000	1 000
1 000	1 000

4. INVESTMENTS

4.1. Investment in subsidiary

Investments in Municipal Entity - cost
Total

Council's valuation of unlisted Investments

Investments in Municipal Entities

Investments in Municipal Entities

Amathole Economic Development Agency (Pty) Ltd
Issued Share Capital (1000 ordinary shares of R1,00 each)
Percentage owned by Council

The Amathole Economic Development Agency was established 1 September 2005

Place of Incorporation: South Africa

Principal Activity: To promote local economic development in the Amathole Municipal District Area.

The account operates on a current account basis, i.e. the Agency's service providers are paid by the municipality on the Agency's behalf. No financial benefit accrues to the Agency or the District Municipality.

GROUP	
2010/11 R	2009/10 R
-	-
-	-
-	-

1 000	1 000
100%	100%

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Refer note 37

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4.2 Financial assets - Investments

Held to maturity financial assets

The following fixed deposit accounts have been classified as held to maturity financial assets in accordance with IAS 39: Financial Instruments. Maturity periods are fixed and range between 3 - 12 months. Average rate of return on investments 5.88% (2010: 7.59%). In accordance with the Municipality's risk management policy deposits are only made with major banks with quality credit standing and limits exposure to any one counter party.

The Municipal Structures Act, Act 117 of 1998, requires local authorities to invest funds, which are not immediately required, with prescribed institutions and the period should be such that it will not be necessary to borrow funds against the investment at a penalty rate of interest to meet commitments.

No investments were written off during the year.

The value of the financial assets disclosed in the above note have not been disclosed as cash and cash equivalents due to its maturity period of 3 months or more as at Statement of Financial Position date.

Call investment deposits
Total: Call Investment Deposits

Call Investment Deposits

Institution	Account No
STANDARD	418872
BANK	419268
	414922
	417355
	414574
	417357
	417066
	417680
	413482
INVESTEC	DB886506
	DB882380
	DB889293
	DB886541
	DB881856
	DB885368
	DB883392
	DB886110
	DB881885
	DB500
ABSA	2057-092-476
	2059-800-124
	2057-067-401
	2060-488-868
	2062-856-304
	2064-823-579
	2065-364-471
	2065-585-419
RAND MERCHANT BANK	FD10K03004
	FD10G16001
	FD11A13006
	FD10A14003
	FD10K25007
	FD11A25004
	FD10I08001
	FD10K09006
	FD10J14004
NEDBANK	03/7881714026/0000109
	03/7881714026/000111
	03/7881714026/000107
	03/7881714026/000114
	03/7881714026/000108
	03/7881714026/000113
	03/7881714026/000110
	03/7881714026/000112
	03/7881714026/000117

MUNICIPALITY	
2010/11	2009/10
R	R
466 189 906	469 466 675
466 189 906	469 466 675

GROUP	
2010/11	2009/10
R	R
466 189 906	469 466 675
466 189 906	469 466 675

7 182 312	7 077 340
10 245 178	10 093 973
10 037 808	10 329 915
13 076 932	13 263 526
11 083 871	11 389 852
11 082 048	11 221 507
10 127 151	10 219 863
10 095 774	10 173 274
10 255 411	10 425 466
12 056 712	12 129 798
13 064 644	13 403 142
10 049 726	10 070 521
10 048 493	10 095 315
10 049 315	10 359 014
10 049 315	10 174 521
7 034 521	7 196 403
10 049 315	10 161 096
10 049 315	10 344 110
	869
13 076 301	13 173 096
10 036 767	10 116 356
12 070 432	12 239 178
15 125 441	15 235 356
10 058 693	10 133 151
10 251 616	10 077 507
12 192 329	12 360 000
10 247 890	10 091 397
10 095 774	10 172 651
10 259 932	10 449 342
8 212 060	8 085 304
12 206 482	12 425 293
12 071 770	12 244 866
12 291 123	12 111 156
8 183 107	8 270 904
10 085 671	10 158 795
10 125 014	10 221 329
12 114 986	12 264 855
12 319 496	12 196 077
12 306 493	12 520 570
12 262 126	12 097 348
10 126 082	10 222 795
14 366 244	14 149 762
10 059 178	10 202 712
10 039 068	10 117 370
367 989	-
466 189 906	469 466 675

7 182 312	7 077 340
10 245 178	10 093 973
10 037 808	10 329 915
13 076 932	13 263 526
11 083 871	11 389 852
11 082 048	11 221 507
10 127 151	10 219 863
10 095 774	10 173 274
10 255 411	10 425 466
12 056 712	12 129 798
13 064 644	13 403 142
10 049 726	10 070 521
10 048 493	10 095 315
10 049 315	10 359 014
10 049 315	10 174 521
7 034 521	7 196 403
10 049 315	10 161 096
10 049 315	10 344 110
	869
13 076 301	13 173 096
10 036 767	10 116 356
12 070 432	12 239 178
15 125 441	15 235 356
10 058 693	10 133 151
10 251 616	10 077 507
12 192 329	12 360 000
10 247 890	10 091 397
10 095 774	10 172 651
10 259 932	10 449 342
8 212 060	8 085 304
12 206 482	12 425 293
12 071 770	12 244 866
12 291 123	12 111 156
8 183 107	8 270 904
10 085 671	10 158 795
10 125 014	10 221 329
12 114 986	12 264 855
12 319 496	12 196 077
12 306 493	12 520 570
12 262 126	12 097 348
10 126 082	10 222 795
14 366 244	14 149 762
10 059 178	10 202 712
10 039 068	10 117 370
367 989	-
466 189 906	469 466 675

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MUNICIPALITY	
2010/11	2009/10
R	R
649 660	528 010
18 865	25 157
668 525	553 167
6 625	6 568
6 625	6 568
661 900	546 599

5. LONG TERM RECEIVABLES

Deposits	649 660
Loans to Local Municipalities	18 865
	668 525
Less: Current portion transferred to current assets	6 625
Loans to Local Municipalities	6 625
Total	661 900

Long term receivables are financial assets which are categorised as loans and receivables and are initially recognised at fair value and subsequently carried at amortised cost.
The fair values of the loans are estimated to approximate their carrying amounts.

Loans to local municipalities

Financial assets

The loans to the local municipalities represents loans to Winterstrand and Kei Road. The loans currently attract interest at 4% per annum and are repayable over a period of 40 years. These loans will be redeemed by June 2013.

6. INVENTORY

Consumable stores: at cost	748 051.58
Housing projects	1 890 257.99
8 424 321 Water - own	8 055 488.38
8 424 322 Water - purchased	368 832.96
(0.58) Total Inventory	11 062 631

Housing Projects

The cost incurred on completed housing units that are occupied by beneficiaries has been transferred to the Statement of Financial Performance. A stock count of inventory on hand was conducted at year end, however these quantities had not been costed yet by the date of submission of the annual financial statements. Raw materials on site at the housing projects was written off due to obsolescence and damage.

Water inventory

In accordance with GRAP 12 unsold purchased water has been disclosed. Correct meter readings at the beginning and end of the financial year could not be guaranteed. Consulting engineers were thus appointed to determine the water on hand for each scheme based on the capacity of reservoirs and pipelines.

MUNICIPALITY	
2010/11	2009/10
R	R
748 051.58	737 093
1 890 257.99	6 109 611
8 055 488.38	1 342 208
368 832.96	172 534
11 062 631	8 361 445

GROUP	
2010/11	2009/10
R	R
649 660	528 010
18 865	25 157
668 525	553 167
6 625	6 568
6 625	6 568
661 900	546 599

GROUP	
2010/11	2009/10
R	R
748 052	737 093
1 890 258	6 109 611
8 055 488	1 342 208
368 833	172 534
11 062 631	8 361 445

MUNICIPALITY	
2010/11	2009/10
R	R
50 769 782	51 000 905
137 387 390	102 701 677
104 485 581	77 182 029
50 799 977	33 164 690
292 672 948	213 048 397
(241 903 166)	(162 047 492)
50 769 782	51 000 905

7. CONSUMER DEBTORS

From exchange transactions

Water and sanitation

- Water	137 387 390
- Sanitation	104 485 581
- Interest on arrears component	50 799 977

Less : Allowance for doubtful debts

Total consumer debtors

GROUP	
2010/11	2009/10
R	R
50 769 782	51 000 905
137 387 390	102 701 677
104 485 581	77 182 029
50 799 977	33 164 690
292 672 948	213 048 397
(241 903 166)	(162 047 492)
50 769 782	51 000 905

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The ageing of debtors are as follows:-

MUNICIPALITY	
2010/11	2009/10
R	R
16 364 691	25 367 120
11 025 295	13 028 672
8 825 364	5 999 355
8 121 523	6 429 596
56 672 518	39 646 808
191 663 557	122 576 846
292 672 948	213 048 397

Summary of Debtors by Customer Classification

30 June 2011

Current (0 – 30 days)
30 - 60 Days
60 - 90 Days
90 - 120 Days
120 - 330 Days
+ 330 Days
Sub-total
Less: allowance for doubtful receivables
Total debtors by customer classification

Summary of Debtors by Customer Classification

30 June 2010

Current (0 – 30 days)
30 - 60 Days
60 - 90 Days
90 - 120 Days
120 - 330 Days
+ 330 Days
Sub-total
Less: allowance for doubtful receivables
Total debtors by customer classification

Water and sanitation

Current (0 - 30 days)
30 - 60 Days
60 - 90 Days
90 - 120 Days
120 - 330 Days
+ 330 Days
Total

GROUP	
2010/11	2009/10
R	R
16 364 691	25 367 120
11 025 295	13 028 672
8 825 364	5 999 355
8 121 523	6 429 596
56 672 518	39 646 808
191 663 557	122 576 846
292 672 948	213 048 397

Total	Domestic	Industrial / Commercial	National and Provincial Government
R	R	R	R
16 364 691	7 126 479	2 985 742	6 252 469
11 025 295	8 502 553	943 929	1 578 813
8 825 364	7 007 704	758 607	1 059 053
8 121 523	6 749 429	605 406	766 688
56 672 518	48 095 784	4 563 435	4 013 299
191 663 557	181 003 544	8 890 565	1 769 448
292 672 948	258 485 493	18 747 684	15 439 771
(241 903 166)	(216 296 695)	(14 937 108)	(10 669 363)
50 769 782	42 188 798	3 810 576	4 770 408

Total	Domestic	Industrial / Commercial	National and Provincial Government
R	R	R	R
25 367 120	20 896 119	1 688 522	2 782 479
13 028 672	10 113 359	1 473 599	1 441 714
5 999 355	4 996 196	619 969	383 191
6 429 596	5 207 800	833 993	387 803
39 646 808	34 255 179	3 772 762	1 618 867
122 576 846	115 274 595	6 533 122	769 128
213 048 397	190 743 248	14 921 967	7 383 182
(162 047 492)	(146 066 058)	(11 175 265)	(4 806 169)
51 000 905	44 677 190	3 746 702	2 577 013

MUNICIPALITY	
2010/11	2009/10
R	R
169 638 357	127 584 459
91 748 495	63 014 588
(9 610 428)	(20 960 691)
-	-
251 776 424	169 638 357

Reconciliation of Doubtful Debt Allowance

The municipality's trade receivables are stated after allowances for doubtful receivables based on management's assessment of the debtors' creditworthiness. An analysis of the allowance is as follows:

Balance at beginning of the year
Contributions to allowance
Doubtful debts written off against allowance
Reversal of allowance
Balance at end of year

GROUP	
2010/11	2009/10
R	R
169 638 357	127 584 459
91 748 495	63 014 588
(9 610 428)	(20 960 691)
-	-
251 776 424	169 638 357

An estimate is made for doubtful receivables based on a review of all outstanding amounts at year end. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or delinquency in payments (more than 30 days overdue) are considered indicators that the consumer debtor is impaired.

Financial assets have been classified as loans and receivables

Consumer debtors are billed interest at prime plus 2% on overdue accounts and are therefore considered to be fairly valued.

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MUNICIPALITY	
2010/11	2009/10
R	R
13 946 439	14 675 986
13 946 439	13 434 454
-	391 199
-	850 332
(9 873 258)	(7 590 865)
4 073 181	7 085 120

8. OTHER RECEIVABLES

Other receivables
Sundry receivables
Prepayments
Indebtness by municipal entity: Amathole Economic Development Agency
Less: allowance for doubtful debtors
Total

The Amathole District Municipality transferred R850 332 to the Amathole Economic Development Agency for the implementation of the AREDS project. The Amathole Economic Development Agency has requested that the project be returned to the Amathole District Municipality. This has been approved by the Municipal Manager and therefore the funds are also to be returned. The funds were returned during the 2010/11 financial year.

The fair value of other receivables approximates their carrying amounts.

GROUP	
2010/11	2009/10
R	R
14 158 442	13 883 023
14 158 442	13 491 823
-	391 199
-	-
(9 873 258)	(7 590 865)
4 285 184	6 292 158

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
-	-
42 951 207	20 823 910
42 951 207	20 823 910

9. VAT

VAT payable

Vat receivable

VAT is paid over to SARS only once payment is received from debtors. All VAT returns have been submitted by the due date throughout the year.

GROUP	
2010/11	2009/10
R	R
140 322	-
140 322	-
42 951 207	21 823 288
42 951 207	21 823 288

MUNICIPALITY	
2010/11	2009/10
R	R
130 687 229	98 767 659
160 516 918	180 996 566
9 000	9 000
643 968	56 948
(136 000)	(57 000)
291 721 116	279 773 173
130 687 229	98 767 659
14 877 172	92 207 515
92 207 515	110 203 931

10. CASH AND CASH EQUIVALENTS

The cash position at financial year end was made up of the following:

Current Account
Call Account
Imprest Account
Plus: Outstanding deposits
Plus: Cancelled cheques
Total Cash Reserves

SUPPLEMENTARY BANK ACCOUNT INFORMATION

CURRENT ACCOUNTS TOTAL

ABSA BANK Closing Balance
Opening Balance

Account No 4063093498
East London
5200

Agency
Account No 4064846723
East London
5200

STANDARD BANK Closing Balance
Opening Balance

Account No 081093454
East London
Main Branch

GROUP	
2010/11	2009/10
R	R
140 113 835	99 889 063
174 282 434	192 351 865
10 049	9 670
643 968	56 948
(136 000)	(57 000)
314 914 287	292 250 546
140 113 835	99 889 062
24 303 778	93 328 918
93 328 918	110 334 196

115 810 057	6 560 144
6 560 144	8 589 917

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<u>160 516 918</u>	<u>180 996 566</u>
130 516 918	130 996 566
130 996 566	21 648 016
30 000 000	50 000 000
50 000 000	10 000 000
-	-
-	-

MUNICIPALITY	
2010/11	2009/10
R	R
578 020	405 946
573 869	283 160
-	-
1 151 889	689 106
(110 722)	(73 235)
1 041 167	615 871
503 553	350 479
537 614	265 392
-	-
1 041 167	615 871
537 614	265 392
503 553	350 479
1 041 167	615 871

CALL ACCOUNTS TOTAL

Call Account	<i>Closing Balance</i>
	<i>Opening Balance</i>
ABSA BANK	
Account No 9157439416	
Call Account	<i>Closing Balance</i>
	<i>Opening Balance</i>
STANDARD BANK	
Account No 88643816001	
Call Account	<i>Closing Balance</i>
	<i>Opening Balance</i>
ABSA BANK LIMITED	
Account No 88643816001	

11. FINANCE LEASE OBLIGATION

Minimum lease payments due

-within one year	578 020
-in second to fifth year inclusive	573 869
-later than five years	-

less: future finance charges

Present value of minimum lease payments

Present value of minimum lease payments due

-within one year	503 553
-in second to fifth year inclusive	537 614
-later than five years	-

Non current liabilities

Current liabilities

<u>191 872 217</u>	<u>192 351 865</u>
130 516 918	130 996 566
130 996 566	21 648 016
50 000 000	50 000 000
50 000 000	10 000 000
11 355 299	11 355 299
11 355 299	8 477 328

GROUP	
2010/11	2009/10
R	R
578 020	405 946
573 869	283 160
-	-
1 151 889	689 106
(110 722)	(73 235)
1 041 167	615 871
503 553	350 479
537 614	265 392
-	-
1 041 167	615 871
537 614	265 392
503 553	350 479
1 041 167	615 871

It is the municipality's policy to lease certain office equipment under finance leases. The average lease term was 3 years and the average effective borrowing rate was 9% (Prior Year: 9%). All leases have fixed repayment terms with no annual escalation rate, but varies with the changes in the prime interest rate. No arrangements have been entered into for contingent rent. The municipality's obligations under finance leases are secured by the lessor's charge over the leased assets.

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MUNICIPALITY	
2010/11	2009/10
R	R
281 579	213 796
281 579	213 796

MUNICIPALITY	
2010/11	2009/10
R	R
98 316 522	91 710 184
-	-
133 571	253 047
98 450 093	91 963 231

MUNICIPALITY	
Number	Number
790	687
67	102
562	-
1419	789

MUNICIPALITY	
2010/11	2009/10
R	R
78 304 954	63 042 921
20 011 568	28 667 263
98 316 522	91 710 184

12. OPERATING LEASE LIABILITY

In accordance with GRAP 13, operating lease income and expenses have been recognised on a straight line basis over the lease term.

The effect of accounting for operating leases on the straight line basis had the following effect:

Current liabilities

Operating lease accrual

13. DEFINED BENEFIT OBLIGATIONS

Provision for post employment health care benefits
Provision for retirement gratuity benefits
Provision for ex-gratia benefits
Total defined benefit obligations

13.1.1
13.2.1
13.3.2

POST EMPLOYMENT BENEFIT INFORMATION

13.1 Provision for post employment health care benefits

The Post Employment Health Care Benefit plan, of which the members are made up as follows:

- In-service (employee) members
- Continuation (retiree, widow/er and orphan) members
- In-service (employee) non-members

Total

The liability in respect of past service has been estimated to be as follows:

- In-service members
- Continuation members

Total

The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:

- Bonitas
- Hosmed
- Keyhealth
- LA Health
- Samwumed
- Fedhealth
- Medshield
- Medicoover
- Resolution Health
- GEMS
- Bestmed
- Genhealth
- Spectramed

On retirement of an employee Council has post retirement obligation to contribute 70% to the medical cost of the employee.

GROUP	
2010/11	2009/10
R	R
314 916	226 023
314 916	226 023

GROUP	
2010/11	2009/10
R	R
98 316 522	91 710 184
-	-
133 571	253 047
98 450 093	91 963 231

GROUP	
Number	Number
790	687
67	102
562	-
1419	789

GROUP	
2010/11	2009/10
R	R
78 304 954	63 042 921
20 011 568	28 667 263
98 316 522	91 710 184

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MUNICIPALITY	
2010/11	2009/10
R	R
-	-
98 316 522	91 710 184
98 316 522	91 710 184
-	-
-	-
98 316 522	91 710 184

MUNICIPALITY	
2010/11	2009/10
R	R
91 710 184	71 573 134
8 482 980	5 701 866
(2 359 332)	(2 288 289)
8 346 712	5 917 973
-	-
(7 864 022)	10 805 500
-	-
98 316 522	91 710 184

-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

98 316 522	71 573 134
-	-
98 316 522	71 573 134

(7 864 022)	10 805 500
-	-

13.1.1 Reconciliation of assets and liabilities recognised in the balance sheet

Present value of fund obligations
Fair value of plan assets
Present value of unfunded obligations
Present Value of Obligations in excess of Plan Assets
Unrecognised past service cost
Unrecognised actuarial gains/(losses)
Unrecognised transitional liability
Net liability in Balance Sheet

The municipality has elected to recognise this full increase in this defined benefit liability immediately, as per IAS 19 Employee Benefits paragraph 155 (a)

13.1.2 Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year
Current service costs
Expected benefits paid
Interest cost
Past service cost
Actuarial (gains)/losses
Contributions
Present value of fund obligation at the end of the year

13.1.3 Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year
Expected return on plan assets
Contributions: employer
Contributions: employee
Past service costs
Actuarial gains/(losses)
Benefits paid
Fair value of plan assets at the end of the year

13.1.4 Trend information

Present Value of Obligations
Fair Value of Plan Assets
Present Value of Obligations in Excess of Plan Assets

Experience adjustments

Actuarial Gain/(Loss) before changes in Assumptions
In respect of Present Value of Obligations
In respect of Fair Value of Plan Assets

13.1.5 Sensitivity results

The liability is particularly sensitive to the real rate of return earned i.e. the difference between the rate of discount and the rate at which medical aid contributions increase. In the table below are calculations at alternative real rates by varying the assumed rate of discount in order to demonstrate the impact on the accrued liability.

Sensitivity Analysis on the Accrued Liability

Assumption	Change	in-service	Total R	Percentage change
Central assumption		78 305 000	98 317 000	
	1%	93 945 000	116 002 000	18%
Health care inflation	-1%	65 967 000	84 216 000	-14%
Post retirement mortality	-1yr	80 629 000	101 463 000	+3%
Average retirement age	-1yr	85 489 000	105 501 000	7%
Withdrawal rate	-50%	84 652 000	104 664 000	6%

GROUP	
2010/11	2009/10
R	R
-	-
98 316 522	71 573 134
98 316 522	71 573 134
-	-
-	-
98 316 522	71 573 134

GROUP	
2010/11	2009/10
R	R
91 710 184	71 573 134
8 482 980	5 701 866
(2 359 332)	(2 288 289)
8 346 712	5 917 973
-	-
(7 864 022)	10 805 500
-	-
98 316 522	91 710 184

-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

98 316 522	71 573 134
-	-
98 316 522	71 573 134

(7 864 022)	10 805 500
-	-

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13.1.6 Key actuarial assumptions used

	2011	2010
Health Care Cost Inflation rate	7.38%	7.27%
Discount Rate	8.82%	9.22%
Net discount rate	1.34%	5.52%

13.2 Provision for retirement gratuity benefits

The liability in respect of retirement gratuity for in-service employees with non-fund service are as follows:

- In-service employees

Employees of Amathole District Municipality participate in the following benefit funds:

- Cape Joint Pension Fund (defined benefit);
- Eastern Cape Group Municipal Pension Fund (defined benefit);
- South African Local Authorities Pension Fund (defined benefit)
- Government Employees Pension Fund (defined benefit);
- Cape Joint Retirement Fund (defined contribution);
- National Fund for Municipal Workers (defined contribution);
- South African Municipal Workers National Provident Fund (defined contribution).

13.2.1 Reconciliation of assets and liabilities recognised in the balance sheet

Present value of fund obligations
Fair value of plan assets

Funded status

Present value of funded obligations

Present Value of Obligations in excess of Plan Assets

Unrecognised past service cost
Unrecognised actuarial gains/(losses)
Unrecognised transitional liability

Net liability in Balance Sheet

13.2.2 Multi-employer funds

The actuaries appointed to perform the valuation on the gratuity obligation were of the opinion that the Amathole District Municipality do not have an obligation for this post-employment benefit. Hence the liability was derecognised and disclosure was made to reflect information pertaining to multi-employer funds.

The following table reflects information on the defined benefit retirement, pension and provident funds to which councillors and employees belong, and in respect of which there is not sufficient information available to make more detailed disclosures.

The Pension Funds Act requires every pension fund to complete a statutory valuation at least every three years.

	Note	Last Actuarial Valuation	Total Assets R	Total Liabilities R	Contributing members
Cape Joint Retirement Fund		June 2009	6 369 956	6 369 956	835
National Fund for Municipal Workers	1	June 2008	4 248 644	4 248 644	19
Cape Joint Pension Fund		June 2009	3 323 529	3 102 920	15
SAMWU National Provident Fund	3	June 2007	2 764 426	2 764 426	173
SALA Pension Fund		July 2010	7 110 300	7 417 900	24
Government Employees Pension Fund		March 2008	707 042 000	707 042 000	94
Eastern Cape Gratuity Fund	2				2
Eastern Cape Municipal Pension Fund	2				2

Note 1: Figures from the financials for the year ending 30 June 2010

Note 2: Alexander Forbes confirmed that both funds are DC funds and hence are fully funded

Note 3: The results of the 30 June 2008 actuarial valuation of the SAMWU Provident Fund are not yet available

An amount of R 32.744 million (2010: R25.023 million) was contributed by Council towards councillor and employee retirement funding. These contributions have been expensed

Refer Note 26

MUNICIPALITY	
2010/11	2009/10
R	R
-	-

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

GROUP	
2010/11	2009/10
R	R
-	-

GROUP	
2010/11	2009/10
R	R
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

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13.3 Provision for ex-gratia benefits

13.3.1 Eligible employees

	Female	Male	Total
Number of pensioners	2	7	9
Average Annual pension - R	2 314	2 717	2 627
Pension-weighted average age	71	80.6	78.7

13.3.2 Reconciliation of assets and liabilities recognised in the balance sheet

Total value of liabilities

Value of assets

Unfunded accrued liability

Unrecognised transitional liability

Unrecognised actuarial gain/(loss)

Unrecognised past service cost

Net liability in balance sheet

13.3.3 Reconciliation of present value of fund obligation:

Present value of fund obligation at the beginning of the year

Current service costs

Interest cost

Past service cost

Actuarial (gains)/losses

Expected Benefit payments

Present value of fund obligation at the end of the year

13.3.4 Reconciliation of fair value of plan assets:

Fair value of plan assets at the beginning of the year

Expected return on plan assets

Contributions: employer

Contributions: employee

Past service costs

Actuarial gains/(losses)

Benefits paid

Fair value of plan assets at the end of the year

MUNICIPALITY	
2010/11	2009/10
R	R
133 571	253 047
-	-
<u>133 571</u>	<u>253 047</u>
-	-
-	-
-	-
<u>133 571</u>	<u>253 047</u>
253 047	274 032
-	-
21 157	23 646
-	-
(85 144)	12 246
(55 489)	(56 877)
<u>133 571</u>	<u>253 047</u>
-	-
-	-
-	-
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>

GROUP	
2010/11	2009/10
R	R
253 047	253 047
-	-
<u>253 047</u>	<u>253 047</u>
-	-
-	-
-	-
<u>253 047</u>	<u>253 047</u>
253 047	274 032
-	-
21 157	23 646
-	-
(85 144)	12 246
(55 489)	(56 877)
<u>133 571</u>	<u>253 047</u>
-	-
-	-
-	-
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>

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MUNICIPALITY	
2010/11	2009/10
R	R
21 157	23 646

13.3.5 Current service costs and interest costs
Total cost

There is no Current-service Cost as there are no in-service members eligible for ex-gratia pension benefits. The Interest Cost represents the accrual of interest on the Accrued Liability, allowing for benefit payments, over the corresponding year. This arises because all future ex-gratia benefits are one year closer to payment

13.3.6 Sensitivity analysis on the unfunded accrued liability

Assumption	Change	Liability R	% Change
Central assumptions		133 571	
Discount rate	+1%	127 695	-4%
	-1%	140 040	-5%
Post-retirement mortality	-1 year	138 742	-4%

13.3.7 Sensitivity analysis on the interest cost for the year

Assumption	Change	Liability R	% Change
Central assumptions		21 157	
Discount rate	+1%	23 155	9%
	-1%	19 025	-10%
Post-retirement mortality	-1 year	21 967	4%

13.3.8 Key actuarial assumptions used

Assumption	2011	2009
Discount rate	7.12%	7.55%
Pension Increase rate	0.00%	0.00%
Net effective discount rate	7.12%	7.55%
Mortality in retirement	PA(90)-1	PA(90)-1

The balance has been restated refer note 41.7

MUNICIPALITY	
2010/11	2009/10
R	R
1 599 907	1 398 833
1 599 907	1 398 833

14. CONSUMER DEPOSITS

Consumer deposits

The consumer deposits relate to the water and sanitation function.

Consumer deposits were previously classified as non-current liabilities. The municipality does not have an unconditional right to defer the payment of the consumer deposits. In terms of GRAP 1, consumer deposits should thus be classified as current liabilities. The classification has been retrospectively adjusted.

Refer to reclassification note 41.1

15. TRADE AND OTHER PAYABLES

From exchange transactions

Trade payables	
Consumer debtors with credit balances	
Other payables	
Amounts received in advance: Water and sanitation	
Accrued leave pay	15.1
Accrued service bonus	15.2
Indebtness to municipal entity: Amathole Economic Development Agency	
Total	

An amount of R420 000.00 is due by the Amathole District Municipality for the VAT cost on phase 1 of operating funding from the IDC. This amount was paid over during August 2011.

The indetbness includes an amount of R91 644.45 for furniture purchased from the economic entity. This amount was paid during July 2011.

Trading creditors are non-interest bearing and normally settled on 30-day terms.

The fair value of R1 353 449 was calculated for other payables in accordance with IAS39. A discount rate equating the average return on investments was used.

IAS39 AG79 states that short term payables with no stated interest rate may be measured at the original invoice amount if the effect of discounting is immaterial.

The carrying amount of trade payables approximates their fair value due.

GROUP	
2010/11	2009/10
R	R
21 157	23 646

GROUP	
2010/11	2009/10
R	R
1 599 907	1 398 833
1 599 907	1 398 833

GROUP	
2010/11	2009/10
R	R
52 001 276	62 278 146
2 935 286	2 614 300
58 665 881	30 495 118
2 912 935	2 624 896
5 428 897	768 354
6 125 249	5 148 551
503 630	-
128 573 153	103 929 355

523 208	59 189 089	31 086 646
231 365	2 912 935	2 624 896
	5 660 262	946 764
	6 125 249	5 148 551
		-
	128 824 097	104 699 293

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MUNICIPALITY	
2010/11	2009/10
R	R
10 793 643	6 520 047
8 308 960	7 858 677
(4 900 200)	(3 585 081)
14 202 404	10 793 643
8 773 507	10 025 289
5 428 897	768 354
14 202 404	10 793 643

The movement on the leave accrual and service bonus accrual balances as above for the 2010 financial year were as follows:

15.1 Accrued Leave Pay	
Opening Balance	8 308 960
Plus: Contributions during the year	7 858 677
Leave sold during the year	(3 585 081)
Total leave accrual	14 202 404

Non current portion of leave accrual	
Current portion of leave accrual	10 793 643

The municipality makes provision for staff leave pay based upon the basic salary scale for 2010/11.

The short term portion of the provision is based on the number of accrued days versus the number of days sold.

GROUP	
2010/11	2009/10
R	R
10 793 643	6 520 047
8 308 960	7 858 677
(4 900 200)	(3 585 081)
14 202 404	10 793 643
8 773 507	10 025 289
5 428 897	768 354
14 202 404	10 793 643

MUNICIPALITY	
2010/11	2009/10
R	R
5 148 551	4 704 234
6 125 249	5 148 551
-	-
(5 148 551)	(4 704 235)
6 125 249	5 148 551

15.2 Accrued Service Bonus

Opening balance	5 148 551
Additional provision	5 148 551
Amounts utilised	-
Unused amounts reversed	(4 704 235)
Carrying amount at end of the year	5 148 551

The accrual calculation is based on the portion of the thirteenth cheque payable that falls due within the current year.

GROUP	
2010/11	2009/10
R	R
5 148 551	4 704 234
6 125 249	5 148 551
-	-
(5 148 551)	(4 704 235)
6 125 249	5 148 551

MUNICIPALITY	
2010/11	2009/10
R	R
905 453	1 164 441
2 318 355	2 318 355
-	1 233 895
3 223 809	4 716 692

16. PROVISIONS

Performance bonus	16.1
TASK grades	16.2
Provision: Post-employment benefit	16.3
Total provisions	3 223 809

Performance bonuses are paid one year in arrear as the assessment of eligible employees had not taken place at the reporting date. The provision is calculated at 14% of the current total salary package of Section 57 employees for the 2010/11 financial year, however this is subject to change once the assessments have been finalised.

GROUP	
2010/11	2009/10
R	R
1 161 371	1 420 359
2 318 355	2 318 355
-	1 233 895
3 479 727	4 972 610

The provision is based upon the estimates determined by the Job evaluation unit pertaining to the new TASK grades. The Job Evaluation Unit has received applications from employees to get their jobs re-graded, as they presently have TASK grades based on outdated job descriptions. In a circular during October 2010, an undertaking was made to back pay to July 2010 those employees whose jobs are upgraded as a result of a re-grade process. This process has not yet been completed.

The Cape Joint Pension Fund indicated that the fund had a shortfall which was to be recovered from the employer, Amathole District Municipality. This shortfall was paid during April 2011.

The movement in current provisions are reconciled as follows: -

MUNICIPALITY	
2010/11	2009/10
R	R
1 164 441	558 177
638 330	723 129
-	-
(897 318)	(116 865)
905 453	1 164 441

16.1 Performance Bonus

Opening balance	558 177
Additional provision	723 129
Amounts utilised	-
Unused amounts reversed	(116 865)
Carrying amount at end of the year	1 164 441

GROUP	
2010/11	2009/10
R	R
1 420 359	724 865
638 330	812 359
-	-
(897 318)	(116 865)
1 161 371	1 420 359

MUNICIPALITY	
2010/11	2009/10
R	R
2 318 355	-
-	2 318 355
-	-
-	-
2 318 355	2 318 355

16.2 TASK grades

Opening balance	-
Additional provision	2 318 355
Amounts utilised	-
Unused amounts reversed	-
Carrying amount at end of the year	2 318 355

GROUP	
2010/11	2009/10
R	R
2 318 355	-
-	2 318 355
-	-
-	-
2 318 355	2 318 355

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MUNICIPALITY	
2010/11	2009/10
R	R
1 233 895	-
(1 207 882)	1 233 895
(26 013)	-
<u>-</u>	<u>1 233 895</u>

16.3 Provision for Post-employment benefit
Opening balance
Additional provision
Amounts utilised
Unused amounts reversed
Carrying amount at end of the year

GROUP	
2010/11	2009/10
R	R
1 233 895	-
(1 207 882)	1 233 895
(26 013)	-
<u>-</u>	<u>1 233 895</u>

MUNICIPALITY	
2010/11	2009/10
R	R
70 496 404	51 996 599
43 401 563	33 017 882
1 851 149	1 811 972
<u>115 749 115</u>	<u>86 826 453</u>

17. SERVICE CHARGES

Sale of water
Sewerage and sanitation charges
Fire Services

GROUP	
2010/11	2009/10
R	R
72 963 947	51 996 599
43 401 563	33 017 882
1 851 149	1 811 972
<u>118 216 659</u>	<u>86 826 453</u>

MUNICIPALITY	
2010/11	2009/10
R	R
-	12 276
<u>-</u>	<u>12 276</u>

18. REGIONAL SERVICE CHARGES

Levies
Total Service Charges

GROUP	
2010/11	2009/10
R	R
-	12 276
<u>-</u>	<u>12 276</u>

MUNICIPALITY	
2010/11	2009/10
R	R
289 468 791	225 742 587
191 571 001	175 737 202
70 639 859	80 846 487
12 879 684	-
231 048 842	232 032 164
<u>795 608 177</u>	<u>714 358 440</u>

19. GOVERNMENT GRANTS AND SUBSIDIES

Equitable share
Levy replacement grant
Conditional Grants: Conditions met - transferred to revenue
Other government grants and subsidies
MIG grant
Total Government Grant and Subsidies

GROUP	
2010/11	2009/10
R	R
289 468 791	225 742 587
191 571 001	175 737 202
130 084 382	90 904 405
12 879 684	-
231 048 842	232 032 164
<u>855 052 700</u>	<u>724 416 358</u>

Based on the allocations set out in the Division of Revenue Act, Act 1 of 2005 significant changes in the level of government grant funding have materialised hence the allocation of the RSC levy replacement grant.

19.1 Equitable Share

This grant is used to subsidise the following functions:
WSP
WSA
Engineering Services
Disaster Management
Health & Protection Services
Fire service
Building & Services Planning
Municipal Manager
PMU

MUNICIPALITY	
2010/11	2009/10
R	R
-	2 424 852
8 835 133	6 781 694
3 034 766	2 176 861
-	4 604 834
5 800 367	-
(5 815 605)	(9 206 546)
(4 425 186)	(2 176 861)
(1 390 420)	(7 029 685)
<u>3 019 528</u>	<u>-</u>

19.2 Income for Agency Services

Balance outstanding at beginning of year
Total income
Subsidy received
Corrections
Other income
Total Expenditure
Less: Expenditure subsidy
Less: Other expenditure relating to sundry income
Conditions still to be met- transferred to creditors

GROUP	
2010/11	2009/10
R	R
-	2 424 852
8 835 133	6 781 694
3 034 766	2 176 861
-	4 604 834
5 800 367	-
(5 815 605)	(9 206 546)
(4 425 186)	(2 176 861)
(1 390 420)	(7 029 685)
<u>3 019 528</u>	<u>-</u>

The Municipality renders health services on behalf of the Provincial Government and is refunded 100% of the total expenditure incurred. The conditions of the grant have been met. There was a delay in receiving the subsidy due to negotiations regarding the Service Level Agreement.

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MUNICIPALITY	
2010/11	2009/10
R	R
127 483 618	199 040 442
302 048 751	220 129 228
	585 187
(301 688 701)	(292 271 239)
(6 846 730)	-
120 996 939	127 483 618

MUNICIPALITY	
2010/11	2009/10
R	R
-	45 862 416
231 048 843	183 115 424
(231 048 843)	(228 977 840)
-	0

MUNICIPALITY	
2010/11	2009/10
R	R
-	15 898
206 891	169 805
167 552	147 402
196 882	595 873
47 918	99 039
21 490	-
1 374	16 983
43 603 507	33 989 763
44 245 615	35 034 763

MUNICIPALITY	
2010/11	2009/10
R	R
268 692	233 425
-	-

MUNICIPALITY	
2010/11	2009/10
R	R
(321 175)	(414 228)
76 359 501	74 775 221
248 962	305 045
-	-
76 608 463	75 080 266

19.3 Conditional Grants
Balance unspent at beginning of year
Current year receipts
Interest Received
Less: Expenditure
Declined roll-over
Condition still to be met-transferred to liabilities
Refer to Annexure 1

19.4 MIG Grants
Balance unspent at beginning of year
Current year receipts
Less: Expenditure
Condition still to be met-transferred to current liabilities
Refer to Annexure 1
Note: included in total of Note 19.3

19.5 Changes in levels of government grants
Based on the allocations set out in the Division of Revenue Act, (Act No.1 of 2010), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

20. OTHER INCOME

Administration fees
Commission
Connection fees
Conservancy fees
Emergency tanked water
Legal fees received
Prepaid water sales
Sundry income
Total Other Income

Rental income
Rental income received for leased property

Repairs and maintenance leased property generating rental income

21. DEPRECIATION AND AMORTISATION EXPENSE AND GAIN/(LOSS) ON DISPOSAL OF ASSETS

Loss/(gain) on sale of infrastructure, plant and equipment
Depreciation on Infrastructure, plant and equipment
Amortisation on Intangible Assets
Asset write down
Total depreciation and amortisation

GROUP	
2010/11	2009/10
R	R
135 472 831	204 128 385
371 030 290	233 088 417
	585 187
(361 983 556)	(302 329 158)
(6 846 730)	-
137 672 836	135 472 831

GROUP	
2010/11	2009/10
R	R
-	45 862 416
231 048 843	183 115 424
(231 048 843)	(228 977 840)
-	0

GROUP	
2010/11	2009/10
R	R
-	15 898
206 891	169 805
167 552	147 402
196 882	595 873
47 918	99 039
21 490	-
1 374	16 983
44 048 936	34 566 817
44 691 044	35 611 817

GROUP	
2010/11	2009/10
R	R
268 692	233 425
-	-

GROUP	
2010/11	2009/10
R	R
(319 127)	(425 368)
76 455 419	74 852 464
257 828	305 045
-	-
76 713 247	75 157 509

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MUNICIPALITY			GROUP	
2010/11 R	2009/10 R		2010/11 R	2009/10 R
-	-	22. GENERAL EXPENDITURE		
802 775	723 432	22.1 OTHER		
10 000 000	-	Accounting fees	119 332	78 847
431 406	61 013	Advertising	814 784	738 300
219 296	41 012	Amathole Economic Development Agency Contribution	-	-
257 094	177 995	Annual event	431 406	61 013
578 349	547 766	Advisory forums	219 296	41 012
326 579	286 901	Assessment rates	257 094	177 995
17 034	-	Audit committee	600 349	547 766
-	90 747	Bank charges	339 586	301 537
6 592 729	4 178 435	Books and publications	-	-
14 665 083	21 109 436	By-law consultation	-	90 747
21 950 713	876 106	Bulk purchases: Chemicals	6 592 729	4 178 435
2 804 250	7 156 490	Bulk purchases: Repairs and maintenance	14 731 999	21 109 436
232 282	61 000	Bulk purchases: Labour, travel and supervision	21 950 713	876 106
580 782	205 401	Bulk purchases: General expenses	2 804 250	7 156 490
362 898	14 535	Bursary for rare skills	232 282	61 000
184	4 918	Campaigns and promotions	580 782	205 401
787 941	32 600	Chemicals	362 898	14 535
1 416 570	1 404 889	Cleaning materials	4 338	7 736
1 300 631	736 342	Communication	787 941	32 600
142 134	123 965	Community Based Organisation	1 416 570	1 404 889
1 514 462	283 183	Conference expenses	1 302 992	758 584
221 498	621 533	Consultative forums	142 134	123 965
-	-	Consultants	1 767 440	502 072
29 472	-	Consumables	221 498	621 533
471 343	310 886	Corporate research	-	3 696
15 409 403	21 185 740	Dam safety	-	-
39 226	43 442	Database expenditure	471 343	310 886
16 004 603	10 924 025	Delegated management	15 409 403	21 185 740
1 008 157	897 184	Disposal of the dead	39 226	43 442
1 800 419	205 403	Electricity, water and refuse	16 020 577	10 938 002
108 905	124 692	Employee welfare	1 008 157	897 184
-	-	Emergency provisions	1 800 419	205 403
4 246	3 975	Entertainment	122 901	127 925
176 572	241 445	Legal fees	24 965	-
113 529	37 798	Fire services	4 246	3 975
211 609	-	Food control	176 572	241 445
179 923	82 363	Fumigation	113 529	37 798
445 810	-	Grants in aid	211 609	-
1 345 961	566 445	Hiring premises	179 923	82 363
4 475 783	4 285 999	IGR learner ship and programmes	445 810	-
720 789	-	Indigent support	1 345 961	566 445
229 373	234 663	Insurance	4 509 291	4 315 188
132 604	29 496	International programmes	720 789	-
-	9 669	Job evaluation expenditure	229 373	234 663
551 398	288 613	Nursing services	132 604	29 496
658 284	-	LGSeta internship programme expenditure	-	29 469
549 091	-	Licences and subscriptions	600 722	317 937
2 178 337	1 555 532	Marketing	658 284	-
-	365 909	Meeting costs	-	-
20 399	-	Membership fees	2 178 337	1 555 532
93 147	-	Miscellaneous expenditure	488 252	370 716
1 642 008	1 307 371	Oversight committee	-	-
88 446 010	70 799 203	Pit latrine clearance	-	-
3 589 057	3 514 570	Postage	1 652 893	1 321 292
29 112	34 165	Internally funded project allocations	88 446 010	62 799 203
216 675	16 400	Printing and stationery	3 673 120	3 586 849
1 386 468	292 511	Project Management	29 112	34 165
1 267 507	174 134	Property transfer costs	216 675	16 400
-	-	Protective clothing	1 386 468	292 511
499 054	588 672	Public participation	1 267 507	174 134
1 030 343	802 042	Recruitment expenditure	44 596	13 230
893 291	869 972	Refreshments	514 936	601 223
2 802 857	3 428 908	Rentals: VPN lines	1 030 343	802 042
1 977 864	1 583 960	Sampling and testing	893 291	869 972
34 512	360 593	Security services	2 835 226	3 449 273
6 144 088	1 210 838	Skills development levy	1 977 864	1 583 960
1 483 601	458 537	Solid waste site costs	34 512	360 593
583 920	-	Software and computer expenditure	6 144 088	1 236 999
3 294 010	2 976 814	Special programmes	1 483 601	458 537
3 306 584	2 846 918	Stipend volunteers	583 920	-
2 123	-	Subsistence and travel	3 411 266	3 151 632
148 500	126 000	Telephone expenditure	3 431 306	2 972 526
3 988 292	1 664 534	Tools	2 123	-
8 654 182	7 457 146	Tourism	148 500	126 000
343 204	261 772	Training and workshops	4 603 784	1 916 925
2 123 368	3 431 883	Transport	8 654 182	7 457 146
		Water research levy	343 204	261 772
		Water support	2 123 368	3 431 883

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80 251 218

176 006 290

Conditional grant expenditure

80 251 218

176 006 290

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6 175	27 313
326 307 097	360 371 519

MUNICIPALITY	
2010/11	2009/10
R	R
6 620 451	5 180 648
13 758 627	8 078 075
392 552	385 481
20 771 630	13 644 204

MUNICIPALITY	
2010/11	2009/10
R	R
4 219 354	2 927 710
13 404	37 082
37 979 894	35 300 351
42 212 652	38 265 144

MUNICIPALITY	
2010/11	2009/10
R	R
3 635 700	2 961 799
3 635 700	2 961 799

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
392 927 079	415 242 666

MUNICIPALITY	
2010/11	2009/10
R	R
161 971 171	130 166 051
41 318 674	28 049 852
7 030 631	6 213 414
1 311 281	1 128 688
7 904 271	5 365 178
13 215 648	9 888 612
15 636 868	35 322 862
248 388 545	215 934 656

8 901 683	22 461 231
8 482 980	5 701 866
8 367 869	5 941 619
(7 949 166)	10 817 746

32 744 038	25 022 896
30 512 796	23 117 221
2 231 241	1 905 676

Whippery
Total

22.2 LEASING SERVICES

Operating lease charges
Premises
- Contractual amounts
Motor vehicles
- Contractual amounts
Office Equipment
- Contractual amounts

22.3 COST OF INVENTORIES

Housing inventories
Stores and materials
Water purchases

22.4 AUDIT FEES PAID

Fees - current year

Loss on foreign exchange

TOTAL GENERAL EXPENDITURE

23. EMPLOYEE COSTS

Employee related costs- Salaries and Wages
Employee related costs- Contribution for UIF, pensions and medical aid
Travel, motor car, accommodation, subsistence and other allowances
Housing benefits and allowances
Overtime payments
Bonus
Other benefits/allowances
Total Employee Costs

Defined Benefit Plan (Post employment medical aid and retirement gratuity) Expense

- current service cost
- interest cost
- actuarial loss recognised

Amount expended in respect of retirement benefit plans:

Defined contribution funds
Defined benefit funds

6 175	27 313
317 802 746	353 539 171

GROUP	
2010/11	2009/10
R	R
549 162	-
6 620 451	5 563 472
13 758 627	8 078 075
450 091	426 428
20 829 170	14 067 975

GROUP	
2010/11	2009/10
R	R
4 219 354	2 927 710
13 404	37 082
37 979 894	35 300 351
42 212 652	38 265 144

GROUP	
2010/11	2009/10
R	R
3 880 912	3 110 917
3 880 912	3 110 917

GROUP	
2010/11	2009/10
R	R
-	1 122
384 725 480	408 984 329

GROUP	
2010/11	2009/10
R	R
167 406 799	134 014 617
41 318 674	28 049 852
7 030 631	6 213 414
1 311 281	1 128 688
7 904 271	5 365 178
13 215 648	9 888 612
15 636 868	35 322 862
253 824 173	219 783 223

8 901 683	22 461 231
8 482 980	5 701 866
8 367 869	5 941 619
(7 949 166)	10 817 746

32 744 038	25 022 896
30 512 796	23 117 221
2 231 241	1 905 676

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MUNICIPALITY	
2010/11	2009/10
R	R
1 003 232	884 900
162 129	-
28 164	28 164
171 600	171 600
15 528	40 692
1 497	1 497
1 382 150	1 126 853

Remuneration of the Municipal Manager	
Annual Remuneration	1 003 232
Performance Bonus	162 129
Cell Phone Allowance	28 164
Car Allowance	171 600
Back pay of remuneration	15 528
Contribution to UIF, Medical & Pension Fund	1 497
Total	1 382 150

GROUP	
2010/11	2009/10
R	R
1 003 232	884 900
162 129.12	0
28 164	28 164
171 600	171 600
15 528	40 692
1 497	1 497
1 382 150	1 126 853

MUNICIPALITY	
2010/11	2009/10
R	R
624 873	546 635
185 905	-
28 164	28 164
228 694	233 472
11 186	21 984
148 327	131 796
1 227 148	962 051

Remuneration of the Chief Finance Officer	
Annual Remuneration	624 873
Performance Bonuses	185 905
Cell Phone Allowance	28 164
Car Allowance	228 694
Back pay of remuneration	11 186
Contributions to UIF, Medical and Pension Funds	148 327
Total	1 227 148

GROUP	
2010/11	2009/10
R	R
624 873	546 635
185 905	0
28 164	28 164
228 694	233 472
11 186	21 984
148 327	131 796
1 227 148	962 051

MUNICIPALITY	
2010/11	2009/10
R	R
595 753	536 009
168 756	-
-	9 097
28 164	28 164
253 270	233 472
8 268	21 984
155 716	133 801
1 209 927	962 527

Remuneration of the Director: Engineering	
Annual Remuneration	595 753
Performance Bonuses	168 755.71
Leave encashment	0
Cell Phone Allowance	28 164
Car Allowance	253 270
Back pay of remuneration	8 268
Contributions to UIF, Medical and Pension Fund	155 716
Total	1 209 927

GROUP	
2010/11	2009/10
R	R
595 753	469 269
168 755.71	-
0	38 663
28 164	25 032
253 270	207 530
8 268	28 050
155 716	131 898
1 209 927	900 443

608 268	631 240
17 739	-
22 918	27 192
137 203	171 600
4 402	22 250
60 250	17 823
850 780	870 105

Remuneration of the Director: Strategic Management	
Annual Remuneration	608 268
Leave encashment	17 738.78
Cell Phone Allowance	22 918
Car Allowance	137 203
Back pay of remuneration	4 402
Contributions to UIF, Medical and Pension Fund	60 250
Total	850 780

608 268	408 956
17 738.78	-
22 918	14 602
137 203	85 800
4 402	-
60 250	15 594
850 780	524 952

The position of Director: Strategic Management was filled on 1 November 2008

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MUNICIPALITY	
2010/11	2009/10
R	R
715 479	584 293
104 957	-
28 164	28 164
144 000	144 000
10 458	42 356
132 166	114 294
1 135 225	913 107

Remuneration of the Director: Corporate Services

Annual Remuneration
Performance bonus
Cell Phone Allowance
Travel Allowance
Back Pay of Remuneration
Contributions to UIF, Medical and Pension Fund
Total

GROUP	
2010/11	2009/10
R	R
715 479	584 293
104 957	-
28 164	28 164
144 000	144 000
10 458	42 356
132 166	114 294
1 135 225	913 107

MUNICIPALITY	
2010/11	2009/10
R	R
518 478	465 700
191 682.03	-
28 296	28 296
216 236	199 333
7 162	19 434
123 068	104 971
1 084 922	817 734

Remuneration of the Director: Health & Protection

Annual Remuneration
Performance Bonuses
Cell Phone Allowance
Car Allowance
Back pay of remuneration
Contributions to UIF, Medical and Pension Fund
Total

GROUP	
2010/11	2009/10
R	R
518 478	465 700
191 682.03	-
28 296	28 296
216 236	199 333
7 162	19 434
123 068	104 971
1 084 922	817 734

-	563 344
-	33 591
-	11 330
-	79 821
-	12 856
-	46 405
-	747 348

Remuneration of the Director: Executive support services

Annual Remuneration
Leave Encashment
Cell Phone Allowance
Travel Allowance
Back pay of remuneration
Contributions to UIF, Medical and Pension Fund
Total

0	563 344
0	33 591
0	11 330
0	79 821
0	12 856
0	46 405
-	747 348

Remuneration for the period July 2009 to November 2009 includes a settlement package in the annual remuneration

MUNICIPALITY	
2010/11	2009/10
R	R
619 082	382 253
47 561	-
46 328	-
216 011	127 750
8 399	-
20 552	998
957 932	511 002

Remuneration of the Director: Land Settlements and Housing

Annual Remuneration
Performance Bonuses
Cell Phone Allowance
Travel Allowance
Back Pay of Remuneration
Contributions to UIF, Medical and Pension Fund
Total

GROUP	
2010/11	2009/10
R	R
619 082	382 253
47 561	-
46 328	-
216 011	127 750
8 399	-
20 552	998
957 932	511 002

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MUNICIPALITY			GROUP	
2010/11	2009/10		2010/11	2009/10
R	R		R	R
-	-	Remuneration of Agency Chief Executive Officer - Executive		
-	-	Salary	890 129	816 997
-	-	Allowances	193 201	181 648
-	-	Leave paid	-	73 687
-	-	Bonus	176 298	154 391
-	-	Contributions to UIF, Medical and Pension Fund	117 359	-
<u>-</u>	<u>-</u>	Total	<u>1 376 987</u>	<u>1 226 723</u>
-	-	Remuneration of Agency Chief Financial officer		
-	-	Salary	687 828	628 713
-	-	Allowances	290 955	273 557
-	-	Leave paid	-	52 123
-	-	Bonus	165 092	148 044
-	-	Contributions to UIF, Medical and Pension Fund	100 766	-
<u>-</u>	<u>-</u>	Total	<u>1 244 641</u>	<u>1 102 437</u>
629 912	710 756	24. REMUNERATION OF COUNCILLORS AND DIRECTORS		
175 864	558 605	Executive Mayor	629 912	710 756
4 945 298	3 473 125	Speaker	175 864	558 605
5 061 027	4 984 282	Mayoral Committee Members	4 945 298	3 473 125
494 445	457 946	Councillors	5 061 027	4 984 282
<u>11 306 546</u>	<u>10 184 714</u>	Councillors pension contribution	494 445	457 946
		Total	<u>11 306 546</u>	<u>10 184 714</u>

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In-kind Benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full-time positions. Each is provided with an office and secretarial support at the cost of the Council. The Executive Mayor has use of three council owned vehicles for official duties, and has a full-time driver/bodyguard.

The salaries, allowances and benefits of the political office-bearers are within the upper limits of the framework as prescribed by section 219 of the Constitution

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
-	-
-	-
-	-
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>11 306 546</u>	<u>10 184 714</u>

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
31 937 369	25 046 670
(31 937 369)	(25 046 670)
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>50 606 393</u>	<u>39 404 794</u>
<u>(50 606 393)</u>	<u>(39 404 794)</u>
<u>-</u>	<u>-</u>

MUNICIPALITY	
2010/11	2009/10
R	R
-	126 863
79 750	313 319
-	89 897
-	-
26 731	491 080
-	-
28 000	627 082
-	-
-	-
-	-
<u>134 481</u>	<u>1 648 241</u>

Agency Directors Remuneration - Non-executive

S Kondlo	22 434	8 737
L Nshinga	56 815	39 562
P Mafuya	33 277	28 526
P Majeke	31 000	18 000
NEP Loyilane	40 920	22 947
Total Directors Remuneration	184 446	117 772

Agency Audit Committee non-director members

J Buchner	14 000	6 000
P Ncedo	8 000	12 123
Total Audit Committee Remuneration	22 000	18 123

Total Councillors' and Directors' Remuneration

GROUP	
2010/11	2009/10
R	R
22 434	8 737
56 815	39 562
33 277	28 526
31 000	18 000
40 920	22 947
<u>184 446</u>	<u>117 772</u>
14 000	6 000
8 000	12 123
<u>22 000</u>	<u>18 123</u>
<u>11 512 992</u>	<u>10 320 609</u>

25. PAYE AND UIF

Opening balance	122 880	122 880
Current year payroll deductions	32 983 447	26 092 748
Amount paid-current year	(32 983 447)	(26 092 748)
Amount paid-previous year	-	-
Total	122 880	122 880

26. PENSION AND MEDICAL AID DEDUCTIONS

Opening balances	-	-
Current year payroll deductions and Council Contributions	50 606 393	39 404 794
Amount paid-current year	(50 606 393)	(39 404 794)
Amount paid-previous year	-	-
Total	-	-

The pension fund contributions disclosed above includes contributions to the defined benefit and defined contribution funds. Refer note 13.

27. GRANTS AND SUBSIDIES

27.1. GRANTS AND SUBSIDIES PAID

EC121	-	126 863
EC122	79 750	313 319
EC123	-	89 897
EC124	-	-
EC125	26 731	491 080
EC126	-	-
EC127	28 000	627 082
EC128	-	-
DC12 General project implementation	-	-
Projects - AEDA	60 495 203	11 645 105
Total Grants and Subsidies	60 629 684	13 293 346

The grants paid to all Local Municipalities are in terms of the District Municipality's Integrated Development plan. The above grants relates to internally funded project allocations to local municipalities and grant expenditure from externally funded grants. The amount has been restated refer Note 41.3

GROUP	
2010/11	2009/10
R	R
122 880	122 880
32 983 447	26 092 748
(32 983 447)	(26 092 748)
-	-
<u>122 880</u>	<u>122 880</u>
-	-
50 606 393	39 404 794
(50 606 393)	(39 404 794)
-	-
<u>-</u>	<u>-</u>

GROUP	
2010/11	2009/10
R	R
-	126 863
79 750	313 319
-	89 897
-	-
26 731	491 080
-	-
28 000	627 082
-	-
-	-
60 495 203	11 645 105
<u>60 629 684</u>	<u>13 293 346</u>

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MUNICIPALITY	
2010/11	2009/10
R	R
593 360	54 165
301 057	(2 025 929)
258 744	2 240 516
-	(907 950)
198 969	462 405
-	-
336 957	(4 113 667)
143 415	(300 474)
1 832 502	(4 590 935)

27.2. GRANTS AND SUBSIDIES OUTSTANDING

EC121	593 360
EC122	301 057
EC123	258 744
EC124	-
EC125	198 969
EC126	-
EC127	336 957
EC128	143 415
Total Grants and Subsidies	1 832 502

The above grants relates to priority project allocation to local municipalities.

GROUP	
2010/11	2009/10
R	R
593 360	54 165
301 057	(2 025 929)
258 744	2 240 516
-	(907 950)
198 969	462 405
-	-
336 957	(4 113 667)
143 415	(300 474)
1 832 502	(4 590 935)

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-
-	-

28. TAXATION

28.1 South African normal tax

- Current tax
South African effective and nominal tax rate

GROUP	
2010/11	2009/10
R	R
207 040	3 119
28%	28%

28.2 Taxation (Provisional tax)/liability

- Amount payable at beginning of year
- Current tax
- Transfer to VAT account
- Interest and penalties paid
- Less: Paid during the year

(83 626)	49 659
207 040	3 119
127 045	-
(18 856)	5 605
(29 268)	(142 009)
202 335	(83 626)

MUNICIPALITY	
2010/11	2009/10
R	R
-	53 913 829
-	-
-	(53 913 829)
-	-
-	-
-	-
-	-
-	-
-	-

29. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

29.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure
Opening balance
Unauthorised expenditure current year
Approved by Council or condoned
Transfer to receivables for recovery
Unauthorised expenditure awaiting authorisation

GROUP	
2010/11	2009/10
R	R
-	53 913 829
-	-
-	(53 913 829)
-	-
-	-
-	-
-	-
-	-
-	-

The budget of the water services was exceeded by R16 352 370 due to the increase in the impairment for doubtful debts during the 2008/09 financial year.

In accounting for employment benefits in accordance with the applicable accounting standard IAS 19, the 2008/09 budget was exceeded by R37 561 459. The municipality is required to provide for all its post employment medical aid and retirement benefit obligations at year end.

Council certified and approved the unauthorised expenditure for write off in terms of the Municipal Finance Management Act No. 56 of 2003 Section 32(2).

MUNICIPALITY	
2010/11	2009/10
R	R
962 190	1 169 413
374 421	962 190
-	(1 169 413)
-	-
-	-
-	-
1 336 611	962 190

29.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure
Opening balance
Fruitless and wasteful expenditure current year
Condoned or written off by Council
To be recovered- contingent asset
Fruitless and wasteful expenditure awaiting condonement

GROUP	
2010/11	2009/10
R	R
967 795	1 198 504
904 829	967 795
-	(1 198 504)
-	-
-	-
-	-
1 872 624	967 795

During August 2010, interest of R55 460.79 was incurred on the rental of the Telkom VPN lines due to late payment. The late payments were due to the billing cycles of the supplier. The ADM is to investigate the matter and recover any costs if necessary.

During the 2010/11 financial year, rental of R71 186.56 was incurred for the months of December 2010 and January 2011 for office accommodation in the Metropolitan Building for the Supply Chain Management Unit. The unit however only occupied the premises from February 2011. The ADM is to investigate the matter and recover any costs if necessary.

Rental for the months of December 2010, January 2011 and February 2011 amounting to R117 108.42 was incurred for the premises to be occupied by the Municipal Support Unit. The premises were only occupied during March 2011 due to renovations that took longer than anticipated. The ADM is to investigate the matter and recover any costs if necessary.

During June 2011, interest of R714.29 was incurred on late payment to Telkom. The ADM is to investigate the matter and recover any costs if necessary.

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On 17 June 2008 Amathole District Municipality appointed a Municipal Manager contrary to a recommendation of a panel appointed by Council. The matter was contested in court by the candidate that was originally recommended by the panel. On 16 November 2008 the Grahamstown High Court ruled in favour of the applicant, thus ordering the original council decision to be reversed. Legal costs incurred of R423 710. This matter has been investigated by Council and it was resolved that the expenditure is to be written off.

During the 2009/10 financial year, rental costs of R91 835.20, R88 803.16 and R184 207.11 were incurred for the 9th, 14th and ground floors respectively at Caxton House.

Rental costs of R356 368 and R341 141 were incurred for the 9th and 14th floor respectively during the 2008/09 financial year, and R48 193 for the 9th floor during the 2007/08 financial year, while the municipality has not occupied these premises. Staff could not move into the new premises as phone and network connections were not installed. The installation process had taken longer than envisaged. Council has resolved that this matter be written off during the 2009/10 financial year.

During November 2009, a claim of R562 513.66 was submitted to the ADM for interest incurred on the Ngqushwa Ward 6, 7 & 13 Sanitation project that was originally commenced under the Department of Water Affairs and subsequently transferred to the ADM upon assuming the function of a Water Services Authority. Works were suspended due to budget constraints and non-payment of claims. It was agreed to avoid the contractor withdrawing from the site, and thereby delaying service delivery and incurring further costs, to make the payment. The ADM is to investigate the matter and recover any costs if necessary.

A payment of R34 830.68 was made to a contractor for interest incurred on the construction of the Maclean town sport field and ablution facilities. The interest was to be paid per the ruling of the Mediator.

The ADM is to investigate the matter and recover any costs if necessary.

For the Agency, the 2010 amount relates to interest and penalties incurred on the late payment of income tax by the company during the 2009 calendar year. The 2011 amounts relate to interest and penalties incurred due to disputes with SARS regarding the VAT application pertaining to revenue received. Included in the amount of R530 243 is an amount of R330 901 that has been raised as a penalty. We have raised an objection and believe that this amount may be waived. Discussions are also to be held with SARS regarding the levying of VAT on some revenue amounts and this may yield a reduction in the interest levied.

The fruitless and wasteful expenditure is expected to be condoned by the Board at a meeting following the yearend for despite extensive discussions on VAT implications SARS differed in their view resulting in the imposition of VAT on grants received and the penalties and interest arising therefrom. There is no one who can be held responsible for the differing interpretation of VAT legislation, hence the expectation of this matter being condoned.

MUNICIPALITY	
2010/11	2009/10
R	R
16 798 048	23 876 482
546 238	16 798 048
-	(23 876 482)
<u>17 344 286</u>	<u>16 798 048</u>

29.3 Irregular expenditure

Reconciliation of irregular expenditure
Opening balance
Irregular expenditure current year
Condoned or written off by Council

GROUP	
2010/11	2009/10
R	R
16 798 048	23 876 482
546 238	16 798 048
-	(23 876 482)
<u>17 344 286</u>	<u>16 798 048</u>

During the 2010/11 financial year, breaches on contracts to the value of R28 072 were found.

During the 2009/10 financial year, deviations on contracts to the value of R16 798 048 were found.

The following are included in the R7.58 million; a) contract expenditure of R6.8million on contracts that have been extended beyond their termination dates. These contracts should not have been extended but rather been subjected to the procurement processes that are required by the municipality's supply chain policy.

b) procurement procedures were not adhered to in respect of R378 918 incurred for an end of year staff function and R305 121 on office renovations, but were instead treated as emergency expenditure.

c) municipal credit cards were used by the Mayor and Speaker to incur entertainment expenditure. The use of these credit cards was contrary to section 11(1) of the MFMA. This was reported in the 2006/07 audit report and the matter was immediately rectified after the issue of the 2006/07 audit report, however R36 120 had already been incurred, before the 2006/07 audit report had been issued, in the current year under review.

d) also reported in the previous year, was expenditure of a private nature incurred by the then municipal manager and chief financial officer. An investigation was subsequently undertaken by the municipality and it was found that expenditure of R46 285 was incurred during the financial year under review. This amount has subsequently been recovered from the ex-officials.

During the 2008/09 year it was found that actual expenditure exceeded the contract amount that was awarded on certain contracts. This resulted in over-expenditure of R16 344 280.

At a Council meeting held on 31 May 2010, Council resolved that the irregular expenditure incurred during the 2008/09 and 2007/08 financial years be condoned.

MUNICIPALITY	
2010/11	2009/10
R	R
28 406 452	35 388 257
11 734 987	14 645 514
<u>40 141 439</u>	<u>50 033 771</u>

30. INTEREST EARNED - EXTERNAL INVESTMENTS

Unlisted financial assets held to maturity
Cash and cash equivalents

GROUP	
2010/11	2009/10
R	R
29 034 419	35 915 540
11 955 189	14 755 569
<u>40 989 608</u>	<u>50 671 109</u>

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-	41 463
22 838 226	13 630 960
943	1 374
22 839 169	13 673 797

MUNICIPALITY	
2010/11	2009/10
R	R
-	-
91 900 932	49 732 596
91 900 932	49 732 596

MUNICIPALITY	
2010/11	2009/10
R	R
194 142	91 580
-	-
194 142	91 580

MUNICIPALITY	
2010/11	2009/10
R	R
189 562 472	124 910 856
(321 175)	(414 228)
76 608 463	75 080 266
-	-
8 947 290	9 539 691
91 900 931	49 732 596
6 486 862	20 116 064
373 184 844	278 965 245
(2 701 185)	2 822 219
(88 657 870)	(65 940 036)
-	-
(6 486 679)	(71 556 824)
20 051 039	37 569 940
(7 031 413)	(3 585 081)
(22 127 297)	28 390 852
266 231 440	206 666 315

MUNICIPALITY	
2010/11	2009/10
R	R
1 823 109	-
1 403 727	-
60 410 000	-
726 394	-
64 363 230	-

31. INTEREST EARNED - OUTSTANDING RECEIVABLES

Levies	-
Water and sanitation	22 838 226
Loans receivable	943

32. BAD DEBTS

Bad debts consists of the following:
Contribution to doubtful debts

33. FINANCE COSTS

Finance leases	194 142
SARS	530 408

34. CASH GENERATED FROM OPERATIONS

Surplus for the year
Adjustments for non-cash flow items:
Disposal of property, plant and equipment (319 127)
Depreciation and amortisation 76 713 247
Taxation paid (136 405)
Contributions to provisions - current 8 947 290
Contribution to doubtful debt provision 91 900 931
Contribution to defined benefit obligation 6 486 862
Operating surplus before working capital changes 376 014 735
Increase in inventories (2 701 186)
Increase in trade and other debtors (87 168 689)
Increase in deferred income -
Increase/(Decrease) in conditional grants and receipts 2 200 006
Increase in trade and other payables 19 640 519
Provisions paid (7 031 413)
Increase in VAT receivable (21 127 919)
Cash generated from operations 279 826 054

35. MATERIAL LOSSES

Housing inventory	1 823 109
Revenue	1 403 727
Water distribution losses	60 410 000
Property, plant and equipment	726 394

- ADM is responsible for the management of the housing projects on behalf of the Department of Human Settlements. The department of Human Settlements changed the model of delivery of the housing projects from using emerging contractors to using established contractors. On taking over of the sites by the established contractors they rejected raw materials amounting to R1,8 million as being unusable these were then written off by the council.
- ADM carried service coverage survey wherein services provided to each household were verified, revenue losses amounting to R1,4 million have been disclosed relating to the provision of water to unmetered households.
- The amount recorded as distribution losses emanates from the provision of water to free basic services beneficiaries through communal standpipes and also network/distribution losses.
- There were errors in the barcoding of movable assets which led to assets on the ground not fully reconciling with the assets in the asset register during the physical verification of assets.

-	41 463
22 838 226	13 630 960
943	1 374
22 839 169	13 673 797

GROUP	
2010/11	2009/10
R	R
-	-
91 900 932	53 284 519
91 900 932	53 284 519

GROUP	
2010/11	2009/10
R	R
194 142	91 580
530 408	5 606
724 550	97 185

GROUP	
2010/11	2009/10
R	R
192 285 531	126 671 089
(319 127)	(425 368)
76 713 247	75 157 509
-	(136 405)
8 947 290	9 604 916
91 900 931	49 732 596
6 486 862	20 116 064
376 014 735	280 720 401
(2 701 186)	2 822 219
(87 168 689)	(65 660 710)
-	-
2 200 006	(68 655 553)
19 640 519	37 428 322
(7 031 413)	(3 585 081)
(21 127 919)	27 509 435
279 826 054	210 579 033

(1) 0

GROUP	
2010/11	2009/10
R	R
1 823 109	-
1 403 727	-
60 410 000	-
726 394	-
64 363 230	-

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MUNICIPALITY	
2010/11	2009/10
R	R
487 340 408	566 294 468
469 636 189	546 517 116
7 689 387	10 012 101
-	-
10 014 831	9 765 251
-	-
-	-
487 340 408	566 294 468
-	-
447 639 551	525 576 846
39 700 857	40 717 622
487 340 408	566 294 468
6 022 521	5 984 974
4 344 677	4 219 998
-	-
10 367 199	10 204 971

36. COMMITMENTS

Authorised capital expenditure

- Approved and contracted for

Infrastructure
Community
Heritage
Other- Land and buildings
Other- Plant and equipment
Investment Properties

Total

This expenditure will be financed from:

- External Loans
- District Council Grants
- Own resources

36.1 Operating leases

At the reporting date the entity has outstanding commitments under operating leases which fall due as follows:

Operating leases - as lessee (expense)

Minimum lease payments due

- within one year
- in second to fifth year inclusive
- later than five years

GROUP	
2010/11	2009/10
R	R
487 340 407	566 294 468
469 636 189	546 517 116
7 689 387	10 012 101
-	-
10 014 831	9 765 251
-	-
-	-
487 340 408	566 294 468
-	-
447 639 551	525 576 846
39 700 857	40 717 622
487 340 408	566 294 468
6 533 648	6 496 101
4 533 416	4 408 737
-	-
11 067 065	10 904 837

Operating lease payments represent rentals payable for rental of certain office properties and office equipment. Leases are negotiated for an average term of 3 years and rentals escalate on average at 10% p.a. No contingent rent is payable.

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MUNICIPALITY	
2010/11	2009/10
R	R
73 839	73 409
155 670	103 019
167 231	66 532
<u>396 740</u>	<u>242 960</u>

Operating leases – as lessor (Income)

Minimum lease payments due

-within one year
-in second to fifth year inclusive
-later than five years

GROUP	
2010/11	2009/10
R	R
73 839	73 409
155 670	103 019
167 231	66 532
<u>396 740</u>	<u>242 960</u>

Operating lease payments represent rentals receivable by the Municipality for certain of its properties situated in Stutterheim, Komga, Cathcart, Adelaide and Macleantown. No contingent rent is payable.

Leases are negotiated for an average of 3 years and rentals escalate by an average of 12% annually.

MUNICIPALITY	
2010/11	2009/10
R	R
588 308	725 000
<u>588 308</u>	<u>725 000</u>

37. CONTINGENT LIABILITIES AND ASSETS

37.1 CONTINGENT LIABILITIES

The following contingent liabilities have been disclosed and not recognised:

Michelle Fourie

GROUP	
2010/11	2009/10
R	R
588 308	725 000
<u>588 308</u>	<u>725 000</u>

Michelle Fourie

Damages claimed from the Amathole District Municipality include medical expenses, pain and suffering as the result of a collusion with livestock. The Plaintiff has indicated that it wishes to serve a replication to the ADM's plea. A draft is awaited thereof before any decision can be taken on condonation for late filing thereof. Pleadings have not yet closed as the Plaintiff still awaits pleas from the remaining Defendants.

Cape Joint Pension Fund

In terms of Rule 17(5) of the fund's rules pertaining to the Defined Benefit Section (Part A of the Rules), local authorities associated with the Fund are under an obligation to contribute *pro rata* to the Fund such a sum as will make up for any shortfall between actual earnings and an investment return of 5.5% on all its assets. The fund reported an actual investment return of -0.94% on the 28th October 2009.

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37.2 CONTINGENT ASSETS

The following contingent asset has been disclosed and not recognised:

500 595	500 595
51 619	-
<u>552 214</u>	<u>500 595</u>

Fernfin
Mandila Construction

500 595	500 595
51 619	-
<u>552 214</u>	<u>500 595</u>

Fernfin

The Amathole District Municipality wishes to institute action against Vuma JV Lungalabantu Construction and its surety, Fernfin of Mthatha. This relates to the non-performance of the contract by Vuma JV Lungalabantu Construction, which was awarded March 2007. Summons has been drafted and sent to Counsel.

Mandila Construction

The applicant claimed payment of an amount of R763 800 from the Amathole District Municipality in respect of contract 8/2/63/2007-2008 entered into by both parties. The application was dismissed with costs on 31 May 2011. The ADM's bill of costs have been drafted and served on the applicant. Last date for the applicant to oppose is 22 July 2011.

38. RELATED PARTIES

Relationships

Subsidiary / Municipal entity

Refer to Note 4.1

Related party balances

Owing by (to) Amathole Economic Development Agency (Proprietary) Limited ASPIRE

Amount recorded in ASPIRE as owed by ADM is reflected in their books as R511,644. The R8,014 difference was not resolved at the end of the financial year.

Related Party Transactions

Funding provided to Amathole Economic Development Agency for the operations of the agency

The account operates on a current account basis, i.e. the Agency's service providers are paid by the municipality on the Agency's behalf. No financial benefit accrues to the Agency or the municipality.

Funds transferred to AEDA for implementation of NDPG project

Funds transferred to AEDA for implementation of Essential Oils Project

MUNICIPALITY	
2010/11	2009/10
R	R
(503 630)	850 332
<u>10 000 000</u>	<u>8 000 000</u>
<u>42 405 413</u>	<u>4 500 000</u>
<u>1 500 000</u>	<u>-</u>

GROUP	
2010/11	2009/10
R	R
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>

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MUNICIPALITY	
2010/11	2009/10
(1 251 236)	-
-	-
3 551 923	-
(2 018 086)	-
2 477 501	-
1 250 491 474	-
14 255 456	-
2 904	-
(49 781 404)	-

39. PRIOR PERIOD ERRORS

The comparative amount has been restated as follows:

Consumer debtors	-
Trade and other receivables	-
Bad debt expense	-
Housing inventory	-
Leave accrual	-
PPE	-
Investment properties	-
Intangibles	-
Commitments	-

It is impractical to show prior period adjustments for period earlier than 01 July 2009.

GROUP	
2010/11	2009/10
(1 251 236)	-
(630 000)	-
3 551 923	-
(2 018 086)	-
2 477 501	-
1 250 491 474	-
14 255 456	-
2 904	-
(20 765 070)	-

40. CHANGE IN ACCOUNTING ESTIMATE

The municipality has divided its assets into significant components, so as to apply a components approach for depreciation. Condition assessments were carried out on these components and based on these assessments, the useful lives of the assets were changed. Accordingly management adopted the view that this change in useful lives provided reliable and more relevant information as it dealt more accurately with the components of property, plant and equipment. The change in estimate has been applied prospectively with effect 2010/11 financial year due to new information gathered from the condition assessments carried out.

It is considered impracticable to disclose the amount of the effect of the change in useful lives as the accounting system was set-up to calculate the value of the depreciation taking into account the remaining useful life as if the asset always had the amended useful life. Accordingly the total depreciation/amortisation expense of R75 157 509 includes depreciation on the current useful lives and the change in useful lives of the assets.

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41. FINANCIAL INSTRUMENTS

Categories of financial instruments

2011 Financial Year - MUNICIPALITY

	Loans and receivables	Financial liabilities at amortised cost	Held to Maturity Investments	Investments at cost	Total
	R	R	R	R	R
Non Current Assets					
Investment in Subsidiary				1 000	1 000
Long term receivables	661 900				661 900
Current Assets					
Consumer debtors	50 769 782				50 769 782
Other receivables	4 073 181				4 073 181
VAT	42 951 207				42 951 207
Investments			466 189 906		466 189 906
Cash and cash equivalents	291 721 116				291 721 116
Short term portion of long term debt	6 625				6 625
Non Current Liabilities					
Finance lease liability		537 614			537 614
Operating lease liability		281 579			281 579
Current liabilities					
					-
Trade and other payables		128 573 153			128 573 153
Provisions		3 223 809			3 223 809
Short term portion of finance lease liability		503 553			503 553
Consumer deposits		1 599 907			1 599 907
Unspent conditional grants		120 996 939			120 996 939

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2010 Financial Year - MUNICIPALITY

	Loans and receivables	Financial liabilities at amortised cost	Held to Maturity Investments	Investments at cost	Total
	R	R	R	R	R
Non Current Assets					
Investment in Subsidiary				1 000	1 000
Long term receivables	546 599				546 599
Current Assets					
Consumer debtors	51 000 905				51 000 905
Other receivables	7 085 120				7 085 120
VAT	20 823 910				20 823 910
Investments			469 466 675		469 466 675
Cash and cash equivalents	279 773 173				279 773 173
Short term portion of long term debt	6 568				6 568
Non Current Liabilities					
Finance lease liability		265 392			265 392
Operating lease liability		213 796			213 796
Current liabilities					
Trade and other payables		103 929 355			103 929 355
Provisions		4 716 692			4 716 692
Short term portion of finance lease liability		350 479			350 479
Consumer deposits		1 398 833			1 398 833
Unspent conditional grants		127 483 618			127 483 618

2011 Financial Year - GROUP

	Loans and receivables	Financial liabilities at amortised cost	Held to Maturity Investments	Investments at cost	Designated as at fair value through profit or loss	Total
	R	R	R	R	R	R
Non Current Assets						
Investment in Subsidiary					-	-
Long term receivables	661 900					661 900
Current Assets						
Consumer debtors	50 769 782					50 769 782
Other receivables	4 285 184					4 285 184
VAT	42 951 207					42 951 207
Investments			466 189 906			466 189 906
Cash and cash equivalents	302 436 913				12 477 373	314 914 287
Short term portion of long term debt	6 625					6 625
Non Current Liabilities						
Finance lease liability		537 614				537 614
Operating lease liability		314 916				314 916
Current liabilities						
Trade and other payables		128 824 097				128 824 097
Provisions		3 479 727				3 479 727
Short term portion of finance lease liability		503 553				503 553
Consumer deposits		1 599 907				1 599 907
Unspent conditional grants		137 672 836				137 672 836

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2009 Financial Year - GROUP

	Loans and receivables	Financial liabilities at amortised cost	Held to Maturity Investments	Investments at cost	Designated as at fair value through profit or loss	Total
	R	R	R	R	R	R
Non Current Assets						
Long term receivables	546 599					546 599
Investment in Subsidiary				-		-
Current Assets						
Consumer debtors	51 000 905					51 000 905
Other receivables	6 292 158					6 292 158
VAT	21 823 288					21 823 288
Investments			469 466 675			469 466 675
Cash and cash equivalents	283 642 283				8 608 263	292 250 546
Short term portion of long term debt	6 568					6 568
Non Current Liabilities						
Finance lease liability		265 392				265 392
Operating lease liability		226 023				226 023
Current liabilities						
Trade and other payables		104 699 295				104 699 295
Provisions		4 972 610				4 972 610
Short term portion		350 479				350 479
Consumer deposits		1 398 833				1 398 833
Unspent conditional grants		135 472 830				135 472 830

42. RISK MANAGEMENT

42.1. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the municipality. The municipality has adopted a policy of only dealing with creditworthy parties. The municipality only transacts with entities that have an appropriate credit rating. This information is supplied by independent rating agencies where available, if not available, the entity uses other publicly available financial information and its own trading records to rate its major customers. The municipality's exposure and the credit ratings of its customers are continuously monitored.

Financial assets, that potentially subject the municipality to credit risk, consist principally of cash and cash equivalents, short-term deposits, loans and receivables, investments and trade and other receivables. Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Credit exposure is controlled by the application of the municipality's credit control and debt collection policies. Adequate provision has been made for anticipated doubtful debts.

To manage credit risk in borrowing and investing, the municipality's cash and cash equivalents and short-term deposits are placed with high credit quality financial institutions and by spreading its exposure over a range of such institutions in accordance with its investment policies.

Management manages the credit risk relating to employee loans (car loans) by deducting the payments due by the employees monthly from their salaries and by maintaining a register of amounts due and owing by each employee.

Maximum exposure to credit risk

The carrying amount of financial assets, represent the entity's maximum exposure to credit risk in relation to these assets. The municipality's cash and cash equivalents and short-term deposits are placed with high credit quality financial institutions.

There has been no significant change during the financial year, or since the end of the financial year, to the municipality's exposure to credit risk, the approach of measurement or the objectives, policies and processes for managing this risk.

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the municipality's maximum exposure to credit risk without taking into account the value of any collateral obtained:

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MUNICIPALITY	
2010/11	2009/10
R	R
145 394 090	223 204 080
145 810 057	56 560 144
-	-
466 189 906	469 466 675
50 769 782	51 000 905
4 073 181	7 085 120
661 900	546 599
812 898 914	807 863 524

130 000	130 000
130 000	130 000

ABSA Bank Limited
Standard Bank Limited
ABSA Bank Limited
Investments
Consumer debtors
Other receivables
Long term debtors

The municipality is exposed to the following guarantees:

Guarantees in lieu of Eskom and the Post office

Credit quality

The following represents information on the credit quality of trade receivables that are neither past due nor impaired:

	2011	2010	
A	7%	5%	Government Accounts
B	5%	8%	Businesses
C	88%	87%	Domestic and other

Analysis of table:

A - The debtors are of good credit quality and no default in payment is expected.

B - The debtors are usual good payers, but there is a possibility that the debtor may not be able to pay on time

C - These debtors usually pay, but have previously paid late and therefore there is a possibility that these debtors will not be recoverable.

Age analysis of financial assets that are past due but not impaired:

	1 - 30 days past due	31 - 60 days past due	61 - 90 days past due	91 - 120 days past due	120 plus days past due	Total
	R	R	R	R	R	R
2011	16 364 691	7 119 725	3 530 146	1 624 305	34 044 036	62 682 903
Trade receivables						
2010	25 367 120	8 400 266	2 399 742	1 285 919	23 101 812	60 554 858
Trade receivables						

Impaired financial assets

Refer to trade receivables note for an analysis of the impaired receivables.

42.2 Market risk management

The municipality's activities expose it primarily to the risks of fluctuations in interest rate.

Interest rate risk refers to the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Market risk exposures are measured using sensitivity analysis. A sensitivity analysis shows how surplus and/or net assets would have been affected by changes in the relevant risk variable that were reasonably possible at the reporting date.

42.2.1 Interest rate risk management

At year end financial assets exposed to interest rate risk were as follows:

Balances with banks, deposits and all call and current accounts attract interest at rates that vary with South African prime rate. The municipality's policy is to manage interest rate risk so that fluctuations in variable rates do not have a material impact on the surplus / deficit.

Investments at fixed interest rates.

Trade debtors in arrears linked to South African prime rate plus two percent.

Loans granted linked to a fixed rate of interest.

Surplus funds are invested with banks for fixed terms on fixed interest rates not exceeding one year. For details refer Note 4.

At year end, financial liabilities exposed to interest rate risk were as follows:

Finance leases linked to South African prime rate.

Management manages interest rate risk by negotiating beneficial rates on floating rate loans.

GROUP	
2010/11	2009/10
R	R
154 820 696	224 325 484
165 810 057	56 560 144
11 355 299	11 355 299
466 189 906	469 466 675
50 769 782	51 000 905
4 285 184	6 292 158
661 900	546 599
853 892 824	819 547 264

130 000	130 000
130 000	130 000

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Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on financial instruments exposure to interest rates at reporting date. For floating rate instruments, the analysis is prepared assuming the amount of the instrument outstanding at the reporting date was outstanding for the whole year.

The basis points increases or decreases, as detailed in the table below, were determined by management and represent management's assessment of the reasonably possible change in interest rates.

A positive number below indicates an increase in surplus. A negative number below indicates a decrease in surplus.

The sensitivity analysis shows reasonable expected change in the interest rate, either an increase or decrease in the interest percentage. The equal but opposite % adjustment to the interest rate would result in an equal but opposite effect on surplus and therefore has not been separately disclosed below. The disclosure only indicates the effect of the change in interest rate on surplus.

There were no changes in the methods and assumptions used in preparing the sensitivity analysis for one year to the next.

Foreign exchange risk

The group has no material exposure to foreign exchange risk.

43. Liquidity risk management

Liquidity risk is the risk that the municipality will not be able to meet its financial obligations as they fall due.

The municipality's risk to liquidity is a result of the funds available to cover future commitments. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities.

Cash flow forecasts and budgets are prepared and adequate utilised borrowing facilities are monitored.

There has been no significant change during the financial year, or since the end of the financial year, to the municipality's exposure to liquidity risk, the approach of measurement or the objectives, policies and processes for managing this risk.

The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows of financial liabilities.

2011 - MUNICIPALITY	1-3 months	4-6 months	7-9 months	10-12 months	Later than 12 months	Total
	R	R	R	R	R	R
Trade and other payables	52 001 276	0	58 665 881	14 467 081	0	125 134 238
Other	2 318 355	0	0	905 453	8 773 507	11 997 315
2010 - MUNICIPALITY	1-3 months	4-6 months	7-9 months	10-12 months	Later than 12 months	Total
	R	R	R	R	R	R
Trade and other payables	62 278 146	0	30 495 118	8 541 791	0	101 315 055
Other	0	0	0	1 164 441	10 025 289	11 189 730
2011 - GROUP	1-3 months	4-6 months	7-9 months	10-12 months	Later than 12 months	Total
	R	R	R	R	R	R
Trade and other payables	52 001 276	0	59 189 089	14 698 446	0	125 888 811
Other	2 318 355	0	0	1 161 371	8 773 507	12 253 234
2010 - GROUP	1-3 months	4-6 months	7-9 months	10-12 months	Later than 12 months	Total
	R	R	R	R	R	R
Trade and other payables	62 278 146	0	31 086 646	8 720 201	0	102 084 993
Other	0	0	0	1 420 359	10 025 289	11 445 648

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44. SUPPLY CHAIN MANAGEMENT POLICY

The Municipal Manager has the power to authorise deviations from the normal Procurement Process. The deviations for the 2010/11 financial year are detailed in **Annexure 2** to the annual financial statements.

45. NON-COMPLIANCE WITH THE MUNICIPAL FINANCE MANAGEMENT ACT

45.1 NON-COMPLIANCE WITH SECTION 71(1) AND 54(1)(a) OF THE MUNICIPAL FINANCE MANAGEMENT ACT

The monthly budget statements were not submitted within 10 working days after month end to the Mayor. The monthly statements were submitted to the Provincial Treasury, but not in compliance with the submission date.

46. EVENTS AFTER THE REPORTING DATE AS AT 30 JUNE 2011

1. The council approved on the 26 August 2011 the transfer by way of donation of 13 Amathole District Municipality immovable properties situated in Newlands to the Buffalo City Metro to enable the provision of the required municipal services to the Newlands community subject to the transfer costs being incurred by the transferee.

2. On the 28 October 2011, the council approved the disposal by way of donation of a portion of Erf 1874 being Erf 8526 (comprising of Erf 8529 and a remainder) measuring 7595m² in total extent to Amahlathi Municipality to enable the development of a Petro Park comprising of mixed land uses subject to:

- The transfer costs being incurred by the transferee
- The market value of Erf 8526 being determined
- The costs of determining the market value of Erf 8526 being incurred by ASPIRE
- Access to all the subdivided portions including the Remainder Erf 1874 being provided
- All the land use management legislation applicable to the property being adhered to.

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47. COMPARISON WITH THE BUDGET

GRAP 1 paragraph 11 requires the group to provide information as whether its resources were obtained and used in accordance with the adopted budget.

The municipal budget was approved by Council in May 2009.

A comparison of the budget and actual amounts is as follows:

47.1. Statement of comparative and actual information

MUNICIPALITY	2010/11							Actual outcome as % of final budget	
	Description	Original budget	Budget Adjustments	Virements	Final budget	Actual outcome	Unauthorised expenditure		Variance
	R	R	R	R	R	R	R		R
Financial Performance									
Service charges	111 165 464	-	-	-	111 165 464	115 749 115	-	4 583 651	104
Investment income	20 141 143	-	-	2 400 000	22 541 143	40 141 439	-	17 600 296	178
Transfers recognised - operational	800 102 300	-	-	-	800 102 300	795 608 177	-	(4 494 123)	99
Other own revenue	275 115 975	176 370 681	(2 400 000)	-	449 086 656	70 388 242	-	(378 698 414)	16
Total revenue	1 206 524 882	176 370 681	-	-	1 382 895 563	1 021 886 973	-	(361 008 590)	74
Employee costs	338 293 544	(480 000)	(411 693)	-	337 401 851	248 388 545	-	(89 013 306)	74
Remuneration councillors	14 479 004	-	-	-	14 479 004	11 306 546	-	(3 172 458)	78
Debt impairment	65 604 286	-	-	-	65 604 286	93 377 799	-	27 773 513	142
Depreciation & asset impairment	78 770 563	-	-	-	78 770 563	76 608 463	-	(2 162 100)	97
Finance charges	163 930	-	77 034	-	240 964	194 142	-	(46 822)	81
Materials and bulk purchases	-	-	-	-	-	-	-	-	#DIV/0!
Transfers and grants	-	3 567 385	-	-	3 567 385	1 966 983	-	(1 600 402)	0
Other expenditure	385 077 187	172 183 296	(161 589)	-	557 098 894	400 803 196	-	(156 295 698)	72
Total expenditure	882 388 514	175 270 681	(496 248)	-	1 057 162 947	832 645 674	-	(224 517 273)	79
Surplus/(Deficit)	324 136 368	1 100 000	496 248	-	325 732 616	189 241 299	-	(136 491 317)	58
Transfers recognised capital	-	-	-	-	-	321 175	-	321 175	-
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	324 136 368	1 100 000	496 248	-	325 732 616	189 562 474	-	(136 170 142)	58
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	324 136 368	1 100 000	496 248	-	325 732 616	189 562 474	-	-136 170 142	58
Capital expenditure & funds sources									
Capital expenditure									
Transfers recognised capital	259 357 018	-	-	-	259 357 018	-	-	(259 357 018)	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	64 779 356	1 100 000	650 316	-	66 529 672	3 164 160	-	(63 365 512)	5
Total sources of capital funds	324 136 374	1 100 000	650 316	-	325 886 690	3 164 160	-	(322 722 530)	5
Cash flows									
Net cash from/(used) operating	-	-	-	-	-	-	-	-	-
Net cash from/(used) investing	-	-	-	-	-	626 370	-	626 370	-
Net cash from/(used) financing	-	-	-	-	-	291 721 116	-	291 721 116	-
Cash/cash equivalents at the end of the year									

The comparison of the Municipality's actual financial performance with that budgeted with variance explanations are set out in Annexures E(1) and E(2)

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GROUP	2010/11							Actual outcome as % of final budget
	Description	Original budget	Budget Adjustments	Virements	Final budget	Actual outcome	Unauthorised expenditure	
R	R	R	R	R	R	R	R	%
Financial Performance								
Service charges	111 165 464	-	-	111 165 464	115 749 115	-	4 583 651	104
Investment income	20 141 143	-	2 400 000	22 541 143	40 989 608	-	18 448 465	182
Transfers recognised - operational	914 480 160	-	-	914 480 160	855 052 700	-	(59 427 460)	94
Other own revenue	276 602 686	176 370 681	(2 400 000)	450 573 367	70 833 671	-	(379 739 696)	16
	-	-	-	-	-	-	-	-
Total revenue	1 322 389 453	176 370 681	-	1 498 760 134	1 082 625 094	-	(416 135 040)	72
Employee costs	346 601 649	(480 000)	(411 693)	345 709 956	253 824 173	-	(91 885 783)	73
Remuneration councillors	14 857 404	-	-	14 857 404	11 512 992	-	(3 344 412)	77
Debt impairment	65 604 286	-	-	65 604 286	92 776 827	-	27 172 541	141
Depreciation & asset impairment	78 851 337	-	-	78 851 337	76 713 247	-	(2 138 090)	97
Finance charges	163 930	-	77 034	240 964	724 550	-	483 586	301
Materials and bulk purchases	-	-	-	-	-	-	-	#DIV/0!
Transfers and grants	-	3 567 385	-	3 567 385	62 462 186	-	58 894 801	0
Other expenditure	504 592 403	172 183 296	(161 589)	676 614 110	392 639 788	-	(283 974 322)	58
	-	-	-	-	-	-	-	-
Total expenditure	1 010 671 009	175 270 681	(496 248)	1 185 445 442	890 653 763	-	(294 791 679)	75
Surplus/(Deficit)	311 718 444	1 100 000	496 248	313 314 692	191 971 331	-	(121 343 361)	61
Transfers recognised capital	-	-	-	-	319 127	-	319 127	#DIV/0!
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	311 718 444	1 100 000	496 248	313 314 692	192 290 458	-	(121 024 234)	#DIV/0!
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	311 718 444	1 100 000	496 248	313 314 692	192 290 458	-	-121 024 234	#DIV/0!
Capital expenditure & funds sources								
Capital expenditure								
Transfers recognised capital	259 357 018	-	-	259 357 018	-	-	(259 357 018)	-
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	65 055 156	1 100 000	650 316	66 805 472	3 439 960	-	(63 365 512)	5
	-	-	-	-	-	-	-	-
Total sources of capital funds	324 412 174	1 100 000	650 316	326 162 490	3 439 960	-	(322 722 530)	5
Cash flows								
Net cash from/(used) operating					-	-	-	-
Net cash from/(used) investing					626 370	-	-	-
Net cash from/(used) financing					291 721 116	-	-	-
Cash/cash equivalents at the end of the year								

Management is of the opinion that expenditure is effectively managed and that current processes and controls ensure that budgeted expenditure are not exceeded.

The comparison of the Municipality's actual financial performance with that budgeted with variance explanations are set out in Annexures E(1) and E(2)

48. SUPPLY CHAIN MANAGEMENT DEVIATIONS

MUNICIPALITY	TYPE	TRANSACTIONS	AMOUNT
	Emergency Procurement	378	R 46 562 873.03
	Sole Service Providers	2	R 38 760.00
	Other exceptional cases	291	R 264 262 421.52
TOTAL			R 310 864 054.55

APPENDIX A

**THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS
AS AT 30 JUNE 2011**

EXTERNAL LOANS	Loan Number	Interest Rate	Final Redemption Date	Balance at 01/07/2009	Corrections	Balance at 01/07/2009 Restated	Received during the period	Redeemed written off during the period	Balance at 30/06/2010
LONG-TERM LOANS				R	R	R	R	R	R
DBSA Loan - Nkonkobe	8237	11%	2014/09/30	-	-	-	-	-	-
DBSA Loan - Great Kei	10876	15%	2019/06/30	-	-	-	-	-	-
DBSA Loan - Nxuba	11416	17%	2009/06/30	-	-	-	-	-	-
Loan - Amahlathi	100001	4%	2009/06/30	-	-	-	-	-	-
Loan - Amahlathi	100001	4%	2009/06/30	-	-	-	-	-	-
Loan - Amahlathi	100001	4%	2009/06/30	-	-	-	-	-	-
Loan - Amahlathi	100001	4%	2009/06/30	-	-	-	-	-	-
Total long-term loans				-	-	-	-	-	-
CURRENT PORTION									
DBSA Loan - Amahlathi [In arrears]	11641	11%	2007/06/30	-	-	-	-	-	-
DBSA Loan - Nxuba	11240	16%	2010/12/31	-	-	-	-	-	-
Total short term loans				-	-	-	-	-	-
TOTAL EXTERNAL LOANS				-	-	-	-	-	-

These loans were settled during the 2008/09 financial year.

APPENDIX B
**AMATHOLE DISTRICT MUNICIPALITY
 ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
 AS AT 30 JUNE 2011**

Classification	Cost/Revaluation						Accumulated Depreciation						Carrying Value
	Opening Balance	Transfer In / (Out)	New Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Transfer In / (Out)	New Opening Balance	Additions	Disposals	Closing Balance	
INFRASTRUCTURE	1 430 804 389	1 131 442 895	2 562 247 285	451 233 812	229 673 523	2 783 807 574	(320 201 533)	75 155 309	(245 046 224)	(67 027 980)	-	(312 074 204)	2 471 733 369
Water													
Reservoirs & Tanks	166 576 238	132 952 973	299 529 211	6 584 735	-	306 113 946	(24 273 987)	(13 930 778)	(38 204 765)	(10 046 663)	-	(48 251 429)	257 862 518
Supply / Reticulation	320 605 230	701 768 881	1 022 374 111	120 900 610	-	1 143 274 720	(239 014 225)	124 375 136	(114 639 089)	(31 878 890)	-	(146 517 978)	996 756 742
Water - Other	242 705 557	105 003 745	347 709 303	29 782 882	-	377 492 185	(41 845 714)	6 812 768	(35 032 946)	(9 360 392)	-	(44 393 338)	333 098 847
Water Mains	83 361 535	49 504 306	132 865 841	40 595 921	-	173 461 762	(14 199 024)	(8 509 818)	(22 708 842)	(6 075 690)	-	(28 784 532)	144 677 231
Meters	225 855	38 766 893	38 992 748	451 330	-	39 444 078	(45 251)	(11 329 946)	(11 375 197)	(3 088 133)	-	(14 463 330)	24 980 748
Sanitation													
Purification works	1 602 941	136 222 478	137 825 420	28 361 400	-	166 186 820	(737 033)	(10 878 953)	(11 615 986)	(3 580 038)	-	(15 196 024)	150 990 796
Sewers	4 142 371	72 255 443	76 397 814	2 996 643	-	79 394 457	(86 299)	(11 383 101)	(11 469 400)	(2 998 174)	-	(14 467 574)	64 926 883
Infrastructure under Construction	611 584 662	(105 031 824)	506 552 839	221 560 290	229 673 523	498 439 606	-	-	-	-	-	-	498 439 606
COMMUNITY	15 967 019	(75 054)	15 891 965	2 783 738	-	18 675 703	(905 253)	(182 712)	(1 087 965)	(181 080)	-	(1 269 044)	17 406 658
Clinics & Hospitals	3 031 737	(1 361 737)	1 670 000	-	-	1 670 000	(221 800)	(47 193)	(268 993)	(47 193)	-	(316 186)	1 353 814
Fire Stations	483 393	1 616 608	2 100 000	-	-	2 100 000	(490 000)	(70 000)	(560 000)	(70 000)	-	(630 000)	1 470 000
Security System	47 594	-	47 594	-	-	47 594	(25 453)	(9 519)	(34 972)	(7 886)	-	(42 858)	4 736
Museum & Art Galleries	2 271 924	(2 009 924)	262 000	-	-	262 000	-	-	-	-	-	-	262 000
Civic Buildings	-	1 680 000	1 680 000	-	-	1 680 000	(168 000)	(56 000)	(224 000)	(56 000)	-	(280 000)	1 400 000
Under Construction	10 132 371	-	10 132 371	2 783 738	-	12 916 109	-	-	-	-	-	-	12 916 109
INVESTMENT PROPERTIES	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER	98 658 458	(15 284 432)	83 374 026	25 913 282	760 420	108 526 888	(35 707 208)	-	(38 161 267)	(9 134 313)	(415 047)	(46 880 532)	61 646 356
LAND AND BUILDINGS	39 483 733	(20 928 732)	18 555 001	168 664	-	18 723 665	-	-	(2 454 059)	(434 437)	-	(2 888 495)	15 835 170
Land	25 771 904	(21 280 085)	4 491 819	79 142	-	4 570 961	-	-	-	-	-	-	4 570 961
Buildings	13 711 829	351 353	14 063 182	89 522	-	14 152 704	-	-	(2 454 059)	(434 437)	-	(2 888 495)	11 264 209
Office Equipment	17 554 331	(5 181 014)	12 373 317	2 466 402	-	14 839 719	(9 131 830)	-	(9 131 830)	(1 836 764)	-	(10 968 594)	3 871 125
Air Conditioners	60 928	-	24 348	-	-	85 276	(42 990)	(42 990)	(42 990)	(4 480)	-	(47 470)	37 806
Computer Hardware	-	-	7 626 226	1 951 869	-	9 578 595	(5 909 439)	(5 909 439)	(5 909 439)	(1 008 557)	-	(6 917 997)	2 660 598
Operating Software	-	-	1 109 708	-	-	1 109 708	(1 077 436)	(1 077 436)	(1 077 436)	(34 044)	-	(1 111 479)	(1 771)
Other Office Equipment	-	-	2 154 814	49 356	-	2 204 170	(1 244 151)	(1 244 151)	(1 244 151)	(394 767)	-	(1 638 918)	565 252
Office Machines	-	-	1 421 140	440 829	-	1 861 969	(857 814)	(857 814)	(857 814)	(394 916)	-	(1 252 729)	609 240
Furniture and Fittings	3 683 797	(1 149 900)	2 533 897	924 211	-	3 458 108	(1 973 695)	-	(1 973 695)	(719 781)	-	(2 693 476)	764 632
Tables and Desks	-	-	824 052	204 668	-	1 028 720	(579 004)	-	(579 004)	(143 171)	-	(722 175)	306 545
Chairs	-	-	397 002	272 643	-	669 645	(318 103)	(318 103)	(318 103)	(269 281)	-	(587 384)	82 261
Furniture and Fittings : Other	-	-	1 311 681	446 900	-	1 758 581	(1 075 464)	(1 075 464)	(1 075 464)	(307 291)	-	(1 382 755)	375 826
Bin & Containers	39 011	-	1 162	-	-	1 162	(1 124)	-	(1 124)	(38)	-	(1 162)	(0)
Plant and Equipment	10 603 566	(705 258)	9 898 308	548 004	-	10 446 312	(5 594 196)	-	(5 594 196)	(989 478)	-	(6 583 674)	3 862 638
Compressors	-	-	1 240	-	-	1 240	(331)	-	(331)	(248)	-	(579)	661
Medical Equipment	-	-	20 212	-	-	20 212	(17 656)	(17 656)	(17 656)	(713)	-	(18 368)	1 843
Fire Equipment	145 178	-	149 237	19 626	-	168 863	(53 175)	(53 175)	(53 175)	(10 276)	-	(63 451)	105 412
Fire Arms	-	-	1 775	-	-	1 775	(1 775)	(1 775)	(1 775)	-	-	(1 775)	-
Laboratory Equipment	-	-	24 240	-	-	24 240	(20 829)	(20 829)	(20 829)	(1 077)	-	(21 906)	2 334
Lawnmowers	-	-	30 423	44 123	-	74 546	(29 400)	(29 400)	(29 400)	(9 863)	-	(39 263)	35 283
Plant & Equipment : General	-	-	422 309	484 255	-	906 564	(309 088)	(309 088)	(309 088)	(43 046)	-	(352 134)	554 430
Tractors and Trailers	-	-	9 226 430	-	-	9 226 430	(5 145 426)	(5 145 426)	(5 145 426)	(921 410)	-	(6 066 836)	3 159 594
Radio Equipment	-	-	22 443	-	-	22 443	(16 516)	(16 516)	(16 516)	(2 845)	-	(19 361)	3 082
Motor Vehicles	27 333 031	12 680 472	40 013 503	21 806 001	760 420	61 059 884	(19 007 489)	-	(19 007 489)	(5 153 852)	(415 047)	(23 746 294)	37 312 791
Motor Vehicles	-	-	2 948 222	1 304 925	-	4 253 146	(2 190 065)	-	(2 190 065)	(145 695)	-	(2 335 760)	1 917 387
Fire Engines	-	-	5 038 685	-	174 707	4 863 978	(1 711 812)	(1 711 812)	(1 711 812)	(370 699)	(64 787)	(2 017 723)	2 846 254
Trucks & Bakkies	-	-	32 026 596	20 501 076	585 713	51 941 960	(15 105 612)	-	(15 105 612)	(4 637 458)	(350 260)	(19 392 810)	32 549 150
TOTAL	1 545 429 862	1 116 083 409	2 661 513 272	479 930 832	230 433 943	2 911 010 165	(356 813 994)	74 972 597	(284 295 456)	(76 343 372)	(415 047)	(360 223 781)	2 550 786 383

APPENDIX B
AMATHOLE DISTRICT MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT: GROUP
AS AT 30 JUNE 2011

Classification	Cost/Revaluation						Accumulated Depreciation						Carrying Value
	Opening Balance	Transfer In / (Out)	New Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Transfer In / (Out)	New Opening Balance	Additions	Disposals	Closing Balance	
INFRASTRUCTURE	1 430 804 389	1 131 442 895	2 562 247 285	451 233 812	229 673 523	2 783 907 574	(320 201 533)	75 155 309	(245 046 224)	(67 027 980)	-	(312 074 204)	2 471 733 369
Water													
Reservoirs & Tanks	166 576 238	132 952 973	299 529 211	6 584 735	-	306 113 946	(24 273 987)	(13 930 778)	(38 204 765)	(10 046 663)	-	(48 251 429)	257 862 518
Supply / Reticulation	320 605 230	701 768 881	1 022 374 111	120 900 610	-	1 143 274 720	(239 014 225)	124 375 136	(114 639 089)	(31 878 890)	-	(146 517 978)	996 756 742
Water - Other	242 705 557	105 003 745	347 709 303	29 782 882	-	377 492 185	(41 845 714)	6 812 768	(35 032 946)	(9 360 392)	-	(44 393 338)	333 098 847
Water Mains	83 361 535	49 504 306	132 865 841	40 595 921	-	173 461 762	(14 199 024)	(8 509 818)	(22 708 842)	(6 075 690)	-	(28 784 532)	144 677 231
Meters	225 855	38 766 893	38 992 748	451 330	-	39 444 078	(45 251)	(11 329 946)	(11 375 197)	(3 088 133)	-	(14 463 330)	24 980 748
Sanitation													
Purification works	1 602 941	136 222 478	137 825 420	28 361 400	-	166 186 820	(737 033)	(10 878 953)	(11 615 986)	(3 580 038)	-	(15 196 024)	150 990 796
Sewers	4 142 371	72 255 443	76 397 814	2 996 643	-	79 394 457	(86 299)	(11 383 101)	(11 469 400)	(2 998 174)	-	(14 467 574)	64 926 883
Infrastructure under Construction	611 584 662	(105 031 824)	506 552 839	221 560 290	229 673 523	498 439 606	-	-	-	-	-	-	498 439 606
COMMUNITY	15 967 019	(75 054)	15 891 965	2 783 738	-	18 675 703	(905 253)	(182 712)	(1 087 965)	(181 080)	-	(1 269 044)	17 406 658
Clinics & Hospitals	3 031 737	(1 361 737)	1 670 000			1 670 000	(221 800)	(47 193)	(268 993)	(47 193)	-	(316 186)	1 353 814
Fire Stations	483 393	1 616 608	2 100 000			2 100 000	(490 000)	(70 000)	(560 000)	(70 000)	-	(630 000)	1 470 000
Security System	47 594	-	47 594			47 594	(25 453)	(9 519)	(34 972)	(7 886)	-	(42 858)	4 736
Museum & Art Galleries	2 271 924	(2 009 924)	262 000			262 000	-	-	-	-	-	-	262 000
Civic Buildings	-	1 680 000	1 680 000			1 680 000	(168 000)	(56 000)	(224 000)	(56 000)	-	(280 000)	1 400 000
Under Construction	10 132 371	-	10 132 371	2 783 738		12 916 109	-	-	-	-	-	-	12 916 109
INVESTMENT PROPERTIES	-	-	-	-	-	-	-	-	-	-	-	-	-
OTHER	98 658 458	(14 781 902)	83 876 556	26 362 961	1 000 350	109 239 167	(36 034 180)	-	(38 488 239)	(9 230 230)	(7 148 932)	(47 153 211)	62 085 957
LAND AND BUILDINGS	39 483 733	(20 928 732)	18 555 001	168 664	-	18 723 665	-	-	(2 454 059)	(434 437)	-	(2 888 495)	15 835 170
Land	25 771 904	(21 280 085)	4 491 819	79 142		4 570 961	-	-	-	-	-	-	4 570 961
Buildings	13 711 829	351 353	14 063 182	89 522		14 152 704	-	(2 454 059)	(434 437)	-	-	(2 888 495)	11 264 209
Office Equipment	17 554 331	(4 902 261)	12 652 070	2 638 814	87 045	15 203 839	(9 343 541)	-	(9 343 541)	(1 904 876)	(76 747)	(11 171 671)	4 032 169
Air Conditioners			60 928	24 348	-	85 276	(42 990)	-	(42 990)	(4 480)	-	(47 470)	37 806
Computer Hardware			7 877 731	2 104 002	79 803	9 901 930	(6 097 881)	-	(6 097 881)	(1 072 426)	(71 288)	(7 099 019)	2 802 912
Operating Software			1 109 708	-	-	1 109 708	(1 077 436)	-	(1 077 436)	(34 044)	-	(1 111 479)	(1 771)
Other Office Equipment			2 154 814	49 356	-	2 204 170	(1 244 151)	-	(1 244 151)	(394 767)	-	(1 638 918)	565 252
Office Machines			1 448 888	461 108	7 242	1 902 754	(881 083)	-	(881 083)	(399 159)	(5 459)	(1 274 784)	627 970
Furniture and Fittings	3 683 797	(926 123)	2 757 674	1 201 478	152 885	3 806 267	(2 088 955)	-	(2 088 955)	(747 587)	(73 464)	(2 763 077)	1 043 189
Tables and Desks	-	-	877 934	299 888	39 022	1 138 799	(606 589)	-	(606 589)	(152 579)	(17 837)	(741 331)	397 468
Chairs	-	-	464 670	340 431	41 616	763 485	(355 233)	-	(355 233)	(277 791)	(19 658)	(613 366)	150 119
Furniture and Fittings : Other	-	-	1 413 908	561 159	72 246	1 902 821	(1 126 009)	-	(1 126 009)	(317 178)	(35 969)	(1 407 218)	495 602
Bin & Containers	39 011	-	1 162	-	-	1 162	(1 124)	-	(1 124)	(38)	-	(1 162)	(0)
Plant and Equipment	10 603 566	(705 258)	9 898 308	548 004	-	10 446 312	(5 594 196)	-	(5 594 196)	(989 478)	(6 583 674)	(6 583 674)	3 862 638
Compressors			1 240	-	-	1 240	(331)	-	(331)	(248)	-	(579)	661
Medical Equipment			20 212	-	-	20 212	(17 656)	-	(17 656)	(713)	-	(18 368)	1 843
Fire Equipment	145 178		149 237	19 626	-	168 863	(53 175)	-	(53 175)	(10 276)	-	(63 451)	105 412
Fire Arms			1 775	-	-	1 775	(1 775)	-	(1 775)	-	-	-	-
Laboratory Equipment			24 240	-	-	24 240	(20 829)	-	(20 829)	(1 077)	-	(21 906)	2 334
Lawnmowers			30 423	44 123	-	74 546	(29 400)	-	(29 400)	(9 863)	-	(39 263)	35 283
Plant & Equipment : General			422 309	484 255	-	906 564	(309 088)	-	(309 088)	(43 046)	-	(352 134)	554 430
Tractors and Trailers			9 226 430	-	-	9 226 430	(5 145 426)	-	(5 145 426)	(921 410)	-	(6 066 836)	3 159 594
Radio Equipment			22 443	-	-	22 443	(16 516)	-	(16 516)	(2 845)	-	(19 361)	3 082
Motor Vehicles	27 333 031	12 680 472	40 013 503	21 806 001	760 420	61 059 084	(19 007 489)	-	(19 007 489)	(5 153 852)	(415 047)	(23 746 294)	37 312 791
Motor Vehicles			2 948 222	1 304 925	-	4 253 146	(2 190 065)	-	(2 190 065)	(145 695)	-	(2 335 760)	1 917 387
Fire Engines			5 038 685	-	174 707	4 863 978	(1 711 812)	-	(1 711 812)	(370 699)	(64 787)	(2 017 723)	2 846 254
Trucks & Bakkies			32 026 596	20 501 076	585 713	51 941 960	(15 105 612)	-	(15 105 612)	(4 637 458)	(350 260)	(19 392 810)	32 549 150
TOTAL	1 545 429 862	1 116 585 939	2 662 015 802	480 380 511	230 673 873	2 911 722 444	(357 140 966)	74 972 597	(284 622 428)	(76 439 290)	(7 148 932)	(360 496 460)	2 551 225 984

AMATHOLE DISTRICT MUNICIPALITY
SEGMENTAL ANALYSIS OF FIXED ASSETS PER DEPARTMENT
AS AT 30 JUNE 2011

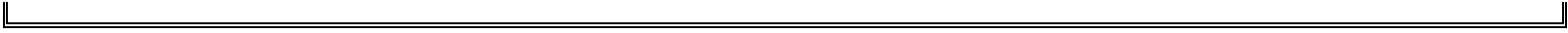
Department						Accumulated Depreciation					Carrying Value
	Opening Balances	Transfer In/ Out	Additions	Disposals	Closing Balance	Opening Balances	Transfer In/ Out	Additions	Disposals	Closing Balance	
RATES AND GENERAL	2 661 513 275	168 664	479 762 167	230 433 945	2 911 010 161	284 295 457	-	76 343 371	415 047	360 223 780	2 550 786 381
Executive Council	1 681 876	-	794 745	-	2 476 621	1 442 796	-	172 853	-	1 615 650	860 971
Council General	315 400	-	-	-	315 400	108 781	-	60 929	-	169 710	145 690
Mayoral Committee	1 366 476	-	794 745	-	2 161 221	1 334 015	-	111 925	-	1 445 940	715 281
Budget & Treasury	3 930 300	-	922 674	-	4 852 975	2 244 922	-	566 980	-	2 811 902	2 041 073
Chief Finance Officer	2 773 695	-	246 363	-	3 020 058	2 169 454	-	284 307	-	2 453 761	566 297
Budget Reform	29 511	-	5 145	-	34 656	14 608	-	5 617	-	20 226	14 430
Accounting and Reporting	-	-	46 377	-	46 377	-	-	16 283	-	16 283	30 094
Asset Management	-	-	24 638	-	24 638	-	-	1 368	-	1 368	23 270
Supply Chain Management	30 266	-	319 879	-	350 145	24 412	-	58 980	-	83 392	266 753
Budgeting	-	-	13 226	-	13 226	-	-	96	-	96	13 130
Revenue	1 096 829	-	267 047	-	1 363 876	36 447	-	200 329	-	236 777	1 127 099
Corporate Services	19 775 043	168 664	1 557 330	142 899	21 358 137	6 436 100	-	1 640 963	84 391	7 992 672	13 365 465
Administration	10 479 756	168 664	990 331	142 899	11 495 852	4 579 805	-	1 170 661	84 391	5 666 076	5 829 777
Administration (OLD)	262 000	-	-	-	262 000	-	-	-	-	-	262 000
Buildings	8 224 277	-	-	-	8 224 277	-	-	222 660	-	1 447 379	6 776 898
Human Resources	809 010	-	566 998	-	1 376 008	631 576	-	247 641	-	879 218	496 790
Strategic Management unit	7 883 553	-	1 504 323	-	9 387 877	4 930 920	-	1 220 983	-	6 151 903	3 235 974
Municipal Support Unit	248 498	-	409 423	-	657 921	184 255	-	36 849	-	221 104	436 817
Strategic Planning	200 039	-	15 450	-	215 489	184 986	-	16 696	-	201 682	13 806
Information Com Technology	5 633 883	-	647 112	-	6 280 995	3 450 934	-	832 844	-	4 283 778	1 997 217
Executive Support Services	1 639 283	-	432 339	-	2 071 622	1 072 166	-	302 223	-	1 374 389	697 232
Speaker Support	161 852	-	0	-	161 852	38 580	-	32 370	-	70 950	90 901
Engineering	14 559 908	-	1 290 533	-	15 850 440	4 277 933	-	811 369	-	5 089 302	10 761 138
Engineering Services	511 701	-	19 469	-	529 170	469 541	-	22 810	-	492 351	38 818
land and Housing (OLD)	5 527 266	-	-	-	5 527 266	642 914	-	115 149	-	758 063	4 769 203
Building and Services Planning	1 812 819	-	438 209	-	2 251 028	1 499 314	-	135 407	-	1 634 722	616 307
Water Service Authority	5 839 753	-	444 372	-	6 284 125	1 102 724	-	397 431	-	1 500 154	4 783 971
Project Management Unit	868 369	-	388 482	-	1 256 851	563 440	-	140 572	-	704 012	552 839
Health and Protection	13 271 118	-	900 315	617 523	13 553 910	5 468 980	-	1 600 911	330 657	6 739 235	6 814 675
Health and Protection Services	598 117	-	201 595	-	799 711	254 834	-	124 602	-	379 436	420 275
Disaster Management	1 509 880	-	61 678	-	1 571 558	820 929	-	193 806	-	1 014 735	556 823
Municipal Health	2 751 977	-	85 088	-	2 837 064	1 453 095	-	420 348	-	1 873 443	963 621
Fire Services	6 849 599	-	49 156	313 510	6 585 246	2 619 752	-	603 897	203 589	3 020 060	3 566 186
MHS Amahlati	466 118	-	167 600	-	633 717	72 850	-	96 768	-	169 618	464 100
Nkonkobe MHS	571 555	-	167 600	304 014	435 141	180 575	-	56 302	127 067	109 810	325 331
Nxuba MHS	523 872	-	167 600	-	691 472	66 944	-	105 189	-	172 133	519 338
O & M Water and Sanitation	25 436 185	-	20 982 574	-	46 418 759	7 510 122	-	2 050 028	-	9 560 150	36 858 610
Management of O and M Water	24 960 416	-	9 373 370	-	34 333 786	7 263 605	-	1 554 717	-	8 818 322	25 515 464
Dutywa Water Scheme	467 859	-	1 448 570	-	1 916 429	242 126	-	134 579	-	376 704	1 539 725
Elliotdale Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Owaninga Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Dwesa Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Butterworth Water Scheme	-	-	1 291 145	-	1 291 145	-	-	34 315	-	34 315	1 256 830
Kotana Water Scheme	-	-	611 734	-	611 734	-	-	41 330	-	41 330	570 404
Nqamakwe Water Scheme	-	-	388 402	-	388 402	-	-	28 232	-	28 232	360 170
Great Kei	4 910	-	0	-	4 910	1 391	-	982	-	2 373	2 537
Seymour Water Scheme	3 000	-	192 948	-	195 948	3 000	-	12 863	-	15 863	180 085
Alice Water Scheme	-	-	163 596	-	163 596	-	-	9 512	-	9 512	154 083
Adelaide Water Scheme	-	-	648 772	-	648 772	-	-	29 735	-	29 735	619 037
Bedford Water Scheme	-	-	508 193	-	508 193	-	-	16 402	-	16 402	491 791
Peddie Regional Water Scheme	-	-	142 819	-	142 819	-	-	2 622	-	2 622	140 198
Binfield WTW	-	-	485 385	-	485 385	-	-	19 050	-	19 050	466 334
Borehole Schemes	-	-	1 740 091	-	1 740 091	-	-	39 814	-	39 814	1 700 276
Toleni Water Scheme	-	-	192 948	-	192 948	-	-	12 863	-	12 863	180 085
Borehole Schemes Ex DWAF	-	-	810 965	-	810 965	-	-	18 923	-	18 923	792 042
Dutywa Sewerage	-	-	436 770	-	436 770	-	-	7 280	-	7 280	429 491
Carthcart Sewerage	-	-	168 639	-	168 639	-	-	11 243	-	11 243	157 396
Middle drift Sewerage	-	-	162 193	-	162 193	-	-	8 110	-	8 110	154 083
Fort Beaufort Sewerage	-	-	1 204 200	-	1 204 200	-	-	-	-	-	1 204 200
Infrastructure Assets	2 562 247 285	-	451 233 811	229 673 523	2 783 807 573	245 046 226	-	67 027 980	-	312 074 204	2 471 733 369
Amahlathi	260 300 195	-	47 815 975	-	308 116 171	37 657 680	-	9 816 762	-	47 474 442	260 641 729
Great Kei	144 142 343	-	-	-	144 142 343	22 413 367	-	5 630 579	-	28 043 946	116 098 396
Mbhashe	296 920 541	-	-	-	296 920 541	32 405 597	-	8 343 619	-	40 749 215	256 171 326
Mnquma	508 089 832	-	117 691 957	-	625 781 789	59 085 668	-	17 806 481	-	76 892 149	548 889 640
Ngqushwa	274 815 763	-	11 683 033	-	286 498 796	30 603 476	-	7 874 577	-	38 478 054	248 020 743
Nkonkobe	469 596 946	-	52 482 555	-	522 079 501	51 524 659	-	14 405 039	-	65 929 697	456 149 804
Nxuba	101 828 827	-	-	-	101 828 827	11 355 778	-	3 150 923	-	14 506 701	87 322 126
Under Construction	506 552 839	-	221 560 290	229 673 523	498 439 606	0	-	0	-	0	498 439 606
Land Human Settlements and Economic Development	11 985 086	-	442 957	-	12 428 044	6 257 776	-	1 181 163	-	7 438 940	4 989 104
Land Administration	2 291 020	-	34 730	-	2 325 750	801 255	-	110 440	-	911 695	1 414 055
Land Economic Development	9 694 066	-	408 228	-	10 102 294	5 456 521	-	1 070 723	-	6 527 244	3 575 049
Municipal Management	742 922	-	132 904	-	875 826	679 682	-	70 141	-	749 822	126 003
Municipal Manager	390 951	-	20 621	-	411 572	335 394	-	28 777	-	364 171	47 401
Internal Audit	351 970	-	112 283	-	464 254	344 288	-	41 364	-	385 652	78 602
TOTAL	2 661 513 275	168 664	479 762 167	230 433 945	2 911 010 161	284 295 457	-	76 343 371	415 047	360 223 780	2 550 786 381

APPENDIX B
AMATHOLE DISTRICT MUNICIPALITY
SEGMENTAL ANALYSIS OF FIXED ASSETS PER DEPARTMENT: GROUP
AS AT 30 JUNE 2011

Department						Accumulated Depreciation					Carrying Value
	Opening Balances	Transfer In / Out	Additions	Disposals	Closing Balance	Opening Balances	Transfer In / Out	Additions	Disposals	Closing Balance	
RATES AND GENERAL	2 661 513 275	168 664	479 762 167	230 433 945	2 911 010 161	284 295 457	-	76 343 371	415 047	360 223 780	2 550 786 381
Executive Council	1 681 876	-	794 745	-	2 476 621	1 442 796	-	172 853	-	1 615 650	860 971
Council General	315 400	-	-	-	315 400	60 929	-	-	-	169 710	145 690
Mayoral Committee	1 366 476	-	794 745	-	2 161 221	1 334 015	-	111 925	-	1 445 940	715 281
Budget & Treasury	3 930 300	-	922 674	-	4 852 975	2 244 922	-	566 980	-	2 811 902	2 041 073
Chief Finance Officer	2 773 695	-	246 363	-	3 020 058	2 169 454	-	284 307	-	2 453 761	566 297
Budget Reform	29 511	-	5 145	-	34 656	14 608	-	5 617	-	20 226	14 430
Accounting and Reporting	-	-	46 377	-	46 377	-	-	16 283	-	16 283	30 094
Asset Management	-	-	24 638	-	24 638	-	-	-	-	1 368	23 270
Supply Chain Management	30 266	-	319 879	-	350 145	24 412	-	58 980	-	83 392	266 753
Budgeting	-	-	13 226	-	13 226	-	-	96	-	96	13 130
Revenue	1 096 829	-	267 047	-	1 363 876	36 447	-	200 329	-	236 777	1 127 099
Corporate Services	19 775 043	168 664	1 557 330	142 899	21 358 137	6 436 100	-	1 640 963	84 391	7 992 672	13 365 465
Administration	10 479 756	168 664	990 331	142 899	11 495 852	4 579 805	-	1 170 661	84 391	5 666 076	5 829 777
Administration (OLD)	262 000	-	-	-	262 000	-	-	-	-	-	262 000
Buildings	8 224 277	-	-	-	8 224 277	1 224 719	-	222 660	-	1 447 379	6 776 898
Human Resources	809 010	-	566 998	-	1 376 008	631 576	-	247 641	-	879 218	496 790
Strategic Management Unit	7 883 553	-	1 504 323	-	9 387 877	4 930 920	-	1 120 983	-	6 151 903	3 235 974
Municipal Support Unit	248 498	-	409 423	-	657 921	184 255	-	36 849	-	221 104	436 817
Strategic Planning	200 039	-	15 450	-	215 489	184 986	-	16 696	-	201 682	13 806
Information Com Technology	5 633 883	-	647 112	-	6 280 995	3 450 934	-	832 844	-	4 283 778	1 997 217
Executive Support Services	1 639 283	-	432 339	-	2 071 622	1 072 166	-	302 223	-	1 374 389	697 232
Speaker Support	161 852	-	0	-	161 852	38 580	-	32 370	-	70 950	90 901
Engineering	14 559 908	-	1 290 533	-	15 850 440	4 277 933	-	811 369	-	5 089 302	10 761 138
Engineering Services	511 701	-	19 469	-	531 170	469 541	-	22 810	-	492 351	38 818
Land and Housing (OLD)	5 527 266	-	-	-	5 527 266	642 914	-	115 149	-	758 063	4 769 203
Building and Services Planning	1 812 819	-	438 209	-	2 251 028	1 499 314	-	135 407	-	1 634 722	616 307
Water Service Authority	5 839 753	-	444 372	-	6 284 125	1 102 724	-	397 431	-	1 500 154	4 783 971
Project Management Unit	868 369	-	388 482	-	1 256 851	563 440	-	140 572	-	704 012	552 839
Health and Protection	13 271 118	-	900 315	617 523	13 553 910	5 468 980	-	1 600 911	330 657	6 739 235	6 814 675
Health and Protection Services	598 117	-	201 595	-	799 711	254 834	-	124 602	-	379 436	420 275
Disaster Management	1 509 880	-	61 678	-	1 571 558	820 929	-	193 806	-	1 014 735	556 823
Municipal Health	2 751 977	-	85 088	-	2 837 064	1 453 095	-	420 348	-	1 873 443	963 621
Fire Services	6 849 599	-	49 156	313 510	6 585 246	2 619 752	-	603 897	203 589	3 020 060	3 565 186
MHS Amahlati	466 118	-	167 600	-	633 717	72 850	-	96 768	-	169 618	464 100
Nkonkobe MHS	571 555	-	167 600	304 014	435 141	180 575	-	56 302	127 067	109 810	325 331
Nxuba MHS	523 872	-	167 600	-	691 472	66 944	-	105 189	-	172 133	519 338
O & M Water and Sanitation	25 436 185	-	20 982 574	-	46 418 759	7 510 122	-	2 050 028	-	9 560 150	36 858 610
Management of O and M Water	24 960 416	-	9 373 370	-	34 333 786	7 263 605	-	1 554 717	-	8 818 322	25 515 464
Dutywa Water Scheme	467 859	-	1 448 570	-	1 916 429	242 126	-	134 579	-	376 704	1 539 725
Elliottdale Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Owaninga Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Dwesa Water Scheme	-	-	337 278	-	337 278	-	-	22 485	-	22 485	314 793
Butterworth Water Scheme	-	-	1 291 145	-	1 291 145	-	-	34 315	-	34 315	1 256 830
Kotana Water Scheme	-	-	611 734	-	611 734	-	-	41 330	-	41 330	570 404
Nqamakwe Water Scheme	-	-	388 402	-	388 402	-	-	28 232	-	28 232	360 170
Great Kei	4 910	-	0	-	4 910	1 391	-	982	-	2 373	2 537
Seymour Water Scheme	3 000	-	192 948	-	195 948	3 000	-	12 863	-	15 863	180 085
Alice Water Scheme	-	-	163 596	-	163 596	-	-	9 512	-	9 512	154 083
Adelaide Water Scheme	-	-	648 772	-	648 772	-	-	29 735	-	29 735	619 037
Bedford Water Scheme	-	-	508 193	-	508 193	-	-	16 402	-	16 402	491 791
Peddie Regional Water Scheme	-	-	142 819	-	142 819	-	-	2 622	-	2 622	140 198
Binfield WTW	-	-	485 385	-	485 385	-	-	19 050	-	19 050	466 334
Borehole Schemes	-	-	1 740 091	-	1 740 091	-	-	39 814	-	39 814	1 700 276
Toleni Water Scheme	-	-	192 948	-	192 948	-	-	12 863	-	12 863	180 085
Borehole Schemes Ex DWAF	-	-	810 965	-	810 965	-	-	18 923	-	18 923	792 042
Dutywa Sewerage	-	-	436 770	-	436 770	-	-	7 280	-	7 280	429 491
Carthcart Sewerage	-	-	168 639	-	168 639	-	-	11 243	-	11 243	157 396
Middle drift Sewerage	-	-	162 193	-	162 193	-	-	8 110	-	8 110	154 083
Fort Beaufort Sewerage	-	-	1 204 200	-	1 204 200	-	-	-	-	-	1 204 200
Infrastructure Assets	2 562 247 285	-	451 233 811	229 673 523	2 783 807 573	245 046 226	-	67 027 980	-	312 074 204	2 471 733 369
Amahlathi	260 300 195	-	47 815 975	-	308 116 171	9 816 762	-	37 657 680	-	47 474 442	260 641 729
Great Kei	144 142 343	-	-	-	144 142 343	22 413 367	-	5 630 579	-	28 043 946	116 098 396
Mbhashe	296 920 541	-	-	-	296 920 541	32 405 597	-	8 343 619	-	40 749 215	256 171 326
Mnquma	508 089 832	-	117 691 957	-	625 781 789	59 085 668	-	17 806 481	-	76 892 149	548 889 640
Ngqushwa	274 815 763	-	11 683 033	-	286 498 796	30 603 476	-	7 874 577	-	38 478 054	248 020 743
Nkonkobe	469 596 946	-	52 482 555	-	522 079 501	51 524 659	-	14 405 039	-	65 929 697	456 149 804
Nxuba	101 828 827	-	-	-	101 828 827	11 355 778	-	3 150 923	-	14 506 701	87 322 126
Under Construction	506 552 839	-	221 560 290	229 673 523	498 439 606	0	-	0	-	0	498 439 606
Land Human Settlements and Economic Development	11 985 086	-	442 957	-	12 428 044	6 257 776	-	1 181 163	-	7 438 940	4 989 104
Land Administration	2 291 020	-	34 730	-	2 325 750	801 255	-	110 440	-	911 695	1 414 055
Land Economic Development	9 694 066	-	408 228	-	10 102 294	5 456 521	-	1 070 723	-	6 527 244	3 575 049
Municipal Management	742 922	-	132 904	-	875 826	679 682	-	70 141	-	749 822	126 003
Municipal Manager	390 951	-	20 621	-	411 572	335 394	-	28 777	-	364 171	47 401
Internal Audit	351 970	-	112 283	-	464 254	344 288	-	41 364	-	385 652	78 602
ASPIRE	502 530	-	449 679	239 930	712 279	326 972	-	95 917	150 211	272 679	439 600
Development agency	502 530	-	449 679	239 930	712 279	326 972	-	95 917	150 211	272 679	439 600
TOTAL	2 662 015 805	168 664	480 211 846	230 673 875	2 911 722 440	284 295 457	-	76 343 371	415 047	360 223 780	2 550 786 381

APPENDIX D
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2011

2009/10 Actual Income	2009/10 Actual Expenditure	2009/10 Surplus/ (Deficit)		2010/11 Actual Income	2010/11 Actual Expenditure	2010/11 Actual Surplus/ (Deficit)	2010/11 Budgeted Surplus/ (Deficit)
R	R	R		R	R	R	R
900 972 800	781 405 078	119 567 722	RATE AND GENERAL SERVICES	1 020 489 369	830 926 894	189 562 475	136 324 212
891 946 416	772 198 533	119 747 882	Community Services	1 016 064 183	826 579 397	189 484 785	134 141 901
12 276	-	12 276	Levies	-	-	-	-
3 709 022	(3 373 519)	7 082 541	Council General	22 693 742	15 864 256	6 829 486	3 208 217
3 006 648	5 964 835	(2 958 187)	Mayoral Committee	129 377	8 422 003	(8 292 625)	(581 378)
642 216	1 385 008	(742 792)	Strategic Manager	56 591 214	5 226 369	51 364 845	(4 313 330)
5 653 267	8 686 159	(3 032 892)	Municipal Support Unit	1 268 266	7 046 134	(5 777 868)	(1 106 745)
43 934 271	67 856 508	(23 922 237)	Internally funded Projects	-	24 486 628	(24 486 628)	160 527 075
3 990 888	9 358 880	(5 367 992)	Information Management Unit	30 903 332	42 182 881	(11 279 549)	(5 919 194)
3 233 801	8 229 450	(4 995 649)	Executive Support Services	1 744	13 949 241	(13 947 498)	(4 173 484)
1 037 168	2 010 038	(972 870)	Speaker Support	322	2 009 673	(2 009 351)	(1 477 831)
8 125 320	16 899 909	(8 774 590)	Corporate Services	23 537 241	36 231 028	(12 693 787)	13 984 386
-	-	-	Land and Housing	-	-	-	-
2 224 433	4 968 416	(2 743 983)	Buildings	-	-	-	-
327 645	467 612	(139 967)	Calgary Museum and Conference Centre	-	-	-	-
5 607 667	15 261 440	(9 653 773)	Human Resources	268 330	16 762 569	(16 494 238)	(845 419)
11 808 881	31 364 095	(19 555 215)	Budget and Treasury	4 199 903	4 679 254	(479 351)	(5 647 482)
386 760	391 605	(4 846)	Budget Reform	1 000 000	820 852	179 148	(76 842)
1 320 471	3 764 965	(2 444 493)	Accounting and Reporting	36 115 157	10 678 227	25 436 930	(8 727 968)
-	-	-	Asset Management	1 466 602	963 760	502 842	(1 093 427)
-	-	-	Supply Chain	2 218	4 605 736	(4 603 518)	(2 957 980)
-	-	-	Budgeting	2 933 339	2 193 127	740 212	(838 874)
-	-	-	Revenue	26 814 682	34 598 977	(7 784 296)	(3 636 960)
-	-	-	Expenditure	-	-	-	-
158 220 615	157 235 432	985 183	Engineering Services	494 340 082	20 009 446	474 330 636	(87 410 978)
-	-	-	Building and Services Planning	1 013	7 219 173	(7 218 160)	(370 053)
2 510 560	360 593	2 149 968	Solid Waste site	-	202 762	(202 762)	202 762
6 255 214	2 366 779	3 888 435	WSA	959	3 614 916	(3 613 957)	(1 082 306)
8 487 867	6 377 089	2 110 778	Project Management Unit	3 502 865	8 705 094	(5 202 229)	(1 471 013)
145 957 886	246 482 779	(100 524 893)	Water and sanitation services	145 542 343	290 719 073	(145 176 730)	70 466 187
328 401 090	34 522 640	293 878 450	Water shared services	19 155	112 376 193	(112 357 037)	37 032 200
4 053 081	9 907 554	(5 854 474)	Land Administration and Housing	54 815 766	40 347 687	14 468 080	(3 717 279)
2 965	5 434 924	(5 431 958)	Building & Services Planning	-	-	-	-
17 359 452	10 673 642	6 685 810	Economic Development	655 987	18 540 063	(17 884 077)	21 666 035
75 504 032	77 758 334	(2 254 302)	Municipal Manager	47 455 249	22 385 252	25 069 997	(18 900 963)
-	-	-	Legal Fees	-	610 918	(610 918)	(7 447)
1 644 271	4 164 189	(2 519 918)	Internal Audit	1 313	5 356 440	(5 355 127)	(1 026 582)
5 877 173	5 481 965	395 208	Health and Protection Services	53 555 088	15 404 300	38 150 788	(14 414 395)
6 390 678	3 998 007	2 392 672	Disaster Management	5 438 445	10 187 949	(4 749 504)	(955 609)
20 016 212	7 490 953	12 525 259	Municipal Health Services ADM	4 559	9 228 636	(9 224 078)	(381 405)
13 864 055	11 917 173	1 946 881	Fire Services	2 805 890	14 887 792	(12 081 902)	(1 018 355)
2 380 531	14 791 079	(12 410 548)	Municipal Health services LM's	-	16 062 989	(16 062 989)	(791 664)
9 026 384	9 206 545	(180 161)	Subsidised Services	4 425 186	4 347 497	77 689	2 182 310.94
-	-	-	Ambulance and Rescue Services	-	-	-	-
9 026 384	9 206 545	(180 161)	Health Nursing Services	4 425 186	4 347 497	77 689	2 182 311
900 972 800	781 405 078	119 567 721	TOTAL	1 020 489 369	830 926 894	189 562 475	136 324 212



APPENDIX D
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE: GROUP
FOR THE YEAR ENDED 30 JUNE 2010

2009/10 Actual Income	2009/10 Actual Expenditure	2009/10 Surplus/ (Deficit)		2010/11 Actual Income	2010/11 Actual Expenditure	2010/11 Actual Surplus/ (Deficit)	2010/11 Budgeted Surplus/ (Deficit)
R	R	R		R	R	R	R
900 972 800	781 405 078	119 567 722	RATE AND GENERAL SERVICES	1 020 489 369	830 926 894	189 562 475	136 324 212
891 946 416	772 198 533	119 747 882	Community Services	1 016 064 183	826 579 397	189 484 785	134 141 901
12 276	-	12 276	Levies	-	-	-	-
3 709 022	(3 373 519)	7 082 541	Council General	22 693 742	15 864 256	6 829 486	3 208 217
3 006 648	5 964 835	(2 958 187)	Mayoral Committee	129 377	8 422 003	(8 292 625)	(581 378)
642 216	1 385 008	(742 792)	Strategic Manager	56 591 214	5 226 369	51 364 845	(4 313 330)
5 653 267	8 686 159	(3 032 892)	Municipal Support Unit	1 268 266	7 046 134	(5 777 868)	(1 106 745)
43 934 271	67 856 508	(23 922 237)	Internally funded Projects	-	24 486 628	(24 486 628)	160 527 075
3 990 888	9 358 880	(5 367 992)	Information Management Unit	30 903 332	42 182 881	(11 279 549)	(5 919 194)
3 233 801	8 229 450	(4 995 649)	Executive Support Services	1 744	13 949 241	(13 947 498)	(4 173 484)
1 037 168	2 010 038	(972 870)	Speaker Support	322	2 009 673	(2 009 351)	(1 477 831)
8 125 320	16 899 909	(8 774 590)	Corporate Services	23 537 241	36 231 028	(12 693 787)	13 984 386
-	-	-	Land and Housing	-	-	-	-
2 224 433	4 968 416	(2 743 983)	Buildings	-	-	-	-
327 645	467 612	(139 967)	Calgary Museum and Conference Centre	-	-	-	-
5 607 667	15 261 440	(9 653 773)	Human Resources	268 330	16 762 569	(16 494 238)	(845 419)
11 808 881	31 364 095	(19 555 215)	Budget and Treasury	4 199 903	4 679 254	(479 351)	(5 647 482)
386 760	391 605	(4 846)	Budget Reform	1 000 000	820 852	179 148	(76 842)
1 320 471	3 764 965	(2 444 493)	Accounting and Reporting	36 115 157	10 678 227	25 436 930	(8 727 968)
-	-	-	Asset Management	1 466 602	963 760	502 842	(1 093 427)
-	-	-	Supply Chain	2 218	4 605 736	(4 603 518)	(2 957 980)
-	-	-	Budgeting	2 933 339	2 193 127	740 212	(838 874)
-	-	-	Revenue	26 814 682	34 598 977	(7 784 296)	(3 636 960)
-	-	-	Expenditure	-	-	-	-
158 220 615	157 235 432	985 183	Engineering Services	494 340 082	20 009 446	474 330 636	(87 410 978)
-	-	-	Building and Services Planning	1 013	7 219 173	(7 218 160)	(370 053)
2 510 560	360 593	2 149 968	Solid Waste site	-	202 762	(202 762)	202 762
6 255 214	2 366 779	3 888 435	WSA	959	3 614 916	(3 613 957)	(1 082 306)
8 487 867	6 377 089	2 110 778	Project Management Unit	3 502 865	8 705 094	(5 202 229)	(1 471 013)
145 957 886	246 482 779	(100 524 893)	Water and sanitation services	145 542 343	290 719 073	(145 176 730)	70 466 187
328 401 090	34 522 640	293 878 450	Water shared services	19 155	112 376 193	(112 357 037)	37 032 200
4 053 081	9 907 554	(5 854 474)	Land Administration and Housing	54 815 766	40 347 687	14 468 080	(3 717 279)
2 965	5 434 924	(5 431 958)	Building & Services Planning	-	-	-	-
17 359 452	10 673 642	6 685 810	Economic Development	655 987	18 540 063	(17 884 077)	21 666 035
75 504 032	77 758 334	(2 254 302)	Municipal Manager	47 455 249	22 385 252	25 069 997	(18 900 963)
-	-	-	Legal Fees	-	610 918	(610 918)	(7 447)
1 644 271	4 164 189	(2 519 918)	Internal Audit	1 313	5 356 440	(5 355 127)	(1 026 582)
5 877 173	5 481 965	395 208	Health and Protection Services	53 555 088	15 404 300	38 150 788	(14 414 395)
6 390 678	3 998 007	2 392 672	Disaster Management	5 438 445	10 187 949	(4 749 504)	(955 609)
20 016 212	7 490 953	12 525 259	Municipal Health Services ADM	4 559	9 228 636	(9 224 078)	(381 405)
13 864 055	11 917 173	1 946 881	Fire Services	2 805 890	14 887 792	(12 081 902)	(1 018 355)
2 380 531	14 791 079	(12 410 548)	Municipal Health services LM's	-	16 062 989	(16 062 989)	(791 664)
9 026 384	9 206 545	(180 161)	Subsidised Services	4 425 186	4 347 497	77 689	2 182 310.94
-	-	-	Ambulance and Rescue Services	-	-	-	-
9 026 384	9 206 545	(180 161)	Health Nursing Services	4 425 186	4 347 497	77 689	2 182 311
-	-	-		-	-	-	-
11 272 310	9 523 217	1 749 093	DEVELOPMENT AGENCY	62 135 725	59 938 835.00	2 196 890	-
11 272 310	9 523 217	1 749 093	TAXATION - AGENCY	62 135 725	59 938 835.00	2 196 890	-
-	3 119	(3 119)		-	207 040	(207 040)	-

-	3 119	(3 119)		-	207 040	(207 040)	-
912 245 110	790 931 414	121 313 695	TOTAL	1 082 625 094	891 072 769	191 552 325	136 324 212

APPENDIX E (1)

**THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) - MUNICIPALITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

	20010/11 Actual	20010/11 Budget	20010/11 Variance	20010/11 Variance	Explanation for Significant Variances greater than 10% vs Budget
REVENUE	R	R	R	%	
Service Charges	115 749 115	111 165 464	4 583 651	4%	
Rental of facilities & Equipment	268 692	220 191	48 501	22%	Rental of Calgary Limited to Internal usage.
Interest earned - external investments	40 141 439	22 541 143	17 600 296	78%	Interest earned on investment & current account more than budgeted for.
Interest earned - outstanding receivables	22 839 169	18 299 303	4 539 866	25%	Data base cleansing exercise and indigent campaign policy still in progress. No budget due to uncertainty of recovery
Income for agency Service	3 034 766	18 847 284	(15 812 518)	-84%	Only portion of the first trancheon of the nursing services grant received from the Provincial Department of Health, due to proposed provincialisation which is still not finalised
Government grants & Subsidies	795 608 177	781 255 016	14 353 161	2%	Grant income on external funds is not part of the budget. The accounting treatment for grant income changed.
Bad debts recovered	-	-	-		Corresponding expenditure is recognised in grants and subsidies paid.
Other income	44 245 615	430 585 353	(386 339 738)	-90%	Operating income of R132 million from 2008/09 financial year included in budget figure
Total Revenue	1 021 886 973	1 382 913 754	(361 026 781)	-26%	
EXPENDITURE					
Employee related costs	248 388 545	337 401 851	(89 013 306)	-26%	Delays in the appointment of staff.
Remuneration of Councillors	11 306 546	14 479 004	(3 172 458)	-22%	Vacancies within Full time Councillors
Bad Debt provision	91 900 931	65 604 286	26 296 645	40%	
Collection Costs	1 476 868	1 848 311	(371 443)	-20%	
Depreciation and amortisation	76 608 463	78 770 563	(2 162 100)	-3%	
Repairs & Maintenance	7 876 117	15 282 190	(7 406 073)	-48%	Less expenditure incurred than anticipated. Focus on water supply in drought
Finance Costs	194 142	240 964	(46 822)	-19%	Less finance charges incurred than budgeted for
Materials & Bulk Purchases	37 979 894	48 676 267			
Contracted Services	48 136 143	61 101 448			
Grants & Subsidies Paid	134 481	134 481	-	0%	Grant expenditure on external funds not part of the budget. Corresponding income is recognised when the expenditure is incurred.
Grants & Subsidies Paid: Capital	1 832 502	3 432 904	(1 600 402)	-47%	Low levels of actual spending vs. expected level and unspent project funds reallocated
General expenses- other	306 811 042	430 036 610	(123 225 568)	-29%	General expenditure less than initially anticipated
Total Expenditure	832 645 675	1 057 008 879	(200 701 526)	-19%	
OPERATING SURPLUS/ (DEFICIT)	189 241 298	325 904 875	(160 325 255)		
Gain/(loss) on disposal of assets	321 175	-	321 175	100%	This item is not budgeted for.
SURPLUS/(DEFICIT) FOR THE YEAR	189 562 474	325 904 875	(160 004 079)		

APPENDIX E (1)

**THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) - GROUP
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010**

	2009/10 Actual	2009/10 Budget	2009/10 Variance	2009/10 Variance	Explanation for Significant Variances greater than 10% vs Budget
REVENUE	R	R	R	%	
Service Charges	115 749 115	111 165 464	4 583 651	4%	
Rental of facilities & Equipment	268 692	220 191	48 501	22%	Rental of Calgary Limited to Internal usage.
Interest earned - external investments	40 989 608	23 088 754	17 900 854	78%	Interest earned on investment & current account more than budgeted for.
Interest earned - outstanding receivables	22 839 169	18 299 303	4 539 866	25%	Data base cleansing exercise and indigent campaign policy still in progress. No budget due to uncertainty of recovery
Income for agency Service	3 034 766	18 847 284	(15 812 518)	-84%	Only portion of the first trancheon of the nursing services grant received from the Provincial Department of Health, due to proposed provincialisation which is still not finalised
Government grants & Subsidies	855 052 700	894 317 087	(39 264 387)	-4%	Grant income on external funds is not part of the budget. The accounting treatment for grant income changed. Corresponding expenditure is recognised in grants and subsidies paid. The Agency experienced delays in the acceptance of the relevant studies by funders, significant implementation portions of the NDPG Technical Assistance and DEAT Hamburg Artist Retreat projects were postponed.
Bad debts recovered	-	-	-		
Other income	44 691 044	431 524 453	(386 833 409)	-90%	Operating income of R132 million from 2008/09 financial year included in budget figure
Total Revenue	1 082 625 094	1 497 462 536	(414 837 442)	-28%	
EXPENDITURE					
Employee related costs	253 824 173	342 822 981	(88 998 808)	-26%	Delays in the appointment of staff. Due to budget constraints imposed on the Agency and the successful negotiation with donor organisations to provide seconded staff at a limited or no cost, not all positions were filled.
Remuneration of Councillors and Board	11 512 992	14 697 884	(3 184 892)	-22%	Vacancies within Full time Councillors
Bad Debt provision	91 900 931	65 604 286	26 296 645	40%	Bad debts were written off less than budgeted for due to aggressive debt collection
Collection Costs	875 896	1 848 311	(972 415)	-53%	
Depreciation and amortisation	76 713 247	78 894 539	(2 181 292)	-3%	
Repairs & Maintenance	7 919 233	15 331 534	(7 412 301)	-48%	Less expenditure incurred than anticipated. Focus on water supply in drought
Finance Costs	724 550	240 964	483 586	201%	Less finance charges incurred than budgeted for
Materials & Bulk Purchases	37 979 894				These items were budgeted for as part of general expenditure, percentage variance further decreases to -13%.
Contracted Services	48 136 143				
Grants & Subsidies Paid	60 629 684	30 683 351	29 946 333	98%	Grant expenditure on external funds not part of the budget. Corresponding income is recognised when the expenditure is incurred. The Agency's budget constraints resulted in an inability to fill all positions, thereby reducing the Agency's ability to perform all budgeted project activities. In addition delays or postponement in the the approval of grant income applications resulted in a corresponding decrease in project expenditure.
Grants & Subsidies Paid: Capital	1 832 502	3 432 904	(1 600 402)	-47%	Low levels of actual spending vs. expected level and unspent project funds reallocated
General expenses- other	298 609 444	420 975 400	(122 365 956)	-29%	General expenditure less than initially anticipated. The group has tried to reduce overhead expenditure.
Total Expenditure	890 658 689	974 532 154	(169 989 502)	-17%	
OPERATING SURPLUS/(DEFICIT)	191 966 405	522 930 382	(244 847 940)		
Gain/(loss) on disposal of assets	319 127	-	319 127	100%	This item is not budgeted for.
SURPLUS/(DEFICIT) BEFORE TAX	192 285 531	522 930 382	(244 528 814)		
Less: Taxation	(207 040)	-	(207 040)		
SURPLUS/(DEFICIT) FOR THE YEAR	192 078 492	522 930 382	(244 735 853)		

APPENDIX E (2)
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

	2010/11 Actual R	2010/11 Budget R	2010/11 Variance R	2010/11 Variance %	Explanation for Significant Variances greater than 10% vs Budget
LAND AND BUILDINGS					
Administration	-	-	-	100%	
Housing Schemes	-	-	-	NA	
Workshops & Depots	-	2 606 140	(2 606 140)	NA	
Work in progress - water	224 344 028	-	224 344 028	100%	
	224 344 028	2 606 140	221 737 888		
INFRASTRUCTURE					
Reservoirs & Tanks	6 584 736	-	6 584 736	100%	
Water - Other	191 730 743	173 435 088	18 295 655	11%	
Other	-	12 982 456	(12 982 456)	100%	
Plant and equipment - General	-	-	-	100%	
Laboratory equipment	-	-	-	100%	
Sewers	31 358 043	45 333 333	(13 975 290)	100%	
	229 673 522	231 750 877	(2 077 355)		
COMMUNITY					
Clinics & Hospitals	-	-	-	100%	
Fire Stations	-	-	-	NA	
Museum & Art Galleries	-	-	-	NA	
Ablution facilities	-	4 397 986	(4 397 986)	100%	
Security System	-	-	-	NA	
INVESTMENT PROPERTIES					
	-	4 397 986	(4 397 986)	100%	
OTHER					
Air Conditioners	24 348	-	24 348	100%	
Computer Hardware	1 951 869	2 922 395	(970 526)	-33%	
Computer Software	-	-	-	NA	
Office Machines	490 185	-	490 185	NA	
Cabinets & Cupboards	-	-	-	100%	
Chairs	573 749	-	573 749	NA	
Furniture and Fittings : Other	139 898	1 653 522	(1 513 624)	-92%	
Tables & Desks	210 565	-	210 565	NA	
Lawnmowers	548 003	1 817 311	(1 269 308)	-70%	
Motor Vehicles	1 304 925	6 045 000	(4 740 075)	-78%	
Tractors	-	-	-	NA	
Trucks & Bakkies	20 501 077	25 592 188	(5 091 111)	-20%	
	25 744 619	38 030 416	(12 285 797)	-32%	
TOTAL	479 762 169	276 785 419	202 976 750	73%	

APPENDIX E (2)
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT): GROUP
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2010

	2010/11 Actual	2010/11 Budget	2010/11 Variance	2010/11 Variance	Explanation for Significant Variances greater than 10% vs Budget
	R	R	R	%	
LAND AND BUILDINGS					
Administration	-	13 100 000	(13 100 000)	-100%	
Housing Schemes	-	-	-	NA	
Workshops & Depots	-	2 606 140	(2 606 140)	NA	
Work in progress - water	224 344 028	-	224 344 028	100%	Included in infrastructure budget
	224 344 028	15 706 140	208 637 888		
INFRASTRUCTURE					
Reservoirs & Tanks	6 584 736	-	6 584 736	100%	Budget in water- other
Water - Other	191 730 743	173 435 088	18 295 655	11%	
Other	-	12 982 456	(12 982 456)	100%	non water and sanitation MIG assets
Plant and equipment - General	-	-	-	100%	
Laboratory equipment	-	-	-	100%	
Sewers	31 358 043	45 333 333	(13 975 290)	-31%	
	229 673 522	231 750 877	(2 077 355)		
COMMUNITY					
Clinics & Hospitals	-	-	-	100%	
Fire Stations	-	-	-	0%	
Museum & Art Galleries	-	-	-	0%	
Security System	-	-	-	0%	Project in progress
INVESTMENT PROPERTIES					
	-	-	-	100%	
OTHER					
Air Conditioners	24 348	-	24 348	100%	
Computer Hardware	2 104 002	2 983 195	(879 193)	-29%	Budget included in computer hardware
Computer Software	-	-	-	NA	
Office Machines	490 185	-	490 185	100%	
Cabinets & Cupboards	-	-	-	100%	Budget included in computer hardware
Chairs	573 749	-	573 749	100%	Combined with Furniture and fittings: other
Furniture and Fittings : Other	437 444	1 868 522	(1 431 078)	100%	Combined with Furniture and fittings: other
Tables & Desks	210 565	-	210 565	100%	Combined with Furniture and fittings: other
Motor Vehicles	548 003	1 817 311	(1 269 308)	100%	Combined with Furniture and fittings: other
Tractors	1 304 925	6 045 000	(4 740 075)	NA	Combined with Furniture and fittings: other
Trucks & Bakkies	20 501 077	25 592 188	(5 091 111)	100%	Combined with Trucks and Bakkies
	26 194 298	38 306 216	(12 111 918)	-32%	
TOTAL	480 211 848	285 763 233	194 448 615	68%	Combined with Motor Vehicles

APPENDIX F
THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY AND GROUP
DISCLOSURE OF GRANTS & SUBSIDIES IN TERMS OF MFMA
AS AT 30 JUNE 2011

Name of Grant	Name of Organ of State	QUARTERLY RECEIPTS					QUARTERLY EXPENDITURE					GRANTS & SUBSIDIES DELAYED/WITHHELD					Reason for delay/ withheld	Compliance with DORA	Reason for non-compliance
		June 10	Sept 10	Dec 10	March 11	June 11	June 10	Sept 10	Dec 10	March 11	June 11	June 09	Sept 09	Dec 09	March 10	June 10			
		R	R	R	R	R	R	R	R	R	R								
Reviewed IDP	HLG&TA																N/A	yes	N/A
ADM-IDP	HLG&TA						34 172										N/A	yes	N/A
IDP-Local Municipalities	HLG&TA						368 746	37 500	173 599	816	104 013						N/A	yes	N/A
Budget Reform	NT																N/A	yes	N/A
MSP Project Management	DHLG&TA																N/A	yes	N/A
Performance Management	DHLG&TA						368 738										N/A	yes	N/A
TECH ASST TO DEV DISTRICT DEV PROFILE	DHLG&TA																N/A	yes	N/A
Seta	LGW Seta	202 780	69 656	399 219	302 078	-	5 577	39 600	75 262	75 672	68 080						N/A	yes	N/A
LG Seta MSU	LGW Seta			108 000				-	-	30 101	71 158						N/A	yes	N/A
MSIG:Road Management System	DHLG&TA		200 000								175 439						N/A	yes	N/A
MSIG:Dev of Policies, By Laws and Systems	DHLG&TA											400 000					N/A	yes	N/A
MSIG-District wide skills audit	DHLG&TA																N/A	yes	N/A
MSIG-improved fixed Asset Register	DHLG&TA		400 000														N/A	yes	N/A
Review MSIG LMS sdf	DHLG&TA																N/A	yes	N/A
Spatial Development Framework	DHLG&TA							11 175									N/A	yes	N/A
Review Water and Sanitation By-Laws	DWAF						31 844	51 899									N/A	yes	N/A
Revenue Enhancement Strategy	DWAF							55 906									N/A	yes	N/A
ADM Water Tankers	DWAF							17 525									N/A	yes	N/A
Community Develop Program	DHLG&TA																N/A	yes	N/A
Disaster Management Funds	DHLG&TA/MIG						347 335										N/A	yes	N/A
HIV/AIDS Funds	Dep Health																N/A	yes	N/A
Bawa Falls:LED	DEDEA						23 039										N/A	yes	N/A
Elliotdale Brick making	DEDEA						169 576										N/A	yes	N/A
Development Craft centre	DEDEA						84 250	36 404	4 150	12 200							N/A	yes	N/A
Co-operatives specialist	DEDEA																N/A	yes	N/A
Tourism Survey	DEDEA						160 344										N/A	yes	N/A
Nxuba Dam Chalets Development	DHLG&TA																N/A	yes	N/A
Tourism Marketing Strategy	DHLG&TA																N/A	yes	N/A
MK Veterans	DHLG&TA		125 000			125 000		280 702	105 263		52 632						N/A	yes	N/A
Environmental Awareness	DHLG&TA					155 000											N/A	yes	N/A
Repatriation of Heritage Property	DHLG&TA				350 000					329 504	19 800						N/A	yes	N/A
LED Capacity Building-Ngqushwa	DHLG&TA	350 000					4 200										N/A	yes	N/A
EC Information initiative support	DEDEA																N/A	yes	N/A
PHP Funds	DHLG&TA		19 460				660 383	276 100	899 085	8 008 203	60 157						N/A	yes	N/A
Teko Springs Top Structure	DHLG&TA				6 011 500			20 758	785 000	6 011 500	-						N/A	yes	N/A
DEVELOPMENT PLANNING FUNDS	DHLG&TA						173 150	-	143 382	-	267 954						N/A	yes	N/A
Prudoe Top Structure	DHLG&TA				1 616 183			-	-	1 842 449	-						N/A	yes	N/A
Nkonkobe Drought Relief	DWAF																N/A	yes	N/A
Land Reform & Settle Plan Proj	DLA																N/A	yes	N/A
Development-BNG	HLG&TA						34 543	-	54 595	22 842	27 350						N/A	yes	N/A
EDOT Funds	ECDOT	13 278 000					777 408	131 630	1 754 271	421 333	2 168 841						N/A	yes	N/A
Bucket Eradication	HLG&TA																N/A	yes	N/A
MIG	National Treasury		63 166 000	120 490 000	(22 554 246)	73 255 263	110 425 887	49 529 860	72 246 259	46 724 855	62 547 869						N/A	yes	N/A
WMIS Grant	DWAF																N/A	yes	N/A
Water Management Plan	DWAF						309 222										N/A	yes	N/A
EPWP	Dept.Public Works		221 000	707 000	4 402 000	2 127 000	566 227	-	-	-	89 760						N/A	yes	N/A
Household Leak repair	DWAF					750 000											N/A	yes	N/A
Dwaf Refurbishment	DWAF						204 473	58 662	918 211		1 716 773						N/A	yes	N/A
Dwaf Bulk water supply Schemes	DWAF	4 690 685	4 943 889	8 495 667	1 393 456	18 394 943	2 379 489	2 426 975	8 614 622	2 338 740	3 479 702						N/A	yes	N/A
Rain Water Harvesting	DWAF	1 217 953					579 724	811 201	214 275	170 627							N/A	yes	N/A
Idutywa Extention 8 (VIP TOILETS,RDS&W)	DWAF	1 053 057		353 492			1 377 924										N/A	yes	N/A
Design Guidelines & Std Drawings	DWAF	250 000						3 864	-	-	95 479						N/A	yes	N/A
WATER SERVICE CAPACITY BUSINESS PLAN1011	DWAF		399 789								35 800						N/A	yes	N/A
Communal Stand Pipes	DWAF			58 482	1 367 313	1 005 854		-	51 300	870 033	1 303 317						N/A	yes	N/A
IDUTYWA EXTENTION 8 (VIP TOILETS,RDS&W)	DWAF		833 870		593 443			-	917 872	687 907	20 176						N/A	yes	N/A
Dalwe Small Bore System	DWAF		960 200					353 053	213 024								N/A	yes	N/A
Ground water Ground water insvtigation	DWAF					1 665 419											N/A	yes	N/A
Water Conservation & WT Demand Mngt	DWAF	300 000															N/A	yes	N/A
BUSINESS PLANS FOR WSP'S	DWAF	250 000							3 024	4 026							N/A	yes	N/A
Public Awareness	DWAF	400 000					6 770	97 989	-	-							N/A	yes	N/A
CO-FUNDING WATER CONSERVATION(DWAF)	DWAF																N/A	yes	N/A
Dwaf(support drought issues)	DWAF	3 969 960	12 264 000	-	4 746 945	-	Page 17 1 232 843	6 130 283	6 290 642	3 063 615	715 654						N/A	yes	N/A
Flood Relief Projects	MIG						22 644	-	192 172								N/A	yes	N/A

ANNEXURE 1

**THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY AND GROUP
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

CONDITIONAL GRANTS AND RECEIPTS		Balance at 01/07/2009	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2010
		R	R	R	R	R	R
Budget Reform	98-06-8-06-307	422 692		-		206 114	216 578
Free Basic Services Strategy Development	98-06-8-06-338	330 000		-		-	330 000
Review Water and Sanitation By-Laws	98-06-8-06-339	51 899		-		51 899	-
Revenue Enhancement Strategy	98-06-8-06-340	60 376		-		55 906	4 470
ADM Water Tankers	98-06-8-06-341	17 525		-		17 525	0
SETA: Implementation	98-06-8-06-309	212 054		770 953		258 614	724 393
Development of libraries for LM's	98-06-8-06-335			-		(2 602)	2 602
Vuna Awards-PMS	98-06-8-06-336	23 363		-		-	23 363
NKONKOBÉ PUBLIC LIBRARY	98-06-8-06-346	3 030		-		-	3 030
MBASHE PUBLIC LIBRARY	98-06-8-06-344-03	16 605		-		16 605	-
NXUBA PUBLIC LIBRARY	98-06-8-06-347	2 671		-		2 672	0
Fingoland Regional Authority	98-07-8-07-102	101 278		-		-	101 278
Nkonkobe Drought Relief	98-07-8-07-108	32 843		-		-	32 843
Nkonkobe Drought Relief dplg	98-07-8-07-109	70 603		-		-	70 603
Ngqushwa Drought relief	98-07-8-07-110	156 434		-		-	156 434
DWAF Once Of Accommodation	98-07-8-07-111	385 766		(371 286)		14 480	0
Dwaf Refurbishment	98-07-8-07-112	5 621 220		(2 927 575)		2 693 646	-
WMIS GRANT	98-07-8-07-114	17 306		-		-	17 306
WATER SERVICE CAPACITY BUSINESS PL	98-07-8-07-115			399 789		-	399 789
WATER MANAGEMENT PLAN	98-07-8-07-116	9 628		-		-	9 628
ROOF TOP RAIN WATER HARVESTING	98-07-8-07-118	1 446 979		-		1 196 103	250 876
DESIGN GUIDELINES & STD DRAWINGS	98-07-8-07-119	250 000		-		99 343	150 657
WATER CONSERVATION & WT DEMAND M	98-07-8-07-120	300 000		-		35 800	264 200
BUSINESS PLANS FOR WSP'S	98-07-8-07-121	250 000		-		7 050	242 950
Daliwe Small Bore System	98-07-8-07-122			960 200		566 076	394 124
Ground water insvetigation	98-07-8-07-123			1 665 419		-	1 665 419
Household Leak reapir	98-07-8-07-124			750 000		-	750 000
Sanitation Projects	98-07-8-07-161	1 414 200		-		527 977	886 223
COMMUNAL WATER STATIONS(DST/ CSIR)	98-07-8-07-166			2 431 650		2 224 650	207 000
Elliotdate BNG Houses	98-07-8-07-177	96 484		-		-	96 484
IDUTYWA EXTENTION 8 (VIP TOILETS,RDS	98-07-8-07-178			1 780 805		1 625 956	154 849
Grants in aid 2006/2007	98-07-8-07-190	886 327		-		-	886 327
EDOT Funds	98-07-8-07-251	15 914 712		-		4 476 074	11 438 638
Peddle Sport Facility	98-07-8-07-389	239 258	(239 258)	-		-	0
EPWLLP	98-07-8-07-600	680 196		7 457 000		655 987	7 481 209
Bucket Eradication	98-09-8-09-002	407 184		-		371 522	35 661
Dwaf-Bulk water Supply Scheme	98-11-8-11-250	3 572 699	(4 080 626)	33 227 955		16 860 040	15 859 988
Dwaf Support(Drought Issues)	98-11-8-11-280	2 737 117		13 463 076		16 200 193	-
MIG	98-12-8-12-000	0	(3 308 176)	234 357 018		231 048 842	(0)
Flood Relief Projects	98-12-8-12-050	702 247		-		192 172	510 076
Disaster : Rebuild Fund	98-06-8-06-409	655 078		-		452 428	202 651
Capacitate and Resources Center	98-06-8-06-415	5 537 848		-		4 349 907	1 187 941
SATELITE FIRE STATION-CHINTSA	98-06-8-06-447	1 196 175		-		810 778	385 397
SATELITE FIRE STATION-KEI MOUTH	98-06-8-06-448	1 200 000		-		107 702	1 092 298
FIRE SERVICES-CONTIGENCY FUNDS	98-06-8-06-449	11 167		-		10 961	206.65
HIV/AIDS NGO'S	98-06-8-06-500			-		(1 010)	1 010
MIG-DISASTER MANAGEMANENT	98-06-8-06-606	801 501		-		637 121	164 380
TECH ASST TO DEV DISTRICT DEV PROFIL	98-06-8-06-348	105 963		-		-	105 963
MK Veterans	98-06-8-06-808	308 587		250 000		438 596	119 990
Repatriation of Heritage Property	98-06-8-06-810			350 000		349 304	696
Development Craft centre	98-06-8-06-811	2 685 643		-		52 754	2 632 889
Capacity Building for LM's	98-06-8-06-812	243 053		-		130 467	112 585
Bawa Falls LED Project	98-06-8-06-912	965 442		-		183 275	782 167
SILWINDLALA WOMEN'S PROJECT	98-06-8-06-927	145 381		-		107 634	37 747
Skills Development Centre	98-06-8-06-930	1 235 090		-		912 416	322 674
Balfour Sawmils	98-06-8-06-931	300 000		-		-	300 000
Highlands Resort	98-06-8-06-932	200 000		-		82 800	117 200
Peddle Brick Making	98-06-8-06-933	78 286		-		7 951	70 335
Mooiplaas Brickyard	98-06-8-06-934	46 224		-		46 224	-
Elliotdale Brick making	98-06-8-06-935	1 028 334		-		668 806	359 529
Inkuthalo Hydroponics	98-06-8-06-936	200 054		-		-	200 054
LED Strategy	98-06-8-06-938	686 881		-		26 360	660 521
Co-operatives specialist	98-06-8-06-939	735 000		-		573 000	162 000
Tourism Survey	98-06-8-06-940	98 094		-		-	98 094
PLOUGHING CONTACTORS-WARD 10	98-06-8-06-943	8 000		-		-	8 000
EC INFORMATION INITIATIVE SUPPORT	98-06-8-06-945	500 000		-		-	500 000
PLOUGHING CONTRACTOR-NGXAKAXA	98-06-8-06-946	40 000		-		-	40 000
Nxuba Dam Chalets Development	98-06-8-06-947	45 526		-		27 632	17 895
Tourism Marketing Strategy	98-06-8-06-948	351 975		-		348 500	3 475

ANNEXURE 1

THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY AND GROUP
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

CONDITIONAL GRANTS AND RECEIPTS		Balance at 01/07/2009	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2010
		R	R	R	R	R	R
PLOUGHING CONTRACTOR-ward 15	98-06-8-06-949	6 200		-		(13 800)	20 000
Environmental Awareness	98-06-8-06-950			155 000		155 000	-
LED Capacity Building-Ngqushwa	98-06-8-06-951	350 000		-		-	350 000
Victoria Post	98-07-8-07-002	225 000		-		-	225 000
Teko springs/ Ndlovini	98-07-8-07-005	154 000		-		61 539	92 461
Needs Camp	98-07-8-07-006	59 822		-		26 108	33 714
Hogsback	98-07-8-07-009	130 884		-		-	130 884
Haga Haga	98-07-8-07-010	213 473		-		-	213 473
Willowvale	98-07-8-07-011	701 145		-		296 188	404 957
Elliotdale	98-07-8-07-012	9 275		-		-	9 275
Ndevana	98-07-8-07-015	34 766		-		-	34 766
Msobomvu	98-07-8-07-020	85 030		-		27 500	57 530
Hertzog	98-07-8-07-022	84 070		-		-	84 070
Great kei Planning Funds	98-07-8-07-023	23 327		-		-	23 327
Mnquma Planning Funds	98-07-8-07-024	110 000		-		-	110 000
Ngqushwa Planning Funds	98-07-8-07-025	46 667		-		-	46 667
Nkonkobe Planning Funds	98-07-8-07-026	53 063		-		-	53 063
Mnquma Survey	98-07-8-07-028	25 000		-		-	25 000
Ngqushwa Survey Funds	98-07-8-07-035	177 510		-		-	177 510
Nkonkobe Survey	98-07-8-07-036	116 200		-		-	116 200
Lewis Survey	98-07-8-07-037	141 125		-		-	141 125
Prudoe Eng Design	98-07-8-07-045	27 664		-		26 316	1 348
Dongwe Eng Design	98-07-8-07-046	32 211		-		22 711	9 499
Tekosprings Infrastructure	98-07-8-07-065	1 692 000		-		-	1 692 000
Kubusie Establishment Grant	98-07-8-07-076	62 235		-		18 005	44 230
Ndlovini Establishment Grant	98-07-8-07-077	10 291		-		-	10 291
Ducats Establishment Grant	98-07-8-07-078	93 742		-		-	93 742
Macleant/ Estab Grant	98-07-8-07-079	16 849		-		-	16 849
Prudoe Estab Grant	98-07-8-07-080	58 248		-		-	58 248
Dongwe Prudoe Estab Grant	98-07-8-07-081	79 265		-		790	78 475
Teko Springs Estab Grant	98-07-8-07-082	38 572		-		1 240	37 332
Needs Camp Estab Grant	98-07-8-07-083	66 222		-		-	66 222
Teko Springs Top Structure	98-07-8-07-084	916 717		6 011 500		6 817 258	110 959
Prudoe Top Structure	98-07-8-07-085	708 801		1 616 183		1 842 449	482 535
Dongwe Top Structure	98-07-8-07-086	1 355 139		-		7 830	1 347 309
Needscamp Top Structure	98-07-8-07-087	6 338		-		2 500	3 838
Ducats Top Struc Subsidy	98-07-8-07-088	23 234		-		-	23 234
Kubusi Top Structure	98-07-8-07-089	1 114 669		-		534 014	580 656
Macleantown Top Structure	98-07-8-07-090	867 953		-		-	867 953
Lilyvale Kayb Establishment Grant	98-07-8-07-092	2 643		-		-	2 643
Kaysers beach Housing Project	98-07-8-07-093	529 380		-		-	529 380
Lillyvale Top Structure	98-07-8-07-094	1 861 879		-		-	1 861 879
Lillyvale Eng Designs	98-07-8-07-095	5 940		19 460		19 460	5 940
Chanta Development Fund	98-07-8-07-152	2 413 456		-		-	2 413 456
Dwesa Cwebe Restitutional	98-07-8-07-153	5 338 073		-		8 420	5 329 653
Planning Grant dia	98-07-8-07-158	1 897 706		-		-	1 897 706
RESTITUTION AWARD(DLA)	98-07-8-07-159	44 933 161		-		625 443	44 307 718
DEVELOPMENT PLANNING-BNG FUNDS	98-07-8-07-172	89 414		-		51 542	37 872
BENEFIARY ADMINISTRATION (BNG)	98-07-8-07-173	147 365		-		-	147 365
GEOTECHNICAL INVESTIGATION	98-07-8-07-174	312		-		-	312
ENVIRONMENTAL IMPPECT ASSESMENT	98-07-8-07-175	1 072 840		-		40 745	1 032 095
GEO HYDROLOGY	98-07-8-07-176	1 394 200		-		-	1 394 200
H&LG Survey Funds	98-07-8-07-451	141 900		-		12 500	129 400
MSIG:Road Management System	98-06-8-06-031			200 000		175 439	24 561
MSIG:Improved fixed asset register	98-06-8-06-035			400 000		400 000	-
SPATIAL DEVELOPMENT FRAMEWORK PL	98-06-8-06-037	12 740		-		11 175	1 565
POLICY DEV TRAINING FOR ENGINEERS	98-06-8-06-038	1 188	(1 188)	-		-	0.00
NXUBA INTEGRATED WASTE MANAGEMENT	98-06-8-06-039	14 483	(14 483)	-		-	(0)
MSIG:LAND ADMIN-CAPACITY BUILDING(LI	98-06-8-06-040	180 000	-	-		161 280	18 720
MSIG:CAPACITY BUILDING FOR ENGINEER	98-06-8-06-041	1 722	(1 722)	-		-	-
MSIG:REVENUE ENHANCEMENT(LMS)	98-06-8-06-042	40 000	(14 499)	-		25 502	-
Review MSIG LMS sdf	98-06-8-06-043		-	150 000		77 683	72 318
IDP-Local Municipalities	98-06-8-06-228	328 902		-		315 928	12 974
Develop Inter-gov Policies	98-06-8-06-311	121 080	(121 080)	-		-	0.00
Identify M/Com Member's respons	98-06-8-06-320	22 708	(22 708)	-		-	-
Training-Concillors	98-06-8-06-326	14 379	(14 379)	-		-	-
LG Seta MSU	98-06-8-06-328		-	108 000		101 259	6 741
Land use Management	98-06-8-06-330	87 204	-	-		12 444	74 760
Capacity Building For cllr's EC Housing	98-06-8-06-337	60 981	(60 981)	-		-	(0)
Public Awareness	98-06-8-06-358	393 230	-	-		97 989	295 241
CO-FUNDING WATER CONSERVATION(DW	98-06-8-06-359		-	474 000		-	474 000
Dube Communal Garden	98-06-8-06-806	627	(627)	-		-	-
Hamburg heritage	98-06-8-06-809	8 200	(8 200)	-		-	-
District economy advisory forum	98-06-8-06-813	28 349	(28 349)	-		-	0.00
QhINGQALA Access Road MB ec 1094	98-07-8-07-113	550 961	(550 961)	-		-	-
DBSA Support to LM	98-07-8-07-154	29 888	(29 888)	-		-	-
TOTAL MUNICIPALITY		127 483 618	(8 497 124)	303 699 146	-	301 688 701	120 996 939

ANNEXURE 1

**THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
AMATHOLE DISTRICT MUNICIPALITY AND GROUP
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/07/2009	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2010
	R	R	R	R	R	R
ASPIRE						
Industrial Development Corporation	956 261	3 000 000	-	-	2 140 889	1 815 372
BURP	1 394 223	-	-	-	23 979	1 370 244
Ngqushwa Municipality	-	223 896	-	-	156 896	67 000
Dedea - Woodhouse	-	1 648 000	-	-	699 470	948 530
ECDC	-	813 676	-	-	722 776	90 900
European Union - Keiskammahoek	-	173 105	-	-	173 105	-
Neighbourhood Development Partnership - Technical Assitance grant	-	4 965 653	-	-	4 965 653	-
Neighbourhood Development Partnership - Capital grant	-	42 405 413	-	-	33 183 144	9 222 269
Mbashe Municipality - N2 Summit	87 719	-	-	-	-	87 719
AREDS	850 332	-	-	-	850 332	-
DEAT - Hamburg Arts Residency	4 604 187	6 258 536	-	-	7 367 762	3 494 961
Department of Rural Development and Land Reform	-	10 327 298	-	-	10 010 849	316 449
Development Bank of South Africa	96 491	-	-	-	-	96 491
TOTAL ASPIRE	7 989 213	69 815 577	-	-	60 294 855	17 509 935
TOTAL: GROUP GRANTS & RECEIPTS	135 472 831	61 318 453	303 699 146	-	361 983 556	138 506 874

ANNEXURE 2

**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

**EMERGENCY PROCUREMENT
ENGINEERING SERVICES**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR BREACH/DEVIATION
16/1/3/8	18-Jun-10	Hogsback WTW: Nkonkobe Municipality: Cart water	M.E. Mbutuma Transport cc	R 91 000.00	Emergency procurement procedures Drought - no water.
16/1/3/2	21-Jun-10	Kei Mouth Emergency Supply Scheme: Great Kei Municipality: Fuel injector pump	Salister Diesels (Pty) Ltd	R 10 864.18	Emergency procurement procedures Water shortages posing health risk.
16/1/3/8	23-Jun-10	Adelaide WWTW: Nxuba Municipality: Hire tractor	Uluntu Skills Development Centre	R 31 600.00	Emergency procurement procedures Health hazard.
16/1/3/3	23-Jun-10	Nonkululeko Borehole: Amahlathi Municipality: Water shortages	Cwenga's Training Centre	R 47 600.00	Emergency procurement procedures Drought - no water.
16/1/3/8	24-Jun-10	Adelaide WTW: Nxuba Municipality: Hire tanker	Midmar Plant Hire cc	R 192 000.00	Emergency procurement procedures Drought - no water.
16/1/3/6	24-Jun-10	Dwesa WTW: Mbashe Municipality: Cart water	Enkosi Bawo Trading Enterprise cc	R 23 800.00	Emergency procurement procedures Drought - no water.
16/1/3/4	24-Jun-10	Ngulu Weir: Mquma Municipality: Hire water tanker	Vukani General Trading cc	R 53 200.00	Emergency procurement procedures. Drought - no water.
16/1/3/6	24-Jun-10	Dwesa WTW: Mbashe Municipality: Cart water	Nkomoyakhe Trading & Services	R 23 800.00	Emergency procurement procedures Drought - no water.
16/1/3/6	24-Jun-10	Dwesa WTW: Mbashe Municipality: Cart water	Nangamso Trading	R 49 400.00	Emergency procurement procedures Drought - no water.
16/1/3/6	25-Jun-10	Dutwya WTW: Mbashe Municipality: Cart water	Nqabayamajola Trading	R 112 000.00	Emergency procurement procedures Drought - no water.
16/1/3/2	25-Jun-10	Makazi Borehole Scheme: Great Kei Municipality: Hire tanker	Sbulele Multi Traders	R 47 600.00	Emergency procurement procedures Drought - no water.
16/1/3/2	25-Jun-10	Makazi, Kwazozo & Kwatuba Borehole Scheme: Great Kei Municipality	Mbayo Distributors & Transport	R 53 200.00	Emergency procurement procedures Drought - no water.
16/1/3/8	25-Jun-10	Bedford WTW: Nxuba Municipality: Hire tanker	MW Equipment Trust	R 152 000.00	Emergency procurement procedures Drought - no water.
16/1/3/7	25-Jun-10	Paddie Regional WTW: Ngqushwa Municipality: Cart water	Ilitha Projects	R 53 200.00	Emergency procurement procedures Drought - no water.
16/1/3/4	28-Jun-10	Mnyameni Borehole: Mquma Municipality: Cart water	Betroot Trading and Projects	R 53 200.00	Emergency procurement procedures Drought - no water.
16/1/3/6	28-Jun-10	Willowvale WTW: Mbashe Municipality: Cart water	Coco Haven	R 53 200.00	Emergency procurement procedures. Drought - no water.
16/1/3/6	28-Jun-10	Ngamakhwe Boreholes: Mbashe Municipality: Borehole pumps faulty	Marion Technical Projects	R 99 390.67	Emergency procurement procedures No water.
16/1/3/6	29-Jun-10	Dutywa WTW: Mbashe Municipality: Cart water	Sotomela & Sons cc	R 128 000.00	Emergency procurement procedures Dam levels have dropped - no water.
16/1/3/8	29-Jun-10	Fish River Pumping Scheme & Adelaide Canal: Nxuba Municipality: Failure on fish river rising main	Maluti GSM Consulting Engineers	R 96 426.97	Emergency procurement procedures No water.
16/1/3/8	29-Jun-10	Dutywa WTW: Mbashe Municipality: Cart water	Ali's General Trading & Investments cc	R 53 200.00	Emergency procurement procedures Drought - no water.
16/1/3/6	30-Jun-10	Dutywa WTW: Mbashe Municipality: Investigate possible sources of water by building & testing boreholes	AB Pumps	R 39 056.03	Emergency procurement procedures Drought - no water.
16/1/3/6	30-Jun-10	Dutwya WTW: Mbashe Municipality: Cart water	Pasiya Construction	R 160 000.00	Emergency procurement procedures Drought - no water.
16/1/3/4	30-Jun-10	Ngulu Weir: Mquma Municipality: Cart water	Mayowa Trading Enterprise	R 15 200.00	Emergency procurement procedures Drought - no water.
16/1/3/2	01-Jul-10	Chintsa WTW: Great Kei Municipality: Hire tanker to cart water	Inonge Trading cc	R 240 000.00	Emergency procurement procedures Drought resulting in prolonged water outages.
16/1/3/3	01-Jul-10	Nonkululeko Borehole: Amahlathi Municipality: Hire water tanker to cart water	The Business Zone 1300cc	R 53 200.00	Emergency procurement procedures Drought affecting Amahlathi villages.
16/1/3/2	01-Jul-10	Chintsa WTW: Great Kei Municipality: Hire tanker to cart water to delivery potable water	Mikhanyo Trading 2	R 171 000.00	Emergency procurement procedures Drought in Chintsa East and surrounding areas resulting in water shortages.

ANNEXURE 2

**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

16/1/3/6	05-Jul-10	Dutywa WTW: Mbashe Municipality: Cart water	Lungisa Bheja Construction	R 114 000.00	Emergency procurement procedures Drought - no water.
16/1/3/2	08-Jul-10	Chintsa WTW: Great Kei Municipality: Hire tanker to deliver potable water	STL Consulting	R 199 700.00	Emergency procurement procedures Drought in Chintsa East and surrounding areas resulting in water shortages.
16/1/3/6	09-Jul-10	Dutywa WTW: Mbashe Municipality: Hire water tanker to deliver water	Sinethemba Bricks	R 117 800.00	Emergency procurement procedures Dams have dried up and community has no water.
16/1/3/8	09-Jul-10	Adelaide WTW: Nxuba Municipality: Borehole motor burnt out	Marion Technical Projects	R 57 483.36	Emergency procurement procedures No water.
16/1/3/4	12-Jul-10	Mnyameni Borehole: Mquma Municipality: Equip new borehole	AB Pumps	R 125 494.26	Emergency procurement procedures No water.
16/1/3/2	12-Jul-10	Chintsa WTW: Great Kei Municipality: Hire water tanker to deliver potable water	Eagle Ukhozi Transport	R 234 000.00	Emergency procurement procedures Water shortages due to drought.
16/1/3/4	15-Jul-10	Butterworth WTW: Mquma Municipality: Burst pipes	Sinethemba Bricks	R 49 505.00	Emergency procurement procedures No water.
16/1/3/4	15-Jul-10	Qolora A & B Borehole: Mquma Municipality: Borehole pump faulty	Marion Technical Projects	R 48 598.50	Emergency procurement procedures No water.
16/1/3/6	16-Jul-10	Nkanya Boreholes: Mbashe Municipality: Diesel engine and pump not working	R & R Maintenance	R 28 831.67	Emergency procurement procedures Community has no water.
16/1/3/6	16-Jul-10	Vinindwa Borehole: Mbashe Municipality: Hire TLB	Sinethemba Bricks	R 20 000.00	Emergency procurement procedures Community has no water.
16/1/3/4	03-Aug-10	Xhobani Borehole: Mquma Municipality: Lister engine broken down	Power Services	R 10 356.20	Emergency procurement procedures No water.
16/1/3/6	04-Aug-10	Dutywa WTW: Mbashe Municipality: Cart water	Coco Haven 1223	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/2	11-Aug-10	Chintsa WTW: Great Kei Municipality: Hire tanker to deliver potable water	Qhamo Travel & Events Management	R 176 700.00	Emergency procurement procedures Chintsa East Township and Cefane without water.
16/1/3/6	11-Aug-10	Dutywa WTW: Mbashe Municipality: Hire service provider to cart water	Mbutho Plant Hire & Construction cc	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	11-Aug-10	Willowvale WTW: Mbashe Municipality: Cart water	Madlala Ngendlovu Transport	R 248 000.00	Emergency procurement procedures Community has no water.
16/1/3/6	12-Aug-10	Mbewuleni Borehole: Mbashe Municipality: Stad engine will not start	R & R Maintenance	R 21 636.40	Emergency procurement procedures Community has no water.
16/1/3/8	12-Aug-10	Adelaide WTW: Nxuba Municipality: Hire tractor to assist with bucket eradication	Uluntu Skills Development Centre	R 28 470.82	Emergency procurement procedures ADM tractor in for repairs.
16/1/3/6	12-Aug-10	Dutywa Mbashe Municipality: Appoint service provider with a tanker to cart water	Valley Junction 22cc	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	13-Aug-10	Dutywa WTW: Mbashe Municipality: Appoint service provider with tanker to cart water	Vukani General Trading cc	R 240 000.00	Emergency procurement procedures Community has no water.
16/1/3/4	13-Aug-10	Butterworth WTW: Mquma Municipality: Control panels and cables have been damaged	Nangamso Trading	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	13-Aug-10	Dwesa WTW: Mbashe Municipality: Cart water	Ithonsti Water Supply Services	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/4	13-Aug-10	Ngqanda Borehole: Mquma Municipality: Faulty control panel	RJN Projects	R 18 860.16	Emergency procurement procedures No water.
16/1/3/4	13-Aug-10	Ngqanda Borehole: Mquma Municipality: Major burst on pumping main and ADM does not have in stock	Hi-Baz Civil Supplies	R 755.82	Emergency procurement procedures Shortage of water to the community.
16/1/3/3	13-Aug-10	Daliwe Sewerage: Amahlathi Municipality: Sewer system collapsed	Ramatini Service Agents cc	R 194 999.85	Emergency procurement procedures Health hazard.
16/1/3/6	13-Aug-10	Butterworth WTW: Mbashe Municipality: Tanga pump station was vandalised	Asisabelo Trading Enterprise cc	R 19 000.00	Emergency procurement procedures Community without water.
16/1/3/6	16-Aug-10	Dutywa WTW: Mbashe Municipality: Appoint service provider with a tanker to cart water	Anix Trading 129 cc	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/3	18-Aug-10	Nonkululeko Borehole: Amahlathi Municipality: Hire water tanker to cart water	Luvu Development Facilitators	R 64 599.94	Emergency procurement procedures Affected villages without water.
16/1/3/7	19-Aug-10	Peddle Regional WTW: Ngqushwa Municipality: Cart water	Ilitha Projects	R 53 200.00	Emergency procurement procedures Community has no water.

ANNEXURE 2

AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

16/1/3/2	19-Aug-10	Chintsa WTW: Great Kei Municipality: Drought no water	RJN Projects	R 105 901.90	Emergency procurement procedures Chintsa East Township and Cefane without water.
16/1/3/3	19-Aug-10	Cathcart WTW: Amahlathi Municipality: Drought, dams running dry	RJN Projects	R 263 658.06	Emergency procurement procedures Townships without water.
16/1/3/7	19-Aug-10	Peddie Regional WTW: Ngqushwa Municipality: Cart water	Crossbar Agencies 211cc T/A Gabas Truck Hire	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/7	19-Aug-10	Peddie Regional WTW: Ngqushwa Municipality: Cart water	Crossbar Agencies 211cc T/A Gabas Truck Hire	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/3	19-Aug-10	Cathcart WTW: Amahlathi Municipality: Drought, dams running dry	RJN Projects	R 263 658.06	Emergency procurement procedures Townships without water.
16/1/3/2	19-Aug-10	Chintsa WTW: Great Kei Municipality: Drough result in Chintsa East dam running dry	RJN Projects	R 105 901.90	Emergency procurement procedures Townships without water.
16/1/3/7	19-Aug-10	Peddie Regional WTW: Ngqushwa Municipality: Cart water	Ilitha Projects	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	23-Aug-10	Willowvale WTW: Mbashe Municipality: Cart water	Pick 'n Build Hardware cc	R 53 200.00	Emergency procurement procedures No water to community.
16/1/3/4	23-Aug-10	Butterworth WTW: Mquma Municipality: Water pump repairs	MCR Hydraulics cc	R 11 395.42	Emergency procurement procedures Shortage of resources to assist in the delivering water to the community.
16/1/3/4	23-Aug-10	Butterworth WTW: Mquma Municipality: ADM Tanker had mechanical fault	F & R Phakisa Operations (Pty) Ltd	R 32 373.80	Emergency procurement procedures Shortage of resources to assist in the delivering water to the community.
16/1/3/7	23-Aug-10	Peddie Regional WTW: Ngqushwa Municipality: Blocked sewer mains in Peddie Town	Gayeni Plumbing cc	R 9 108.60	Emergency procurement procedures Sewer spillage and health hazard.
16/1/3/6	24-Aug-10	Dwesa WTW: Mbashe Municipality: Cart water	Bound for Gold 96cc	R 53 200.00	Emergency procurement procedures No water to the community.
16/1/3/6	24-Aug-10	Dwesa WTW: Mbashe Municipality: Cart water	Unako Gcina Catering and Trading	R 53 200.00	Emergency procurement procedures No water to the community.
16/1/3/6	25-Aug-10	Willowvale WTW: Mbashe Municipality: Drought	Nomgcobo Construction	R 53 200.00	Emergency procurement procedures No water to the community.
16/1/3/6	26-Aug-10	Dwesa WTW: Mbashe Municipality: Cart water	Lawulwa Civils cc	R 53 200.00	Emergency procurement procedures No water to the community.
16/1/3/6	26-Aug-10	Nkawukazi Borehole: Mbashe Municipality: Rising main from windmill at Nkawukazi and Nlombokazi are broken down	Classy Trade & Invest 1094 cc	R 66 874.36	Emergency procurement procedures No water to the community.
16/1/3/4	26-Aug-10	Nyumaga, Nkondwane, Rarayo Borehole: Mquma Municipality: Hire tanker to cart water	Sinethemba Bricks	R 106 400.00	Emergency procurement procedures No water to the community.
16/1/3/2	30-Aug-10	Jongilanga Borehole: Great Kei Municipality: Drought	AlizwamaHubi Construction T/A Tripple Option Trading 638 cc	R 117 800.00	Emergency procurement procedures Community has no water.
16/1/3/6	31-Aug-10	Vinindwa Borehole: Mbashe Municipality: Hire TLB	Sinethemba Bricks	R 9 500.00	Emergency procurement procedures Community has no water.
16/1/3/8	31-Aug-10	Adelaide WTW: Nxuba Municipality: Hire tanker	MW Equipment Trust	R 176 700.00	Emergency procurement procedures Water shortages.
16/1/3/8	31-Aug-10	Fort Beaufort WTW & WWTW: Nkonkobe Municipality: Burst pipes	Knickelbein Contractors	R 21 771.15	Emergency procurement procedures No water.
16/1/3/8	31-Aug-10	Fort Beaufort WTW & WWTW: Nkonkobe Municipality: Burst pipes	Knickelbein Contractors	R 25 903.65	Emergency procurement procedures No water.
16/1/3/8	31-Aug-10	Fort Beaufort WTW & WWTW: Nkonkobe Municipality: Valves covered by contractors during bucket eradication project	Knickelbein Contractors	R 22 780.05	Emergency procurement procedures No water.
16/1/3/6	31-Aug-10	Nyhara Borehole: Mbashe Municipality: Stad generator at pump station ceased to operate	R & R Maintenance	R 29 158.46	Emergency procurement procedures No water to the community.
16/1/3/8	06-Sep-10	Adelaide WTW: Nxuba Municipality: Drought	Lumiscap (Pty) Ltd	R 248 000.00	Emergency procurement procedures Water shortages.
16/1/3/6	06-Sep-10	Idutywa WTW: Mbashe Municipality: Appoint service provider to cart water	Mlie Construction	R 53 200.00	Emergency procurement procedures Community has no water.

ANNEXURE 2

**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

16/1/3/8	08-Sep-10	Bedford WTW: Nxuba Municipality: Hire tractor as ADM tractor in for repairs and not roadworthy	Worteldrift Agricultural Co-op Bedford	R 15 840.00	Emergency procurement procedures Health hazard.
16/1/3/8	08-Sep-10	Bedford WTW: Nxuba Municipality: Hire tractor as ADM tractor in for repairs and not roadworthy	Worteldrift Agricultural Co-op Bedford	R 14 520.00	Emergency procurement procedures Health hazard.
16/1/3/6	08-Sep-10	Dwesa WTW: Mbashe Municipality: Cart water	Njozela Trading	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	08-Sep-10	Dwesa WTW: Mbashe Municipality: Cart water	M.M. Lupuzi Transport and Civil Construction	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/4	08-Sep-10	Maxelegwini Borehole: Mquma Municipality Windmill not operational	Sivumonde Trading Enterprise	R 53 200.00	Emergency procurement procedures No water.
16/1/3/4	09-Sep-10	Butterworth WTW: Mquma Municipality: Water provision for preparation for World Cup	L.G. Hardware	R 12 125.00	Emergency procurement procedures No water.
16/1/3/8	09-Sep-10	Fort Beaufort WTW: Nkonkobe Municipality: Blocked sewer lines	Ramatini Service Agents cc	R 58 500.00	Emergency procurement procedures Health hazard and spillages.
16/1/3/3	09-Sep-10	Nonkululeko Borehole: Amahlathi Municipality: Drought	Luvu Development Facilitators	R 53 200.00	Emergency procurement procedures Villages supplied from affected boreholes experiencing water shortages.
16/1/3/6	10-Sep-10	Dwesa WTW: Mbashe Municipality: Cart water	Silverton Solution 57 cc	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	10-Sep-10	Dwesa WTW: Mbashe Municipality: Cart water	Crossbar Agencies 211cc T/A Gabas Truck Hire	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	10-Sep-10	Willowvale WTW: Mbashe Municipality: Cart water	Vukani General Trading cc	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/6	16-Sep-10	Dwesa WTW: Mbashe Municipality: Drought	AB Pumps	R 41 185.64	Emergency procurement procedures Community has no water.
16/1/3/4	16-Sep-10	Macibe, Gobe and Ngqanda Boreholes: Mquma Municipality: Boreholes not yielding water	Liyana Truck Hire & Transport Services	R 53 200.00	Emergency procurement procedures No water.
16/1/3/6	16-Sep-10	Dwesa WTW: Mbashe Municipality: Drought	Nosilela Tours & Trading	R 41 800.00	Emergency procurement procedures Community has no water.
16/1/3/6	22-Sep-10	Dutywa WTW: Mbashe Municipality: Drought	Mahamba Travel Consultants	R 53 200.00	Emergency procurement procedures Community has no water.
16/1/3/2	22-Sep-10	Kei Mouth WSS: Great Kei Municipality: Drought	Lutuli Ranches cc	R 33 516.00	Emergency procurement procedures Water shortages.
16/1/3/7	23-Sep-10	Peddle Regional WTW: Ngqushwa Municipality: Hire tanker as ADM tanker in accident	Kendalin Leisure & Tourism	R 106 400.00	Emergency procurement procedures Water shortages.
16/1/3/8	22-Sep-10	Alice WTW: Nkonkobe Municipality: Drought	Majali Trading Enterprise	R 176 700.00	Emergency procurement procedures Water shortages.
16/1/3/8	22-Sep-10	Fort Beaufort WTW: Nkonkobe Municipality: Blocked sewer lines	Ramatini Service Agents cc	R 45 500.04	Emergency procurement procedures Health hazard and spillages.
16/1/3/7	22-Sep-10	Peddle Regional WTW: Ngqushwa Municipality: Leak at peddle town and area rocky	Mimka's Electrical and Builders	R 3 762.00	Emergency procurement procedures Water shortages.
16/1/3/2	23-Sep-10	Kwa Zozo: Great Kei Municipality: Drought	Skillful Home General	R 3 800.00	Emergency procurement procedures Water shortages.
16/1/3/3	27-Sep-10	Cathcart WTW: Amahlathi Municipality: Drought resulting in boreholes dropping in yield	Kia House / Cellular & Assesories	R 106 400.00	Emergency procurement procedures Water shortages in certain villages.
16/1/3/8	28-Sep-10	Adelaide WTW: Nxuba Municipality: Drought	Mampevu Trading Enterprise	R 176 700.00	Emergency procurement procedures No water to the community.
16/1/3/2	28-Sep-10	Chintsa WTW: Great Kei Municipality: Drought no water	Lumiscap (Pty) Ltd	R 248 000.00	Emergency procurement procedures Water shortages.
16/1/3/3	28-Sep-10	Mgwalli Borehole: Amahlathi Municipality: Drought - Hire tanker to cart water	Cwenga's Training Centre	R 115 000.00	Villages without water.
16/1/3/8	28-Sep-10	Adelaide WTW: Nxuba Municipality: Water tanker electrical fault	E & R Auto Electrical	R 166.44	No water to the community.
16/1/3/6	28-Sep-10	Willowvale WTW: Mbashe Municipality: Drought	Z Noede & Associates	R 53 200.00	Community without water.
16/1/3/6	28-Sep-10	Ngwemyama Borehole: Mbashe Municipality: Rising main completely broken	Classy Trade and Invest 1094 cc	R 143 783.06	Community without water.
16/1/3/7	29-Sep-10	Peddle Regional WTW: Ngqushwa Local Municipality: Leak	Mimka's Electrical and Builders	R 5 472.00	Water shortages.
16/1/3/6	30-Sep-10	Dwesa WTW: Mbashe Municipality: Drought	Imvusa Trading 491 cc	R 53 200.00	Community without water.

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AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
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16/1/3/6	01-Oct-10	Ngcingwane Borehole: Mbashe Municipality: Broken windmills	Queenstown Windmill Services	R 342 000.00	Community without water.
16/1/3/4	04-Oct-10	Mayezi Borehole: Mquma Municipality: Windmill not working	Xomoyi Water Services cc	R 67 699.69	No water.
16/1/3/6	04-Oct-10	Dwesa WTW: Mbashe Municipality: Dwesa river dried out	Top Level Construction	R 53 200.00	Community without water.
16/1/3/2	05-Oct-10	Chintsa WTW: Great Kei Municipality: Drought	Inonge Trading	R 176 700.00	Water shortages.
16/1/3/6	06-Oct-10	Nqadu WTW: Mbashe Municipality: Electric dam dried out	Classy Trade and Invest 1094 cc	R 59 482.93	Community without water.
16/1/3/2	07-Oct-10	Solo Borehole: Great Kei Municipality: Drought	Mpondombini Trading cc	R 117 800.00	Water shortages.
16/1/3/3	07-Oct-10	Cathcart WTW: Amatholi Municipality: Drought	JIL Plant Hire cc	R 113 999.87	Kati Kati, Dalibe & Town without water.
16/1/3/7	07-Oct-10	Sandile WTW: Ngqushwa Municipality: Drought and burst pipe	Midnight Star Trading 186 cc	R 53 200.00	Water shortages.
16/1/3/3	07-Oct-10	Cathcart: Amatholi Municipality: Drought	Mtha Construction	R 117 800.00	Kati Kati, Dalibe & Town without water.
16/1/3/7	07-Oct-10	Sandile WTW: Ngqushwa Municipality: Drought and burst pipe	Shine the Way 771 cc	R 53 200.00	Water shortages.
16/1/3/8	07-Oct-10	Bedford WTW: Nxuba Municipality: Drought	STL Consulting T/A Goosey Gander cc	R 240 000.00	No water to the community.
16/1/3/8	07-Oct-10	Alice WTW: Nkonkobe Municipality: Reservoir not coping with demand	M.E. Mbutuma Transport cc	R 91 000.00	Water shortages.
16/1/3/6	11-Oct-10	Ematolweni Borehole: Mbashe Municipality: Borehole collapsed	R & R Maintenance	R 12 879.37	No water flowing to the reservoir.
16/1/3/4	11-Oct-10	Nwala Borehole: Mquma Municipality: Low water level	R & R Maintenance	R 22 047.60	Villages without water.
16/1/3/6	11-Oct-10	Vonqo Borehole: Mbashe Municipality: Engine giving problems	R & R Maintenance	R 12 951.54	Villages without water.
16/1/3/3	11-Oct-10	Esingameni Borehole: Mbashe Municipality: Starter burnt out	Enzel 165 cc T/A Power Services	R 10 565.70	No water flowing to the community and will cause a health hazard.
16/1/3/6	11-Oct-10	Dwesa WTW: Mbashe Municipality: Dwesa river dried out	Dodop Construction	R 53 200.00	No water to the community.
16/1/3/6	11-Oct-10	Dutywa WTW: Mbashe Municipality: Drought	Jadzeweni Transport	R 248 000.00	No water to the community.
16/1/3/6	07-Dec-10	Matolweni Borehole: Mbashe Municipality: Lister engine vandalised	Uphawu Lokukhanya General Trading	R 53 200.00	No water to the community.
16/1/3/3	07-Dec-10	Cathcart WTW: Amatholi Municipality: Dams running dry	RJN Projects	R 91 467.90	Townships without water.
16/1/3/8	03-Dec-10	Adelaide WTW: Nxuba Municipality: Drought	Midmar Plant Hire cc	R 200 000.00	No water for the community.
16/1/3/8	02-Dec-10	Adelaide WTW: Nxuba Municipality: Bucket Collection	Worteldrift Agricultural Co-op	R 182 000.00	Environmental and Hygiene problems.
16/1/3/8	02-Dec-10	Adelaide WTW: Nxuba Municipality: Drought	Majali Trading Enterprise	R 182 000.00	No water to the community.
16/1/3/8	02-Dec-10	Alice WTW: Nkonkobe Municipality: Drought	PC Transport	R 79 800.00	No water to the community.
16/1/3/8	02-Dec-10	Bedford WTW: Nxuba Municipality: Drought	Solar Networks cc	R 240 000.00	No water to the community.
16/1/3/8	06-Dec-10	Adelaide WTW: Nxuba Municipality: Bucket Collection	Uluntu Skills Development Centre	R 29 040.00	No water to the community.
16/1/3/6	02-Dec-10	Nkanya Borehole: Mbashe Municipality: Faulty pump	Pump & Refrigeration Services Trust	R 6 110.40	No water to the community.
16/1/3/6	01-Dec-10	Nyhwara Borehole: Mbashe Municipality: Generator needs a complete overhaul	Buffalo Armature Winders cc	R 13 623.00	No water to the community.
16/1/3/4	24-Dec-10	Merrilisi Borehole: Mquma Municipality: Windmills not working due to a mechanical problems	Xomoyi Water Services cc	R 142 974.57	No water.
16/1/3/6	26-Oct-10	Dwesa WTW: Mbashe Municipality: Drought	M.M. Lupuzi Transport and Civil Construction	R 53 200.00	No water to the community.
16/1/3/6	26-Oct-10	Dwesa WTW: Mbashe Municipality: Drought	The Drain Man Trading Enterprise	R 53 200.00	No water to the community.
16/1/3/4	26-Oct-10	Macibe Borehole: Mquma Municipality: Beas of motor collapsed, pumps need to be serviced	Buffalo Armature Winders cc	R 7 182.00	No water to the community.
16/1/3/2	26-Oct-10	Soto Borehole WTW: Great Kei Municipality: Drought resulting in boreholes dropping in yield	Ncanda Business Solutions cc	R 62 700.00	No water.
16/1/3/7	26-Oct-10	Sandile WTW: Ngqushwa Municipality: Cart water	Klaas Trading & Projects cc	R 91 000.00	Inadequate service delivery. No water to the community.
16/1/3/8	26-Oct-10	Alice WTW: Nkonkobe Municipality: Drought	Midmar Plant Hire cc	R 176 700.00	Water shortages.
16/1/3/8	27-Oct-10	Alice WTW: Nkonkobe Municipality: Drought	Chumcwai Trading cc	R 79 800.00	Water shortages.
16/1/3/8	01-Nov-10	Hogsback WTW: Nkonkobe Municipality: Raw water pumped has packed up	Mpondombini Trading cc	R 79 800.00	No water to the community.
16/1/3/4	01-Nov-10	Butterworth WTW: Mquma Municipality: Fire hydrant leaking in Butterworth and Whelan Workshop without stock	Hi-Baz Civil Supplies	R 6 914.10	Loss of water.

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DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
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16/1/3/4	01-Nov-10	Thala Borehole: Mquma Municipality: Borehole pump station not working due to mechanical problem on the pump	Tjisa Construction	R 53 200.00	No water to the community.
16/1/3/6	01-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	Enkosi Bawo Trading Enterprise cc	R 53 200.00	No water to the community.
16/1/3/6	01-Nov-10	Owaninga WTW: Mbashe Municipality: Drought	JWHR Trading cc	R 53 200.00	No water to the community.
16/1/3/6	01-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	AB Pumps	R 38 510.11	No water to the community.
16/1/3/8	01-Nov-10	Hogsback WTW: Nkonkobe Municipality: Raw water pumped has packed up	Mpondombini Trading cc	R 79 800.00	No water to the community.
16/1/3/4	01-Nov-10	Thala Borehole: Mquma Municipality: Borehole pump station not working due to mechanical problem on the pump	Tjisa Construction	R 53 200.00	No water to the community.
16/1/3/4	01-Nov-10	Butterworth WTW: Mquma Municipality: Fire hydrant leaking in Butterworth and Whelan Workshop without stock	Hi-Baz Civil Supplies	R 6 914.10	Loss of water.
16/1/3/6	01-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	Enkosi Bawo Trading Enterprise cc	R 53 200.00	No water to the community.
16/1/3/6	01-Nov-10	Owaninga WTW: Mbashe Municipality: Drought	JWHR Trading cc	R 53 200.00	No water to the community.
16/1/3/6	01-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	AB Pumps	R 38 510.11	No water to the community.
16/1/3/8	02-Nov-10	Hogsback WTW: Nkonkobe Municipality: Drought	Bavuse Engineering and Welding Works	R 79 800.00	No water to the community.
16/1/3/6	02-Nov-10	Dutwya WTW: Mbashe Municipality: Drought	Pick 'n Pay Build Hardware	R 53 200.00	No water to the community.
16/1/3/6	02-Nov-10	Owaninga WTW: Mbashe Municipality: Drought	Nangamo Trading cc	R 53 200.00	No water to the community.
16/1/3/3	02-Nov-10	Cathcart WTW: Amatholi Municipality: Drought has resulted in a number of Stutterheim Boreholes dropping yield	Penpin Trading	R 114 000.00	No water to the community.
16/1/3/3	02-Nov-10	Mgwali Borehole: Amatholi Municipality: Drought has resulted in a number of Stutterheim Boreholes dropping yield	Ribboline Training Centre T/A Victory Ticket	R 106 400.00	No water to the community.
16/1/3/8	02-Nov-10	Alice WTW: Nkonkobe Municipality: Drought	Ivin Trading	R 53 200.00	No water to the community.
16/1/3/2	02-Nov-10	Chintsa East WTW: Great Kei Municipality: Drought resulting in Chintsa East dam running dry	Bora Transport	R 240 000.00	Community without water.
16/1/3/8	02-Nov-10	Alice WTW: Nkonkobe Municipality: Drought	S Boo! & Sons cc	R 79 800.00	No water to the community.
16/1/3/6	02-Nov-10	Dutwya WTW: Mbashe Municipality: Drought	Pick 'n Pay Build Hardware	R 53 200.00	No water to the community.
16/1/3/6	02-Nov-10	Owaninga WTW: Mbashe Municipality: Drought	Nangamo Trading cc	R 53 200.00	No water to the community.
16/1/3/3	02-Nov-10	Cathcart WTW: Amatholi Municipality: Drought has resulted in a number of Stutterheim Boreholes dropping yield	Penpin Trading	R 114 000.00	No water to the community.
16/1/3/3	02-Nov-10	Mgwali Borehole: Amatholi Municipality: Drought has resulted in a number of Stutterheim Boreholes dropping yield	Ribboline Training Centre T/A Victory Ticket	R 106 400.00	No water to the community.
16/1/3/8	02-Nov-10	Alice WTW: Nkonkobe Municipality: Drought	Ivin Trading	R 53 200.00	No water to the community.
16/1/3/2	02-Nov-10	Chintsa East WTW: Great Kei Municipality: Drought resulting in Chintsa East dam running dry	Bora Transport	R 240 000.00	Community without water.
16/1/3/8	02-Nov-10	Alice WTW: Nkonkobe Municipality: Drought	S Boo! & Sons cc	R 79 800.00	No water to the community.
16/1/3/8	03-Nov-10	Adelaide WTW: Nxuba Municipality: Drought	Mjo Trading Enterprise	R 171 000.00	No water to the community.
16/1/3/8	03-Nov-10	Bedford WTW: Nxuba Municipality: Drought	MW Equipment Trust	R 248 000.00	No water to the community.
16/1/3/8	03-Nov-10	Adelaide WTW: Nxuba Municipality: Drought	Mjo Trading Enterprise	R 171 000.00	No water to the community.
16/1/3/6	03-Nov-10	Elliotdale Boreholes: Mbashe Municipality: Drought	Kulasihlala Trading cc	R 53 200.00	No water to the community.
16/1/3/6	03-Nov-10	Elliotdale Boreholes: Mbashe Municipality: Drought	Kulasihlala Trading cc	R 53 200.00	No water to the community.
16/1/3/3	03-Nov-10	Cathcart WTW: Amatholi Municipality: Drought	AlizwamaHubi Construction T/A Tripple Option	R 117 800.00	No water to the community.
16/1/3/3	03-Nov-10	Cathcart WTW: Amatholi Municipality: Drought has resulted in a number of Stutterheim Boreholes dropping yield	AlizwamaHubi Construction T/A Tripple Option	R 117 800.00	No water to the community.
16/1/3/6	04-Nov-10	Niabane Borehole: Mbashe Municipality: Drought	Oyenamluveva Trading cc	R 53 200.00	No water to the community.
16/1/3/4	05-Nov-10	Macibbe, Ngqanda & Gobe Boreholes: Mquma Municipality	AB Pumps	R 38 006.54	No water.
16/1/3/7	05-Nov-10	Ngqushwa WTW: Empty pit latrines	Amani Sanitation Solutions	R 562 077.00	Health hazard.

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**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
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16/1/3/4	05-Nov-10	Macibe, Ngqanda & Gobe Boreholes: Mngquma Municipality	AB Pumps	R 38 006.54	No water.
16/1/3/8	05-Nov-10	Hogsback WTW: Nkonkobe Municipality: Drought	Romador 121 (Pty) Ltd	R 55 100.00	No water to the community.
16/1/3/6	09-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	L Bheja Construction	R 53 200.00	No water to the community.
16/1/3/6	09-Nov-10	Dutwya WTW: Mbashe Municipality: Drought	Crossbar Agencies 35 cc	R 53 200.00	No water to the community.
16/1/3/6	09-Nov-10	Bedford WTW: Nxuba Municipality: Drought	Mikhanyo Trading 2	R 248 000.00	No water to the community.
16/1/3/6	09-Nov-10	Dutwya WTW: Mbashe Municipality: Drought	Mlie Construction	R 53 200.00	No water to the community.
16/1/3/4	09-Nov-10	Kolana WTW: Mngquma Municipality: Pipe Burst	Sinethemba Bricks	R 6 500.00	No water.
16/1/3/6	10-Nov-10	Dwesa WTW: Mbashe Municipality: Drought	Malk lafrica Trading Venture	R 53 200.00	No water to the community.
16/1/3/2	10-Nov-10	Tuba Borehole: Great Kei Municipality	Mbayo Distributors & Transport	R 114 000.00	Community without water.
16/1/3/6	15-Nov-10	Dutwya WTW: Mbashe Municipality: Drought	Vukani General Trading cc	R 240 000.00	No water to the community.
16/1/3/8	16-Nov-10	Hogsback WTW: Nkonkobe Municipality: Drought	Midnight Star Trading 186 cc	R 45 600.00	No water to the community.
16/1/3/8	16-Nov-10	Debe RWS: Nkonkobe Municipality: Pipe Burst	Mima Plumbing Services	R 63 820.05	No water.
16/1/3/2	17-Nov-10	Chintsa WTW: Great Kei Municipality: Drought	Eagle Ukhozi Transport	R 240 000.00	Community without water.
16/1/3/2	18-Nov-10	Tuba Borehole: Great Kei Municipality: Drought has resulted in boreholes dropping yield	Qocwa Construction	R 117 800.00	Community without water.
16/1/3/8	18-Nov-10	Hogsback WTW: Nkonkobe Municipality: Drought	Mampemvu Trading Enterprise	R 68 400.00	No water.
16/1/3/6	18-Nov-10	Elliotdale Boreholes: Mbashe Municipality: Drought	Midmar Plant Hire cc	R 53 200.00	No water to the community.
16/1/3/4	19-Nov-10	Butterworth WTW: Mngquma Municipality: Various pipe bursts	Vukani General Trading cc	R 14 000.00	No water.
16/1/3/4	19-Nov-10	Butterworth WTW: Mngquma Municipality: Various pipe bursts	Vukani General Trading cc	R 17 500.00	No water.
16/1/3/4	19-Nov-10	Mjayezi Borehole: Mngquma Municipality: Windmill not working - gearbox broken down	Xomoyi Water Services cc	R 89 880.26	No water.
16/1/3/6	19-Nov-10	Dutwya WTW: Mbashe Municipality: Sewer manhole lids and rings are missing	Classy Trade & Invest 1094 cc	R 84 578.72	No water.
16/1/3/4	19-Nov-10	Butterworth WTW: Mngquma Municipality: Various pipe bursts	Vukani General Trading cc	R 17 500.00	No water.
16/1/3/4	19-Nov-10	Butterworth WTW: Mngquma Municipality: Various pipe bursts	Sinethemba Bricks	R 22 750.00	No water.
16/1/3/2	23-Nov-10	Chintsa East WTW: Great Kei Municipality: Drought - Chintsa East Dam to run dry	Nongcobo Construction	R 176 700.00	Community without water.
16/1/3/8	23-Nov-10	Adelaide WTW: Nxuba Municipality: Drought	Gwagwa Trucking cc	R 171 000.00	No water to the community.
16/1/3/2	24-Nov-10	Chintsa East WTW: Great Kei Municipality: Drought resulted in the yield dropping	Marion Technical Projects	R 13 146.48	Community without water.
16/1/3/7	24-Nov-10	Sandile Water Supply: Ngqushwa Municipality: Drought	Noeda Cleaning & Security Services	R 79 800.00	Community without water.
16/1/3/6	25-Nov-10	Ngcingwane Borehole: Mbashe Municipality: Electrical fault - borehole	Ali's General Trading & Investments cc	R 53 200.00	No water to the community.
16/1/3/3	26-Nov-10	Cathcart WTW: Amahlathi Municipality: Drought	Marion Technical Projects	R 205 646.30	Community without water. Health risk.
16/1/3/8	29-Nov-10	Alice WTW: nKonkobe Municipality: Water shortages due to high demand of water supply	Non-Soso Construction cc	R 79 800.00	No water in other areas of Alice.
16/1/3/4	29-Nov-10	Xhobani Borehole: Mngquma Municipality: Faulty pump	Enzel 165 cc T/A Power Services	R 16 925.15	No water.
16/1/3/6	29-Nov-10	Madwaleni Borehole: Mbashe Municipality: Windmill & Spring faulty	Khulani Geo-Enviro Consultants	R 51 399.04	No water to the community.
16/1/3/2	30-Nov-10	Chintsa East WTW: Great Kei Municipality: Drought resulted in the yield dropping	Dixdor 108 cc T/A Loy Investments	R 171 000.00	Community without water.
16/1/3/4	30-Nov-10	Noerana B Borehole: Mngquma Municipality: Faulty pump	Thesens Generators	R 7 995.00	Faulty pump.
16/1/3/2	18-Jan-11	Cathcart WTW: Great Kei Municipality: Dams in cathcart has run dry	X Bolt Trading	R 106 400.00	No water to the community.
16/1/3/8	18-Jan-11	Alice WTW: Nkonkobe Municipality: Shortage of water	Non-Soso Construction cc	R 79 800.00	Not sufficient water to the community.
16/1/3/7	18-Jan-11	Ngqushwa Municipality: WWTW: Blocked mainline in Power Township and Town	Ramatini Service Agents (Pty) Ltd	R 19 500.00	Sewer spillages.
16/1/3/8	18-Jan-11	Alice WTW: Nkonkobe Municipality: Water shortages due to high demand.	Ramalo Construction cc	R 79 800.00	Poor service delivery and not sufficient supply to the community.

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16/1/3/7	18-Jan-11	Ngqushwa Municipality: ADM Tanker in for repairs	Midnight Star Trading 186 cc	R 53 200.00	Shortage of water to the community.
16/1/3/4	18-Jan-11	Butterworth WWTW: Mngquma Municipality: Truck broken	East Cape Field Services cc	R 17 612.66	Poor service delivery.
16/1/3/8	18-Jan-11	Fort Beaufort WTW: Nkonkobe Municipality: Water tanker had mechanical problems	East Cape Field Services cc	R 19 298.60	Poor service delivery.
16/1/3/8	18-Jan-11	Middeldrift WWTW: Nkonkobe Municipality: Mainlines in Fort Beaufort blocked	Ramatini Service Agents (Pty) Ltd	R 19 500.00	Sewer spillages.
16/1/3/8	18-Jan-11	Fort Beaufort WWTW: Nkonkobe Municipality: Main	Ramatini Service Agents (Pty) Ltd	R 26 000.00	Sewer spillages.
16/1/3/6	18-Jan-11	Dadamba & Ntiabene Boreholes: Mbhashe Municipality: No water due to Eskom problems	Jadzeweni Transport	R 95 000.00	No water to the community.
16/1/3/6	18-Jan-11	Mhloholozi & Ngcingwane Boreholes: Mbhashe Municipality: No water due to Eskom problems	Windsor Construction	R 53 200.00	No water to the community.
16/1/3/8	19-Jan-11	Adelaide WWTW: Nxuba Municipality: Hire tractor	Uluntu Skills Development Centre	R 59 400.00	Health hazard.
16/1/3/8	19-Jan-11	Adelaide WTW: Nxuba Municipality: Hire tractor	Uluntu Skills Development Centre	R 29 040.00	Health hazard.
16/1/3/6	19-Jan-11	Dutywa WTW: Mbhashe Municipality: Dam levels dropped	Nangomso Trading cc	R 248 000.00	Shortage of water to the community.
16/1/3/2	19-Jan-11	Chintsa East Sewerage: Great Kei Municipality: Conservancy tanks overflowing	MW Equipment Trust	R 120 000.00	Health hazard.
16/1/3/6	19-Jan-11	Dutya WTW: Mbhashe Municipality: Dam levels have dropped	Nombomlungu Trading cc	R 53 200.00	Shortage of water to the community.
16/1/3/8	19-Jan-11	Bedford WWTW: Nxuba Municipality: Drought	Bora Transport	R 240 000.00	Community without water.
16/1/3/3	19-Jan-11	Cathcart WTW: Amahathi Municipality: Drought	Singal Investment	R 83 600.00	Community without water.
16/1/3/8	19-Jan-11	Adelaide WTW: Nxuba Municipality: Drought	Chumcwai Transport cc	R 240 000.00	Community without water.
16/1/3/8	19-Jan-11	Adelaide WTW: Nxuba Municipality: Bucket Collection	Uluntu Skills Development Centre	R 59 400.00	Health hazard.
16/1/3/8	19-Jan-11	Adelaide WTW: Nxuba Municipality: Bucket Collection	Uluntu Skills Development Centre	R 29 040.00	Health hazard.
16/1/3/8	19-Jan-11	Bedford WTW: Nxuba Municipality: Bucket Eradication	Worteldrift Agricultural Co-op	R 19 800.00	Health hazard.
16/1/3/8	19-Jan-11	Bedford WTW: Nxuba Municipality: Drought	MW Equipment Trust	R 248 000.00	Community is without water.
16/1/3/2	20-Jan-11	Morgans Bay Pump Station: Great Kei Municipality	Eagle Ukhozi Transport	R 114 000.00	Health hazard.
16/1/3/2	20-Jan-11	Chintsa WWTW: Great Kei Municipality: Conservancy tanks getting filled up by rain	MW Equipment Trust	R 32 000.00	Health hazard.
16/1/3/2	20-Jan-11	Makazi Borehole: Great Kei Municipality: Cart Water	Uyathanfwa Trading cc	R 117 800.00	Community is without water.
16/1/3/4	21-Jan-11	Nomaheha Mission: Mngquma Municipality: Drive shaft from monopump and bobbin bearings were all damaged	R & R Maintenance	R 29 446.31	No water to the community.
16/1/3/6	21-Jan-11	Nyhwaha Borehole: Mbhashe Municipality: Pulley and seals are broken and engine leaking oil	R & R Maintenance	R 10 465.98	No water to the community.
16/1/3/4	21-Jan-11	Sokapase Borehole Ex-DWA: Mngquma Municipality: Boreholes have a mechanical and electrical problem	Triple A Building Supplies T/A Timber City Dutwya	R 117 800.00	No water to the community.
16/1/3/6	21-Jan-11	Dutywa WTW: Dam levels have dropped	Makeleleni Building Construction	R 15 800.00	Shortage of water to the community.
16/1/3/4	21-Jan-11	Sokapase Borehole Ex-DWA: Mngquma Municipality: Boreholes have a mechanical and electrical problem	Nkulukekeni Trading Enterprise cc	R 159 600.00	No water to the community.
16/1/3/4	24-Jan-11	Butterworth WTW: Mngquma Municipality: Pipe burst	Sinethemba Bricks	R 24 500.00	No water to the community.
16/1/3/4	24-Jan-11	Butterworth WTW: Mngquma Municipality: Pipe burst	Sinethemba Bricks	R 24 500.00	No water to the community.
16/1/3/7	24-Jan-11	Peddie Regional WTW: Ngqushwa Municipality: Cart water	Shine The Way 771 cc	R 53 200.00	Poor service delivery.
16/1/3/4	07-Feb-11	Butterworth WTW: Mngquma Municipality: Pillarines are overflowing	Toilet Hiring Services	R 30 324.00	Health hazard.
16/1/3/8	07-Feb-11	Alice WTW: Nkonkobe Municipality: Carting water	Mampemvu Trading Enterprise	R 79 800.00	Poor service delivery and not sufficient supply to the community.
16/1/3/8	04-Feb-11	Adelaide WTW: Nxuba Municipality: Cart water	Eagle Ukhozi Transport	R 240 000.00	No water to the community.
16/1/3/7	07-Feb-11	Peddie Regional WTW: Ngqushwa Municipality: Cart water	Klaas Trading & Projects cc	R 91 000.00	Poor service delivery.
16/1/3/2	04-Feb-11	Makazi Borehole: Great Kei Municipality: Cart Water	Inyameko Trading 798 cc	R 114 000.00	No water to the community.

ANNEXURE 2

AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

16/1/3/4	03-Feb-11	Butterworth WTW: Mngquma Municipality: Hire TLB for excavation and backfilling	Sinethemba Bricks	R 19 100,00	No water to the community.
16/1/3/4	03-Feb-11	Butterworth WTW: Mngquma Municipality: Hire TLB for excavation and backfilling	Sinethemba Bricks	R 10 500,00	No water to the community.
16/1/3/4	03-Feb-11	Butterworth WTW: Mngquma Municipality: Pumping main line is broken and two places have a burst on the same line	Sinethemba Bricks	R 3 500,00	No water to the community.
16/1/3/6	01-Feb-11	Elliotdale Handpumps: Mhhashe Municipality: Faulty handpumps	AB Pumps	R 151 205,15	No water to the community.
16/1/3/6	01-Feb-11	Ngwanya Mission Borehole: Mhhashe Municipality: Mono pump is unable to fill the reservoirs	R & R Maintenance	R 27 289,32	No water to the community.
16/1/3/6	02-Feb-11	Dutywa WTW: Mhhashe Municipality: Dam levels dropped	Ntomboniungu Trading cc	R 30 400,00	Shortage of water to the community.
16/1/3/4	10-Feb-11	Butterworth WTW: Mngquma Municipality: Major burst at Belles Industrial Area and Msombomvu Complex	Sinethemba Bricks	R 24 500,00	No water to the community.
16/1/3/8	17-Feb-11	Alice WTW: Nkonkobe Municipality: Motors faulty, no raw water to the dam to supply WTW	Non- Soso Construction cc	R 68 400,00	No water to the community.
16/1/3/8	17-Feb-11	Alice WTW: Nkonkobe Municipality: Faulty motors faulty, no raw water to the dame to supply WTW	Nqobenhle Construction	R 68 400,00	No water to the community.
16/1/3/8	17-Feb-11	Alice WTW: Nkonkobe Municipality: Faulty motors faulty, no raw water to the dame to supply WTW	Bavuse Engineering and Welding Works	R 17 100,00	No water to the community.
16/1/3/6	22-Feb-11	Willowvale WTW: Mhhashe Municipality: Filter at water works not operating	All's General Trading & Investments cc	R 22 800,00	Health hazard & no water to the community.
16/1/3/6	22-Feb-11	Dutywa WTW: Mhhashe Municipality: Windmills not working	Xomoyi Water Services cc	R 79 509,64	No water to the community.
16/1/3/4	22-Feb-11	Butterworth WTW: Mngquma Municipality: Plumbing vehicle encountered problems in Kei Bridge on its way to EL	Njozela Trading	R 3 189,00	Poor service delivery due to shortage of vehicles on site.
16/1/3/6	22-Feb-11	Elliotdale WTW: Mhhashe Municipality: Shortage of water	Enkosi Bawo Trading Enterprise cc	R 11 400,00	Shortage of water to the community.
16/1/3/8	23-Feb-11	Adelaide WTW: Nxuba Municipality: Drought and ADM tanker in for repairs	Bora Transport	R 240 000,00	No water to the community.
16/1/3/8	23-Feb-11	Bedford WTW: Nxuba Municipality: Bucket Collection	Worteldrift Agricultural Co-op	R 27 720,00	Health hazard.
16/1/3/6	24-Feb-11	Willowvale WTW: Mhhashe Municipality: Damaged pipes	Uphawu Lokukhanya General Trading	R 49 400,00	No water to the community.
16/1/3/6	24-Feb-11	Butterworth WTW: Mngquma Municipality: Feed water to Centane town and surrounding villages is down to earth	Sinethemba Bricks	R 96 000,00	No water to the community.
16/1/3/6	03-Mar-11	Komkhulu & Mqothwana Boreholes: Mhhashe Municipality: Due to drought, boreholes have dropped	Irwing 593 cc	R 53 200,00	No water to the community.
16/1/3/6	04-Mar-11	Nywarha & Ngcingwane & Komkhulu Boreholes: Mhhashe Municipality: Pumpstations not working and Komkhulu's borehole is dry	Coco Haven cc	R 49 400,00	No water to the community.
16/1/3/4	04-Mar-11	Ngqanda Borehole: Mngquma Municipality: Borehole not operational	Pick 'n Build Hardware	R 45 600,00	No water to the community.
16/1/3/8	04-Mar-11	Alice WTW: Nkonkobe Municipality: Faulty motors faulty, no raw water to the dame to supply WTW	MW Equipment Trust	R 112 000,00	No water to the community.
16/1/3/4	07-Mar-11	Ngqamakwe Boreholes: Mngquma Municipality: Boreholes drying up	AB Pumps	R 39 457,62	No water to the community.
16/1/3/2	09-Mar-11	Chintsa WWTW: Great Kei Municipality: Conservancy tanks getting filled up by rain	Alizw/AmaHlubi Guest House	R 63 000,00	Results in backlog. Health hazard.
16/1/3/2	09-Mar-11	Chintsa WTW: Great Kei Municipality: Drought resulted in Chintsa East dam running dry	Inga Security Services	R 64 000,00	No water to the community.
16/1/3/6	09-Mar-11	Willowvale WTW: Mhhashe Municipality: Plant has been operating with one filter and now is reported to have stopped operating	Matshabane & Sons	R 53 200,00	No water to the community.
16/1/3/6	09-Mar-11	Willowvale WTW: Mhhashe Municipality: Plant has been operating with one filter and now is reported to have stopped operating	Madlala Ngendlouvo Contracting	R 53 200,00	No water to the community.
16/1/3/8	09-Mar-11	Adelaide WTW: Nxuba Municipality: Drought crisis	RJN Projects	R 142 907,82	No water to the community.
16/1/3/8	15-Mar-11	Alice WTW: Nkonkobe Municipality: ADM Tanker in for repairs	Majali Trading Enterprise	R 79 800,00	Poor service delivery.

ANNEXURE 2

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

16/1/3/8	15-Mar-11	Ngqanda Borehole: Nkonkobe Municipality: Borehole collapsed	R & R Maintenance	R 85 403.44	Villages without water.
16/1/3/8	16-Mar-11	Adelaide WTW: Nxuba Municipality: Fish River not operational and ADM Tanker in for repairs	MW Equipment Trust	R 144 000.00	Community is without water.
16/1/3/3	17-Mar-11	Stutterheim WTW: Amahlathi Municipality: Pump failure	Mtha Construction	R 95 000.00	No water to the community.
16/1/3/3	17-Mar-11	Catcart WTW: Amahlathi Municipality: Bakille has broken down	Amatola Motors	R 9 848.40	No other vehicle to service the Catcart area.
16/1/3/3	17-Mar-11	Nywarha & Ngeingwane & Komkhulu Boreholes: Mbashe Municipality: Pumpstations not working and Komkhulu's borehole is dry	Vukani General Trading	R 49 400.00	No water to the community.
16/1/3/3	22-Mar-11	Stutterheim WTW: Amahlathi Municipality: Major Pipeburst	MW Equipment Trust	R 189 000.00	No water to the community.
16/1/3/3	24-Mar-11	Mnquma WTW: Mnquma Municipality: Pitlatines overflowing	Toilet Hiring Services	R 8 664.00	Health hazard.
16/1/3/3	24-Mar-11	Mnquma WTW: Mnquma Municipality: Pipe bursts in mnquma area	Vukani General Trading	R 14 000.00	No water to the community.
16/1/3/3	25-Mar-11	Adelaide WTW: Nxuba Municipality: Pipe bursts	D.K. Pringle Earthworks	R 8 461.08	No water to the community.
16/1/3/3	25-Mar-11	Mnquma: WTW: Pipe bursts in Mnquma Area	Vukani General Trading cc	R 10 500.00	No water to the community.
16/1/3/3	25-Mar-11	Mnquma: WTW: Pipe bursts in Mnquma Area	Vukani General Trading cc	R 17 500.00	No water to the community.
16/1/3/3	22-Mar-11	Stutterheim WTW: Major pipe burst	MW Equipment Trust	R 189 000.00	No water to the community.
16/1/3/3	24-Mar-11	Mnquma WTW: Pitlatines are overflowing	Toilet Hiring Services	R 8 664.00	Health hazard.
16/1/3/3	25-Mar-11	Dutywa WTW: Mbashe Municipality: Reservoirs leaking	Mamlambo Construction cc	R 101 331.18	Losing much needed water.
16/1/3/3	25-Mar-11	Mnquma WTW: Pipe bursts	Vukani General Trading cc	R 17 500.00	No water to the community.
16/1/3/3	25-Mar-11	Mnquma WTW: Pipe bursts	Vukani General Trading	R 10 500.00	No water to the community.
16/1/3/3	25-Mar-11	Adelaide WTW: Nxuba Municipality: Pipe bursts in the mainline at Gwabeni and Kalani villages	D.K. Pringle Earthworks	R 8 461.08	No water to the community.
16/1/3/4	31-Mar-11	Mekeni Borehole: Mnquma Municipality: Drought	Eagle Ukhozi Transport	R 104 000.00	No water to the community.
16/1/3/6	31-Mar-11	Willowvale WTW: Mbashe Municipality: Filter at water works not operating	Sotomela & Sons cc	R 248 000.00	No water to the community.
16/1/3/8	31-Mar-11	Adelaide WTW: Nxuba Municipality: Oil in the dam	Nogantas Construction cc	R 144 000.00	Water shortages.
16/1/3/7	31-Mar-11	Peddie Regional WTW: Ngqushwa Municipality: No infrastructure	Klaas Trading & Projects cc	R 91 000.00	No water to the people.
16/1/3/8	31-Mar-11	Alice WTW: Nkonkobe Municipality: Shortage of water	Non-Soso Construction cc	R 79 800.00	Not sufficient water to the community.
16/1/3/5	31-Mar-11	Adelaide WTW: Nxuba Municipality: Drought	Mbaliz Trading	R 240 000.00	No water to the community.
16/1/3/4	06-Apr-11	Qolora A & B: Mnquma Municipality: Pumping running dry	Tjisa Construction	R 45 600.00	No water to the people.
16/1/3/4	11-Apr-11	Ngqanda Borehole: Mnquma Municipality: Broken line	Vukani General Trading cc	R 11 400.00	No water to the community.
16/1/3/4	13-Apr-11	Toleni WTW: Mnquma Municipality: Eskom had a major breakdown and the treatment works was affected	Sivumonde Trading Enterprise	R 15 200.00	No water to the community.
16/1/3/2	18-Apr-11	Komga Boreholes: Great Kei Municipality: Boreholes, water pump stations and WWTW in Komga without power supply	Xbolt Trading	R 45 600.00	No water to the community.
16/1/3/3	18-Apr-11	Stutterheim WTW: Amahlathi Municipality: Damaged cable	Uyathanfwa Trading cc	R 64 000.00	No water to the community.
16/1/3/3	18-Apr-11	Stutterheim WTW: Amahlathi Municipality: Damaged electric cable	Mbayo Distributors and Transport	R 57 000.00	No water to the community.
16/1/3/6	18-Apr-11	Komkhulu Borehole: Mbashe Municipality: Water table has dropped	Ithontsi Water Supply Services	R 49 400.00	No water to the community.
16/1/3/6	20-Apr-11	Idutywa WTW: Mbashe Municipality: Windmills not working	Xomoyi Water Services cc	R 144 790.10	No water to the community.
16/1/3/6	20-Apr-11	Butterworth WTW: Mnquma Municipality: Burst on the main pumping line in Ngqanda Centane	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/6	20-Apr-11	Nywarha Village: Vehicle DVJ732EC needs to be recovered	Njozela Trading	R 7 820.40	Vehicle can not reach EL unless it is towed.
16/1/3/2	20-Apr-11	Kei Mouth WWTW: Great Kei: FLT114EC has a problem with radiator	Border Towing & Recovery cc	R 3 819.00	Vehicle can not reach EL unless it is towed.
16/1/3/4	20-Apr-11	Butterworth WTW: Mnquma Municipality: Water pipe burst	Sinethemba Bricks	R 7 000.00	No water to the community.
16/1/3/4	20-Apr-11	Butterworth WTW: Mnquma Municipality: Pipe bursts	Sinethemba Bricks	R 14 000.00	No water to the community.
16/1/3/6	21-Apr-11	Komga Borehole: Great Kei Municipality: Boreholes and water pump stations without water supply	Eagle Ukhozi Transport	R 56 000.00	No water to the community.
16/1/3/6	21-Apr-11	Ndenxe Borehole: Eskom fixing fault - cart water	Windsor Construction	R 30 400.00	No water to the community.

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FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011

16/1/3/5	04-May-11	Adelaide & Bedford WWTW: Nxuba Municipality: Blocked sewer lines	Ramatini Service Agents (Pty) Ltd	R 26 000.00	Health hazard.
16/1/3/6	04-May-11	Mqothwana/Komkhulu Borehole: Mbashe: Borehole reported dry	All's General Trading & Investments cc	R 49 400.00	No water to the community.
16/1/3/4	06-May-11	Butterworth WTW: Mngquma Municipality: Water pipe burst	Sinethemba Bricks	R 5 200.00	No water to the community.
16/1/3/4	06-May-11	Butterworth WTW: Mngquma Municipality: Water pumping main needs replacement	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/4	06-May-11	Butterworth WTW: Mngquma Municipality: Pipe burst	Sinethemba Bricks	R 4 050.00	No water to the community.
16/1/3/4	06-May-11	Butterworth WTW: Mngquma Municipality: Pipe burst	Sinethemba Bricks	R 3 500.00	No water for the community.
16/1/3/6	06-May-11	Butterworth WTW: Mngquma Municipality: Water pipe burst	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/6	06-May-11	Butterworth WTW: Mngquma Municipality: Water pipe burst	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/6	06-May-11	Butterworth WTW: Mngquma Municipality: Water pipe burst	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/6	06-May-11	Butterworth WTW: Mngquma Municipality: Water pipe burst	Sinethemba Bricks	R 3 500.00	No water to the community.
16/1/3/6	06-May-11	Komkhulu, Ntlabane, Mqothwane, Ngcingwane Boreholes: Mbashe: Boreholes dry	Vukani General Trading	R 49 400.00	No water to the community.
16/1/3/6	06-May-11	Komkhulu, Ntlabane, Mqothwane, Ngcingwane Boreholes: Mbashe: Boreholes dry	Jadzeweni Transport	R 53 200.00	No water for the community.
16/1/3/6	11-May-11	Dutywa WWTW: Mbashe: Sewer lines need unblocking	Ramatini Service Agents (Pty) Ltd	R 13 000.00	Health hazard.
16/1/3/3	24-May-11	Owanginga WTW: Mbashe Municipality: Retreatment system was damaged	ONM Trading cc	R 102 600.00	Poor service delivery.
16/1/3/6	25-May-11	Dutywa WWTW: Mbashe: Sewer lines need unblocking	Ramatini Service Agents (Pty) Ltd	R 6 500.00	Health hazard.
16/1/3/6	25-May-11	Peddle WWTW: Ngqushwa: Blocked sewer line	Ramatini Service Agents (Pty) Ltd	R 13 000.00	Health hazard.
16/1/3/5	02-Jun-11	Adelaide WWTW: Nxuba Municipality: Hire tractor	Uluntu Skills Development Centre	R 29 040.00	Health hazard.
16/1/3/4	02-Jun-11	Centane WWTW: Mngquma: Centane septic tanks are full	Quickfix Plumbers	R 67 200.00	Health hazard.
16/1/3/3	03-Jun-11	Stutterheim WTW: Amahlathi: Faulty pump	MW Equipment Trust	R 224 000.00	Township without water.
16/1/3/6	06-Jun-11	Cathcart WTW: Amahlathi: Burst pipe	Hendon Haulers	R 2 250.00	No water.
16/1/3/6	06-Jun-11	Teko Springs Boreholes: Mngquma: Pump motor faulty	Pick 'n Build Hardware	R 22 800.00	No water.
16/1/3/6	06-Jun-11	Komkhulu and Mqothwane Boreholes: Mbashe: Underground water has been dewatered	JWHR Trading cc	R 53 200.00	Community without water.
16/1/3/5	06-Jun-11	Bedford WWTW: Nxuba Municipality: Silt blocking main due to broken pipe	Ramatini Service Agents (Pty) Ltd	R 13 000.00	River pollution.
16/1/3/3	07-Jun-11	Cathcart WWTW: Amahlathi: Sewer spillage	Ramatini Service Agents (Pty) Ltd	R 84 500.00	Health hazard.
16/1/3/6	08-Jun-11	Ngcingwane Borehole: Mbashe Municipality: Broken windmills	Queenstown Windmill Services	R 100 846.68	Community without water.
16/1/3/4	08-Jun-11	Njakazi Borehole: Mngquma Municipality: Faulty pump	RJN Projects	R 29 297.43	Water not reaching reservoir.
16/1/3/4	08-Jun-11	Butterworth WTW: Mngquma: Various bursts	Vukani General Trading	R 17 500.00	No water.
16/1/3/5	08-Jun-11	Bedford WWTW: Nxuba: Hire tractor	Worteldrift Agricultural Co-op	R 17 160.00	Health hazard.
16/1/3/4	08-Jun-11	Butterworth WTW: Mngquma: Pipe bursts	Vukani General Trading cc	R 1 400.00	No water.
16/1/3/4	08-Jun-11	Butterworth WTW: Mngquma: Pipe bursts	Vukani General Trading cc	R 8 400.00	No water.
16/1/3/4	09-Jun-11	Ehlobo WTW: Mngquma: Load spring and standing wheel on diesel trailer needs to be repaired	Getaway Trailers cc	R 3 328.80	No means of delivering diesel to Hlobo water supply scheme.
16/1/3/6	09-Jun-11	Esinqumeni Borehole: Mbashe Municipality: New engine as old one can not be repaired	Thesens Generators	R 15 000.00	No water.
8/2/R	28-Jun-11	Materials for Repair on the Network	Hi-Baz Civil Supplies	R 24 147.48	Materials urgently required to repair the Network in Butterworth which is delapidated - alot of water being wasted. No materials at Whelan.
16/1/3/6	09-Jun-11	Peddle South: Ngqushwa: Pipe bursts	Movetshe Trading & Projects cc	R 7 200.00	No water.
8/2/R	21-Oct-10	Appointment Of Geo-Hydrologists For The Whole District : Eastern Region	Khulani Geo Enviro Consultants	R 410 400.00	
8/2/R	21-Oct-10	Appointment Of Geo-Hydrologists For The Whole District : Western Region	SRK Consulting	R 410 400.00	
8/2/R	21-Oct-10	Limited Bidding On Appointment Of Dam Cleaning Contractors : Bedford Dams	DK Pringle Earthworks	R 414 811.80	
8/2/R	21-Oct-10	Limited Bidding On Appointment Of Dam Cleaning Contractors : Dutywa Dams	DK Likotsoz Projects	R 1 449 567.00	

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8/2/R	02-Nov-10	Provision Of Engineering Services For Drought Intervention Initiatives	SSI Engineers	R 2 268 600.00	
8/2/R	02-Nov-10	Appointment Of Consultants To Support The Work To Be Done By SSI Engineers	CDEC	Ecsa Fee Scales	
8/2/R	02-Nov-10	Chintsa Dam De-Silting	Komga Motors	R 415 359.00	
8/2/R	02-Nov-10	Single Source Limited Bidding For Borehole Drilling ; Eastern Region	JCM Drilling and Steyns Drilling	R 4 500 000.00	Both Service providers appointed for a one year period at rates. Total procurement must not exceed the available budget of R4.5m.
8/2/R	02-Nov-10	Single Source Limited Bidding For Borehole Testing	A B Pumps and Welteck	R 4 500 000.00	Both Service providers appointed for a one year period at rates. Total procurement must not exceed the available budget of R4.5m.
8/2/R	18-Jan-11	Communication Plan : Big Screen	Big Screen Truck	R 185 000.00	
8/2/R	18-Jan-11	Communication Plan : Flyers	Flyers	R 138 384.60	
8/2/R	18-Jan-11	Appointment of consultants for Water Conservation and Demand Management initiatives : Dutywa	KV3 Engineers	R 296 719.00	
8/2/R	18-Jan-11	Appointment of consultants for Water Conservation and Demand Management initiatives : Stutterheim	Element Consulting	R 529 327.65	
8/2/R	09-Feb-11	Appointment of consultants for Water Conservation and Demand Management initiatives : Bedford, Adelaide and Fort Beaufort	UWP	R 1 066 628.97	
8/2/R	18-Jan-11	Appointment of consultants for Water Conservation and Demand Management initiatives : Cathcart	Camdekon	R 440 310.75	
8/2/R	18-Jan-11	Appointment of consultants for Water Conservation and Demand Management initiatives : Butterworth	Sternele Bosch Africa	R 764 256.00	
8/2/R	18-Jan-11	Appointment of Service Providers for Drought Intervention Initiatives : Butterworth	UWP	R 211 264.80	
8/2/R	18-Jan-11	Appointment of Service Providers for Drought Intervention Initiatives : Bedford and Adelaide	UWP	R 250 800.00	
8/2/R	18-Jan-11	Appointment of Service Providers for Drought Intervention Initiatives : Cathcart	Umpisi Engineers	Ecsa Fee Scales	
8/2/R	18-Jan-11	Appointment of Service Providers for Drought Intervention Initiatives : Dutywa	Umpisi Engineers	R 250 800.00	
8/2/R	09-Feb-11	Appointment of a service provider to provide environmental services for drought intervention initiatives	Goba Consulting	R 211 264.80	
8/2/R	25-Feb-11	Appointment of service Providers for Dam Cleaning in Dutywa and Chintsa	Coastal Resource Management	R 490 200.00	
8/2/R	18-Apr-11	Appointment of service provider to undertake drought intervention initiatives in the Chintsa East and Coastal Resorts area	CDEC	R 381 900.00	

Total Amount

R 46 562 873.03

TOTAL EMERGENCY PROCUREMENT

DEPARTMENT	TOTAL AMOUNT
Engineering Services	R 46 562 873.03
TOTAL	R 46 562 873.03

PROCUREMENT OF GOODS / SERVICES FROM SOLE SERVICE PROVIDERS
BTO

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SOLE SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/1/R	04-Apr-11	Verify and Correct General Ledger votes -- Asset Capitalisation	Business Connexion	R 11 400.00	Sole owner of Venus.

Total Amount

R 11 400.00

ENGINEERING SERVICES

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SOLE SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
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**AMATHOLE DISTRICT MUNICIPALITY
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8/1/R	11-Nov-10	Supply and Delivery of AF3020 chemicals	Aqua Agri Solutions	R 27 360.00	Sole supplier.
Total Amount				R 27 360.00	

TOTAL PROCUREMENT FROM SOLE

DEPARTMENT	TOTAL AMOUNT
BTO	R 11 400.00
Engineering Services	R 27 360.00
TOTAL	R 38 760.00

**PROCUREMENT OTHER EXCEPTIONAL CASES
BTO**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/R	07-Jul-10	Capacity - Commitments Register becomes Operational In DIMS	Intermap	R 50 000.00	Extension of contract.
8/2/R	13-Sep-10	Information Session -Asset Management Strategy	Aurecon	R 197 043.44	Single Source Limited Bidding - Limited companies that have the expertise and experience on Asset Management Strategy.
8/2/78/2010-2011	8-Sep-10 & 29 Sept-10	Supply ADM with the property deeds register	Department of Rural Development and Land Reform (Registrar of deeds)	R 502 800.00	Single Source Limited Bidding.
8/2/300/2009/2010	29-Sep-10	Provision of Banking Services for ADM	Standard Bank of South Africa Limited	N/A	Multiple Source Limited Bidding - supported in terms of Section 4.4.5.3.
8/2/R	21-Oct-10	Leasing of Metropolitan Building, 3rd Floor SCM	Drury Lane Properties	R 1 082 224.80	Limited bidding - single source process. Office space a priority due to the fact that the unit has expanded and it can not function effectively due to shortage of office space.
8/2/136/2009/2010	27-Oct-10	Provision of Commission Based Debt Collection Services for ADM	PSU Eastern Cape	N/A	Limited bidding - multiple source process.
8/2/R	07-Dec-10	Data Cleansing Intervention	Business Connexion	R 2 403 439.18	Limited bidding, single source process. Service provider to continue with the data cleansing as they are the current service provider.
8/2/255/2010/2011	03-Mar-11	Co-sourcing of the Asset and Inventory Function within the ADM	Audit & Risk Management Solutions (ARMS)	R 2 498 157.00	Limited bidding - multiple source process.
8/2/324/2010/2011	09-Mar-11	ADM: Audit Interventions Support	Lumoka Strat (Pty) Ltd	R 2 962 110.00	Limited bidding - single source process. Time constraints and the service provider was on site.
8/2/R	23-May-11	Facilitation of Teambuilding Session	PBDS Consultants	R 77 500.00	Single source limited bidding. Continuity in cascading down to lower levels.
8/2/150/2006	09-Jun-11	Short Term Insurance Intermediary Organisation	Indwe Risk Services	N/A	Extension of contract.
8/2/403/2010/2011	23-Jun-11	Development of a Business Intelligence Tool for ADM	Advanced Apps	R 1 398 096.00	Limited bidding, multiple source utilised.
8/2/R	24-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 19 182.54	Procurement from Organs of State
8/2/R	25-Jun-11	Goods and Services procured from Organs of State	University of South Africa	R 2 482.00	Procurement from Organs of State
8/2/R	26-Jun-11	Goods and Services procured from Organs of State	Walter Sisulu University	R 990.00	Procurement from Organs of State
8/2/R	27-Jun-11	Goods and Services procured from Organs of State	Amahlathi Municipality	R 4 000.00	Procurement from Organs of State
8/2/R	28-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 20 443.00	Procurement from Organs of State
8/2/R	29-Jun-11	Goods and Services procured from Organs of State	University of South Africa	R 3 111.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Walter Sisulu University	R 6 930.00	Procurement from Organs of State
8/2/R	01-Jul-11	Goods and Services procured from Organs of State	Amahlathi Municipality	R 3 000.00	Procurement from Organs of State
8/2/R	02-Jul-11	Goods and Services procured from Organs of State	Nqushwa Municipality	R 64.65	Procurement from Organs of State
8/2/R	03-Jul-11	Goods and Services procured from Organs of State	University of Fort Hare	R 3 227.50	Procurement from Organs of State
8/2/R	04-Jul-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 41 945.91	Procurement from Organs of State

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8/2/R	05-Jul-11	Goods and Services procured from Organs of State	Fort Hare University	R 21 889.50	Procurement from Organs of State
8/2/R	06-Jul-11	Goods and Services procured from Organs of State	Walter Sisulu University	R 3 040.00	Procurement from Organs of State
8/2/R	07-Jul-11	Goods and Services procured from Organs of State	Amahlathi Municipality	R 3 000.00	Procurement from Organs of State
8/2/R	08-Jul-11	Goods and Services procured from Organs of State	Nggushwa Municipality	R 1 982.34	Procurement from Organs of State
8/2/R	09-Jul-11	Goods and Services procured from Organs of State	UNISA	R 5 198.00	Procurement from Organs of State

Total Amount**R 11 311 856.86****CORPORATE SERVICES**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/R	30-Nov-09	Revival / Renewal of Electronic Document Management System	Gemini Moon Trading	R 4 997 752.02	Limited bidding, single source utilised. Due to the urgency of the project and to fasttrack the process of procuring the system.
8/1/R	07-Jul-10	Leasing of One Multifunction Copier	Gestetner	R 4 548.60	Extension of contract.
8/2/157/2008/2009A	26-Aug-10	Provision of Security Services for ADM	Eastern Guard Security Services	R 384 800.00	Extension of contract for one month.
8/2/115/2010/2011	29-Sep-10	Further Education and Training Certificate: Fire & Rescue Operations (Learnership)	Rural Metro Emergency Management Services (Pty) Ltd	R 348 860.00	Single source limited bidding - Scarce skill in the country.
8/2/123/2009/2010	21-Oct-10	Documentum and Captiva Licenses	Gemini Moon Trading	R 280 823.61	Renewal of contract.
8/2/R	27-Oct-10	Lease Agreement to include building adjacent to ADM offices in Adelaide	Werda Pers cc	R 45 942.00	Extension of lease.
8/2/R	25-Nov-10	Agreement Lease with Seymour Family Trust in respect of a property situated at 10 Bell Road, Vincent	Seymour Trust	R 1 405 301.04	Lease.
8/2/264/2009/2010	25-Nov-10	Anchorage to 55 Guard Rooms to the Ground	Shanes Timbers cc	R 42 625.00	Extension to appointment.
8/2/R	25-Nov-10	Lease Agreement in respect of 12 Market Square, Adelaide	Nicolette Du Randt	R 113 760.00	Extension of lease agreement.
8/2/123/2009/2010	25-Nov-10	Documentum	Gemini Moon Trading	R 5 630 658.25	Extension of scope of works.
8/2/65/2010/2011	22-Dec-10	Development of Change Management Intervention Strategy for the ADM	Laetoli	R 240 000.00	Limited bidding multiple source utilised. Delays experienced and the project has become urgent.
8/2/215/2010/2011	22-Dec-10 & 7-Jan-2011	Procurement of the Executive Mayors Vehicle	Ronnies Motors	R 732 794.82	Limited bidding single source utilised as the Mayor is currently using a Mercedes Benz.
8/1/R	15-Feb-11	Lease agreement with Eastern Cape Development Corporation in respect of Erf 1052, Javelin Street, Butterworth (Zithulele Industries)	ECDC	R 559 896.00	Renewal of lease.
8/2/92/2009/2010	03-Mar-11	Risk Analysis and Security Specialist to undertake Analysis and Assessment of ADM General Security	EIsecure Investigation & Security Services	R 463 024.20	Limited bidding - multiple source utilised.
8/2/R	29-30-Mar-11	Lease agreement with PRASA (Eastern Region) in respect of NO.1 Station Street, Stutterheim	Passenger Rail Agency of SA	R 309 525.03	Extension of lease.
8/2/199/2009/2010	29-30-Mar-11	Provision of Security Services for ADM - Mquma Youth Training Centre	Milisa Security Services	R 216 853.38	Extension of contract.
8/2/345/2010/2011	18-Apr-11	Replacement of Monoblock and the Repairing of the Fire Engine	Randall Brothers Trust	R 219 553.17	Limited bidding single source utilised. Strip and Quote. Costly and time consuming to reassemble the engine and tow for another quotation
8/2/94/2007-2008	18-Apr-11	Four (4) Multifunction Copiers for the Fire Satellite Offices - Idutywa, Peddie, Komga and Butterworth	Sharp Electronics	R 1 172.28	Extension of contract.
8/2/369/2010/2011	18-Apr-11	Procurement of CCTV Cameras, Equipment, Installation and Monitoring at Whelan Workshop	Corporate Protection Services	R 295 511.40	Limited bidding single source utilised. A reputable company to provide a quotation due to the project protecting Councils property.
8/2/157/2008/2009	28-Apr-11	Provision of Security Services for ADM	Eastern Guard Security Services	R 24 600.00	Extension of contract for 2 months.
8/2/61/2008-2009	11-May-11	Leasing of a Fleet Management, Monitoring and Vehicle Recovering System	Altech Netstar	N/A	Extension of scope of work - number of vehicles increased from 200 - 265
8/2/92/2010-2011	30-May-11	Compilation of a Security Policy	EIsecure Investigation & Security Services	R 124 488.00	Extension of appointment.

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8/2/199/2009/2010	30-May-11	Provision of Security Services to include Tyinirha Water Treatment Works	Milisa Security Services	R 192 758.56	Extension of contract.
8/2/199/2009/2010	30-May-11	Provision of Security services to include Mncwasa Water Treatment Works	Milisa Security Services	R 192 758.56	Extension of contract.
8/2/R	30-May-11	Maintenance agreement for Fax Machine Situated on the 5th floor, Municipal Manager's Office	Aloe Office Equipment	R 4 616.16	Extension of contract.
8/2/264/2009/2010	30-May-11	Repairs on four damaged Security guard rooms for new sites	Shanes Timbers cc	R 25 525.00	Extension of contract.
8/2/R	09-Jun-11	Lease agreement with True Group Investment Holding (Pty) Ltd in Respect of a Property Situated at No. 58 Terminus Street, EL	TrueGroup	R 1 415 059.20	Lease agreement.
8/2/R	09-Jun-11	Copier for Municipal Health, 14th Floor	Konica Minolta	R 5 916.60	Extension of contract.
8/2/R	09-Jun-11	Lease agreement with Rehab in Respect of a Property Situated at No. 12 Alfred Street, Stutterheim	Rehab	R 222 000.00	Lease agreement.
8/2/264/2009/2010	11-Jun-11	Procurement of 59 Security Guard Rooms for ADM Checkpoints	Shanes Timbers cc	R 472 746.00	Limited bidding, multiple source. Timeframe for funds to be utilised and an additional 23 guardrooms to be procured.
8/2/199/2009/2010	28-Jun-11	Provision of Security Services for ADM Assets and Staff for the three ADM Demarcated Regions - Central, Eastern and Western	Eastern Guard Security Services	R 1 576 260.00	Limited bidding multiple source utilised (Western Region). The current appointment service providers' contact was terminated due to non-performance.
			Xhobani Security (Pty) Ltd	R 2 631 000.00	Limited bidding multiple source utilised (Eastern Region). The current appointment service providers' contact was terminated due to non-performance.
			Masakhane Security Services	R 2 437 246.80	Limited bidding multiple source utilised (Central). The current appointment service providers' contact was terminated due to non-performance.
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Amathole Municipality	R 33 863.24	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Buffalo City Municipality	R 69 423.98	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Wabhashe Municipality	R 218.40	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Office of the Premier	R 3 000.00	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	SALGA	R 3 000.00	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Walter Sisulu University	R 14 225.27	Procurement from Organs of State
8/2/R	01-Sep-10	Goods and Services procured from Organs of State	Eskom	R 7 879.56	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Buffalo City Municipality	R 89 834.70	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Eskom	R 5 359.77	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Walter Sisulu University	R 1 888.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	University of Johannesburg	R 1 682.64	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Amathole Municipality	R 31 485.61	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 54 803.58	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Buffalo City Public Fet College	R 1 648.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Walter Sisulu University	R 34 410.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	University of Johannesburg	R 5 490.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Cape Peninsula University of Technology	R 15 845.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Unisa	R 8 440.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Eskom	R 4 615.24	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 68 680.15	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	University of Johannesburg	R 20 625.00	Procurement from Organs of State

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8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Water Sisulu University	R 35 300.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nkonkobe Municipality	862.31	Procurement from Organs of State

Total Amount

R 26 130 956.13

ENGINEERING SERVICES

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/214/2008/2009	27-Aug-09	Operations and Maintenance of Stutterheim Water Sewage System: Professional: Amahlathi	WSSA	R 2 100 000.00	Extension of contract.
8/2/132/2008/2009a	09-Dec-09	Ngqusi Water Supply - Scheme A	Tembuland Civils / Ntutu Civils JV	R 437 824.00	Extension of scope of work.
8/2/132/2008/2009F	20-Jan-10	Ngqusi Water Supply - Wrd 5 Sanitation Project: Scheme F	Cape Kei Construction Services	R 1 941 093.10	Extension of contract.
8/2/R	31-Mar-10	WSSA Contract as WSP in Stutterheim - Amahlathi Municipal Area	WSSA	R 4 200 000.00	Extension of Contract.
8/2/69/2009-2010	04-Jun-10	Water Services Training for ADM and BCM	Aurecon SA	R 339 720.00	Limited bidding.
8/2/312/2006	16-Aug-10	Extending appointment of Stemele Bosch Africa: Donsa Water Supply	Stemele Bosch	R 1 382 152.89	Extension of appointment.
8/2/223/2008/2009	02-Sep-10	Extending appointment of Kei Road Water Treatment Works - Phase 2	Zana Manzi Services (Pty) Ltd CDEC Consulting Engineers	R 2 299 925.90 R 467 067.74	Extension of appointment.
8/2/45/2005	15-Sep-10	Upgrading of Keiskammahook Public Transport Facility	WWC Consultants	R 325 460.00	Extension of contract.
8/2/43/2005	15-Sep-10	Upgrading of Keiskammahook Public Transport Facility	Maisha Development Engineers	R 297 307.50	Extension of contract.
8/2	15-Sep-10	Extension of Appointment	WSSA	R 1 096 755.99	Extension of contract.
8/2/123/2009/2010	21-Oct-10	Mgwali Church Tenants: Finalisation of designs for the Mgwali Project	Maisha Development Engineers	R 120 000.00	Extension of contract.
8/2/86/2003	21-Oct-10	Consulting Engineers: Teko Springs Housing Project	Arcus Gibb Consulting Engineers	R 1 555 657.32	Extension of contract.
8/2/157/2009/2010	21-Oct-10	Supply and Delivery of 835 Rain Water Tanks, Gutters & Fittings: Rooftop Rain Water Harvesting: Phase 3	Ezehuts & Rondavels	R 1 892 619.39	Limited bidding multiple source process utilised. Villages visibly affected by drought, the project must be implemented before the rainy season.
8/2/20/2009-2010	27-Oct-10	Construction of Butterworth Public Transport Interchange	Border Kei/Set Mak JV	R 331 354.68	Variation order No. 1.
8/2/215/2009/2010	27-Oct-10	Teko Springs Housing Project	Amanzabantu Services	R 325 776.55	Variation order No. 2.
8/2/215/2009/2010	27-Oct-10	Teko Springs Housing Project	Amanzabantu Services	R 279 120.79	Variation order No. 1.
8/2/265/2009/2010	25-Nov-10	Project Manager to assist ADM in Implementing a Public Private Partnership for the Construction of Office Accommodation to also undertake the duties of a financial transaction advisor/lead transaction advisor	Mr S. Gqoli of SS Project and Finance Solutions (Pty) Ltd	R 3 960 000.00	Extension of appointment.
8/2/127/2010/2011	25-Nov-10	Consulting Engineering Services for the Remedial Works to the Fish River Pumping Scheme & Koonap Canal Project	KV3 Engineers	R 405 270.00	Limited bidding multiple source process utilised.
8/2/297/2009/2010A	25-Nov-10	West Victoria East Water Supply - Phase 3A	Gamani-Nande Civils	R 3 172 364.62	EPWP Projects
8/2/297/2009/2010B	25-Nov-10	West Victoria East Water Supply - Phase 3B	Luqobo Civils	R 3 347 612.79	
8/2/297/2009/2010c	25-Nov-10	West Victoria East Water Supply - Phase 3C	Chilenda Civils	R 3 498 150.33	
8/2/275/2009/2010	25-Nov-10	Mbhashe North - Phase 3 Water Supply: Construction of Village Reticulation to Nshingeni-AA & Jjwani	IIA Civils	R 4 104 805.27	
8/2/275/2009/2010	25-Nov-10	Mbhashe North - Phase 3 Water Supply: Construction of Village Reticulation to Sinqumeni	Felo Civils	R 2 720 820.72	
8/2/224/2008/2009E	25-Nov-10	Idutywa East Water Supply Scheme: Phase 3	SQT Construction & Civils	R 3 737 064.17	

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8/2/210/2010 2011	07-Dec-10	Professional Service Provider: Emptying the ventilated improved Pit Latrines for the ADM Mhhashe and Mquma Local Municipalities	Anani Sanitation Solutions	R 948 252.00	Limited bidding, multiple source process utilised due to potential health hazard and is a very specialised project. The cheapest quotation submitted.
8/2/86/2005	07-Dec-10	Crouchs Bush Water Supply - Phase 2	Kgato Consulting	R 3 617 350.99	Appointment revised and extended.
8/2/276/2008 2009	07-Dec-10	Crouchs Bush Water Supply - Scheme C	Eastern Cape Khula Nathi Construction	R 6 901 797.87	Extended to the full scope of work.
8/2/167/2005	07-Dec-10	Komga Solid Waste Site: Appointment of Service Provider	SSI Engineers and Environmental Consultants	R 596 790.00	Extension of appointment.
8/2/265/2009 2010	07-Dec-10 & 3-Mar-11	Public Private Partnership expertise to the Technical Team for the New ADM office park	Arup	R 3 001 471.80	Limited bidding, single source process utilised. Decision taken on 7 Dec 2010 was rescinded and a new decision taken on 3 March 2010.
8/2/109/2010 2011	07-Dec-10	EPWP Learner Contractors for Kotana Sanitation Project through Accelerated Sanitation Programme	Menze & Kleinboo	R 1 669 336.70	Implemented by ADM EPWP Learner Contractors - Kotana North Sanitation Phase 2 - Erection of VIP Structures.
		EPWP Learner Contractors for Kotana Sanitation Project through Accelerated Sanitation Programme	G & J Civil Contractors	R 1 669 336.70	Implemented by ADM EPWP Learner Contractors - Kotana South Sanitation Phase 2 - Erection of VIP Structures.
8/2/151/2010 2011	07-Dec-10	Provision of Consulting Engineering Services for the Fort Beaufort Bulk Water Services Upgrading Project	Aurecon SA	R 1 400 000.00	Limited bidding, single source process utilised due to the urgency of the matter - ongoing water outages in the Fort Beaufort area require rapid and effective response.
8/2/221/2008 2009F	22/12/2010	Ehlobo Phase 3: Water Supply - Scheme F: Construction of Bulk Water Supply And Two Reservoirs to Eight (8) Villages	Sontinga Consulting Engineers	R 639 271.66	Variation order - Additional hard rock quantities experienced.
8/2/221/2008 2009A	14-Jan-11	Ehlobo Phase 3: Water Supply - Scheme A: Construction of Bulk Pipelines and Reservoirs	Robert Bros/Ma Africa Phambili JV	R 2 717 114.63	Variation order - Additional hard rock quantities experienced.
				R 612 298.92	Extension of contract for diesel supply on two diesel generators and payment of local operators up to the completion of project.
8/2/281/2010 2011	15-Feb-11	Appointment of Legal Advisor to provide legal inputs required in the implementation of the Public Private Partnership (PPP) for the Construction of Office Accommodation for the ADM	Xola Sanqela of Messrs Mohlaba and Mshoena Incorporated	R 1 713 600.00	Limited bidding - Multiple source utilised. Process required both legal guidance and specialist legal input of a range of issue. Critical to the overall success of the project that such inputs be provided by a legal advisor.
8/2/266/2008 2009	03-Mar-11	Communal Water Stations: Accelerated and Sustainable Water Service Delivery Project	Kudec Engineering Development Services	R 421 643.19	Extension of contract.
8/2/212/2006	03-Mar-11	Worteldrift Farm Settlement Project	Maisha Development Engineers	R 501 657.27	Extension of appointment.
8/2/257/2010 2011	03-Mar-11	Provision of Engineering Support for the Completion of the Department of Water Affairs funded Refurbishment Projects	Brucke Consulting	R 469 338.00	Limited bidding.
8/2/342/2006	03-Mar-11	Provision of architectural services - Feasibility and procurement phases of the PPP process	DC Architects	R 1 375 370.10	Revision of appointment - Scope be limited.
		Provision of quantity surveyor services - Feasibility and procurement phases of the PPP process	MMDP Quantity Surveyors	R 409 020.60	Revision of appointment - Scope be limited.

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		Provision of engineering consulting services Feasibility and procurement phases of the PPP process	C3 Engineers	R 3 088 780.98	Revision of appointment - Scope be limited.
8/2/221/2008-2009	03-Mar-11	Ehlobo Phase 3 - Water Supply - Scheme B	Classy Trade & Invest 1094 cc	R 490 833.34	Variation order No. 3.
8/2/R	03-Mar-11	Appointment of Service Provider to verify Water and Sanitation Assets and Compile a GRAP Compliant Asset Register for ADM	Aurecon SA	R 2 964 000.00	Limited bidding - Single Source
8/2/99/2008-2009	03-Mar-11	Seymour Bucket Eradication Project: Bulk Upgrading of Seymour Water Treatment Works	Lejamo Construction	R 705 355.11	Variation order No. 2.
8/2/308/2010-2011	15-Mar-11	Development of A Wastewater Risk Abatement Plan (WWRAP) for ADM Wastewater Systems	Water Group Holdings	R 1 012 000.00	Limited bidding - single Source. The service provider has intimate knowledge of ADM Wastewater Systems making it possible for the project to be implemented in time for the Green Drop Certification.
8/2/114/2010-2011	15-Mar-11	Completion of Gubevu Sanitation	Athemihle Building & Civils	R 582 689.18	EPWP Projects
		Dontsa Phase 2 Water Supply: Construction of village reticulation to 6 villages	Opulence Construction	R 2 663 666.79	EPWP Projects. That the appointment be awarded at reduced scope of R2 421 515.27 till topup funding be available within the next three months.
8/2/202/2010-2011	15-Mar-11	Development of a Maintenance Plan for Ventilated Improved Pit Latrines(VIP)	Maluti GSM	R 297 414.60	Limited bidding - ADM requires the best support and advice from known specialist in this field of work and was identified as one of the key special priority projects and needs to be implemented as soon as possible
8/2/29/2009-2010	15-Mar-11	Social Facilitation for Myoyo Water Supply	Dava Development Consultants	R 150 685.20	Extension of contract.
8/2/111/2005	29-30-Mar-11	Centani Bucket Eradication	Africon Consulting Engineers	R 200 000.00	Extension and revision of appointment.
8/2/364/2010-2011	18-Apr-11 & 23-Jun-11	Implementation of DWA Refurbishment Schemes - Mhashe and Mquma Municipalities	Classy Trading Zana Manzi	R 1 853 982.87 R 1 070 722.94	Limited bidding utilised. Time constraints, urgency of the project. Limited bidding utilised. Time constraints, urgency of project. Rescindment of decision made on 18/4/2011.
8/2/151/2010-2011	18-Apr-11	Upgrading of Daliwe Sewerage Reticulation and Cathcart Waste Water Treatment Works	Mamiambo Construction	R 5 724 751.48	Limited bidding single source procurement utilised. Urgency of the project.
8/2/237/2007-2008	11-May-11	Refurbishment of the Toleni Water Treatment Works Transferred from DWA	Ubomi Civils	R 1 095 271.18	Single source, limited bidding - to complete the remainder refurbishment required at Toleni.
8/2/64/2010-2011	11-May-11	Completion of 12 Disaster Units in Various Locations of Elliotdale	Darah Suppliers	R 39 369.20	Variation order.
8/2/381/2010-2011	11-May-11	Desalination Study for Coastal Areas in the ADM	SSI Engineers	R 497 724.00	Limited bidding utilised.
8/2/89/2005	11-May-11	Ngqizele Water Supply	Muscon Civils	R 788 643.03	Extension of contract to full scope
8/2/3/2007-2008	11-May-11	Mquma Skills Development Centre	Siviwe Jayiya Construction	R 114 710.02	Extension of contract.
8/2/125/2009-2010	30-May-11	Ngqizele Water Supply	Muscon Civils	R 788 643.03	Extension of contract from R3 374 088.97 - R4 162 732.00.
8/2/386/2010-2011	23-Jun-11	Installation of High Mast Lights at Toleni and Emambendeni Villages	Lighting Structures	R 607 380.60	Limited bidding, multiple source utilised. Fastracking of the project to reduce crime and loss of lives as soon as possible.
8/2/89/2005	23-Jun-11	Appointment of consultants for Ngqizele Water Supply	Worley Parsons RSA Worley Parsons RSA	R 460 015.97 R 1 639 552.96	Revision of appointment. Extension of appointment.
8/2/404/2010-2011	23-Jun-11	Installation of bulk and domestic water flow meters in Peddie	RC Orban T/A Rudcor	R 630 981.48	Limited bidding, single source utilised.
8/2/401/2010-2011c	23-Jun-11	Installation of bulk and domestic water meter in Alice, Middledrift, Seymour and Hogsback	Zana Manzi Services (Pty) Ltd	R 1 294 795.50	Limited bidding, single source utilised.

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**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2011**

8/2/401/2010 2011b	23-Jun-11	Installation of bulk and domestic water flow meters in Fort Beaufort, Adelaide and Bedford	Amanzabantu Services	R 1 829 802.94	Limited bidding, single source utilised.
8/2/401/2010 2011A	23-Jun-11	Installation of Bulk and Domestic Water Flow Meters in Fort Beaufort	Amanzabantu Services	R 1 035 701.17	Limited bidding, single source utilised.
8/2/400/2010 2011	23-Jun-11	Installation of Bulk and Domestic Water Flow Meters in Stutterheim	Phase Two Civils	R 1 573 200.00	Limited bidding, single source utilised.
8/2/413/2010 2011	23-Jun-11	Services Coverage Survey Audit in the ADM	Palmer Flatela & Associates	R 338 580.00	Limited bidding, multiple source utilised. Phase 1
			Palmer Flatela & Associates	R 1 965 360.00	Limited bidding, multiple source utilised. Phase 2
8/2/397/2010 2011	23-Jun-11	Installation of Bulk and Domestic Water Flow Meters in Butterworth	Lioft Construction cc T/a Makisi Constructors	R 1 002 071.40	Limited bidding, single source utilised.
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Buffalo City Municipality	R 114 569.06	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Eskom	R 2 384 850.62	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Amahlathi Municipality	R 20 791.50	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Amatola Water	R 5 795 314.62	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	WSSA	R 1 096 755.99	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Blue Crane Municipality	R 37 301.68	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Nxuba Municipality	R 65 520.43	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Department of Water Affairs and Forestry	R 6 634.68	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Eskom	R 1 147 224.44	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	University of South Africa	R 1 332.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	University of Fort Hare	R 167 263.60	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Water Sisulu University	R 1 760.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Department of Water Affairs and Forestry	R 2 164.68	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Nxuba Municipality	R 32 157.18	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Amatola Water	R 9 122 806.29	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Blue Crane Municipality	R 89 497.77	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Cape Peninsula University	R 9 671.02	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 75 040.75	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Cape Peninsula University	R 2 200.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Central University of Technology Free State	R 5 792.50	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Unisa	R 2 930.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Amatola Water	R 20 460 288.91	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Eskom	R 3 822 275.55	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Department of Water Affairs and Forestry	R 1 888 692.19	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	WSSA	R 241 989.87	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Blue Crane Municipality	R 104 104.28	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Nxuba Municipality	R 173 633.91	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	University of Fort Hare	R 316 595.44	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Amahlathi Municipality	R 634 050.59	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Stellenbosch University	R 6 400.00	Procurement from Organs of State

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**AMATHOLE DISTRICT MUNICIPALITY
DISCLOSURES OF PROCUREMENT DEVIATIONS AND BREACHES
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8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Cape Peninsula University	R 4 445.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Unisa	R 2 074.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Central University of Technology	R 2 896.25	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	University of Free State	R 2 896.25	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Amatola Water	R 28 054 195.79	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Blue Crane Municipality	R 82 276.66	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nkonkobe Municipality	R 4 835.50	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Department of Water Affairs and Forestry	R 3 696 426.99	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Eskom	R 192 374.14	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nxuba Municipality	R 59 184.09	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	University of Fort Hare	R 206 106.18	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 31 564.32	Procurement from Organs of State

Total Amount**R 189 677 143.93****HEALTH AND PROTECTION SERVICES**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/264/2009/2010	11-Jun-11	Preparation of Air Quality Management Plan	Zanokuhle Environmental Services	R 284 886.00	Limited bidding.
8/2/28/2010-2011	27-Oct-2010 & 25-Nov-2010	Supply and Delivery of Building Material to some areas in Keiskammahoek	Builders Trade Depot (Pty) Ltd	R 367 842.88	Limited bidding multiple source process. Repair of houses damaged in storm since 2008 and funding was only received - backlog.
8/2/51/2010-2011	27-Oct-10	ADM: Climate Change Vulnerability Plan	Carter Environmental	R 224 892.36	Limited bidding multiple source process due to the department to meet the deadline for sector plan project.
8/2/64/2010-2011	25-Nov-10	Completion of 12 Disaster Units in various locations of Elliotdale	Darah Supplies	R 228 428.64	Limited bidding multiple source process utilised.
8/2/283/2010-2011	30-May-11	Refurbishment of Two Fire Engines	FFA IFMS (Pty) Ltd	R 596 790.00	Extension of appointment.
8/2/372/2010-2011	09-Jun-11	Appointment of service providers to Supply Domestic Water Meters (9000)	Elster Kent Metering (Pty) Ltd	R 3 295 620.00	Limited bidding, multiple source utilised. Fasttracking of the project.
		Appointment of service providers to Supply Domestic Water Meters (6000)	JOAT Sales & Services EC	R 2 223 000.00	Limited bidding, multiple source utilised. Fasttracking of the project.
8/2/406/2010-2011	23-Jun-11	Supply and Delivery of Building Material for Areas of Nggushwa Local Municipality	Buffalo Timber Home and Hardware	R 515 064.81	Limited bidding, multiple source utilised. Fasttracking of the project.
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 31 000.00	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Amatola Water	R 54 393.00	Procurement from Organs of State
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Buffalo City Laboratory	R 16 898.85	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 3 040.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Amatola Water	R 58 634.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Buffalo City Municipality	R 3 823 409.04	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Eskom	R 500.00	Procurement from Organs of State
8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Department of Agriculture	R 350.00	Procurement from Organs of State

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8/2/R	31-Dec-10	Goods and Services procured from Organs of State	Nggushwa Municipality	R 38 400.00	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 3 525.00	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Unisa	R 4 096.00	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Water Sisulu University	R 4 450.00	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 3 704 571.24	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Nggushwa Municipality	R 38 400.00	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Mbhashe Municipality	R 229.32	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Amahlathi Municipality	R 85 818.60	Procurement from Organs of State
8/2/R	01-Mar-11	Goods and Services procured from Organs of State	Amatola Water	R 1 185 494.06	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 7 285.00	Procurement from Organs of State
8/2/R	01-Jul-11	Goods and Services procured from Organs of State	Amatola Water	R 133 451.00	Procurement from Organs of State
8/2/R	02-Jul-11	Goods and Services procured from Organs of State	Mbhashe Municipality	R 458.71	Procurement from Organs of State
8/2/R	03-Jul-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 1 425.00	Procurement from Organs of State
8/2/R	04-Jul-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 10 134.84	Procurement from Organs of State

Total Amount

R 16 942 488.35

LAND HUMAN SETTLEMENT AND ECONOMIC DEVELOPMENT

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/141/2008/2009	27-Aug-09	Construction of a block making slab for Siyazama Nyarha Brick Co operative	Izandlazethu Co operative	R 86 703.93	Limited bidding route utilised.
8/2/80/2009/2010	02-Sep-10	Review of Dwesa-Cwebe Integrated Development Plan	Umhlaba Consulting Group (Pty) Ltd	R 455 954.40	Limited bidding route utilised. Time limitations.
8/2/255/2009/2010	21-Oct-10	Review of ADM Agricultural Development Plan	Complan Town & Regional Planners	R 485 868.00	Limited bidding multiple source utilised due to the urgency of the review of the plan as the current plan is outdated.
8/2/121/2010/2011	21-Oct-10	Supply and Delivery of Boer Goat Breeding Stock for Zibhityolo Livestock Improvement Project	Hobson & Company	R 215 460.00	Limited bidding multiple source utilised - all agricultural projects are seasonal in nature and they have to coincide with the growing season.
8/2/138/2010/2011	27-Oct-10 & 3-Mar-11	Construction of Shearing Shed at Tyhume Sompondo Village in Alice	Elten's Agric & Auto Supplies	R 453 660.00	Limited Bidding Multiple source utilised. Decision to appoint National Wool Growers Association of SA was rescinded.
8/2/229/2010/2011	14-Jan-11	Supply and Delivery of a Forklift for Alice Fresh Produce Market	Irwing 593 cc	R 245 000.00	Limited bidding utilised. Mayora projects as they are special and funds for them are transferred towards end of September 2011 and the equipment is urgent for the
8/2/279/2010/2011	03-Mar-11	Supply and Fencing Material for Rance Farming / Eluphindweni Community Project Ward 13 of Amahlathi Local Municipality	Neil Carl Rudy Family Trust T/A Fencing Options	R 298 668.00	Limited Bidding - Multiple source
8/2/315/2010/2011	03-Mar-11	Provision of Jojo Tanks to Nxuba Local Municipality	East Cape Agricultural Co-operative Ltd (ECAC)	R 405 582.28	Limited Bidding - Multiple source
8/2/329/2010/2011	15-Mar-11	Hiring of venue for Tourism Imbizo Exhibition Show	East London International Convention Centre	R 419 615.00	Limited Bidding - Single Source. The only conference centre in EL that can accommodate 200 people and provide exhibition space for 50 exhibitors.
8/2/325/2010/2011	29-30-Mar-11 & 11-May 11	Development of the Industrial Development Strategy	Three Sixty Group	R 341 096.00	Limited bidding - Multiple source. Time constraints.

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8/2/326/2010 2011	11-May-11	Investment Conference and Strategy	Merit Energy (Pty) Ltd	R 4 845 000.00	Multiple source limited bidding utilised. Specialised team to undertake the work.
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Buffalo City Municipality	R 1 462.55	Procurement from Organs of State
8/2/R	04-Feb-11	Goods and Services procured from Organs of State	Buffalo City Laboratory	R 5 547.78	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 12 942.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Walter Sisulu University	R 2 270.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 8 890.00	Procurement from Organs of State

Total Amount**R 8 283 719.94****STRATEGIC PLANNING**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/351/2006	25-Aug-09	Implementation of a Uniform Financial Management System at LM's within the District	PriceWaterCoopers	R 93 319.00	Variation order.
8/2/260/2006	25-Aug-09	Implementation of a Uniform Financial Management System at LM's within the District	Business Connexion	R 1 490 978.23	Variation order.
8/2/R	17-Dec-09	Advertise Mayor's Christmas Message	Masifunde Community Newspaper Daily Dispatch Rainbow IDekeleth Comforter Media Buffalo City	R 6 500.00 R 7 695.00 R 6 400.00 R 3 000.00 R 4 500.00	Limited bidding route, nature of service.
8/2/123/2009	11-Jun-10	Supply and Delivery of 4 servers to the District	First Technology	R 300 330.50	Multiple source, limited bidding.
8/2/161/2006	25-Nov-10	Renewal of the OMS Service Level Agreement	Intermap	R 431 658.72	Renewal of Service Level Agreement.
8/2/R	30-Sep-10	Goods and Services procured from Organs of State	Walter Sisulu University	R 1 950.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	University of Malawi	R 9 999.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	University of South Africa	R 7 622.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Tshwane University of Technology	R 4 260.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Mnquma Municipality	R 370.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 3 300.00	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	University of Fort Hare	R 9 252.50	Procurement from Organs of State
8/2/R	31-Mar-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 3 501.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 7 454.00	Procurement from Organs of State
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 8 771.05	Procurement from Organs of State

Total Amount**R 2 400 861.00****MUNICIPAL MANAGER'S OFFICE**

CONTRACT NO.	DATE	DESCRIPTION	NAME OF SERVICE PROVIDER	VALUE	REASON FOR DEVIATION
8/2/R	19-Nov-10	Purchase of Legal Resources	Lexis Nexis	R 18 567.27	Sole distributor in SA.
8/2/143/2007 2077	15-Feb-11	Additional licenses for Brightstor Arcserv Backup System for ADM	Dimension Data	R 54 179.20	Extension of contract.

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8/2/260/2006	03-Mar-11	Annual License Maintenance Contract for Venus for ADM	Business Connexion	R 804 325.20	Renewal of Annual License.
8/2/223/2009/2010	03-Mar-11	Implementing a Uniform Financial Management System at Great Kei Local Municipality	Business Connexion	R 290 643.00	Variation order.
8/2/250/2010/2011	18-Apr-11	Consultant: Development of Land Administration Manuals for Local Municipalities	Usquebaugh Consulting	R 204 288.00	Single source limited bidding utilised
8/2/R	18-Apr-11	Implementation of GIS Base Datacapture and Verification	MHP Geospace	R 495 900.00	Limited bidding, single source. Sole developers of ADM's GIS system.
8/2/317/2010/2011	11-May-11	Pavement Management System for Mnquma Local Municipality	Global Consultants	R 440 000.00	Limited bidding, multiple source utilised.
8/2/389/2010/2011	30-May-11	IT Network Upgrade for the ADM	Dimension Data	R 1 126 913.81	Limited bidding.
8/2/388/2010/2011	30-May-11	Implementation, Renewal of License and Maintenance Contract for Anti-virus System for ADM	Dimension Data	R 619 800.51	Renewal of contract.
8/2/392/2010/2011	30-May-11	District Community Perception Survey	NN Consult	R 592 800.00	Limited bidding, single source. Specialised service.
8/2/72/2006	30-May-11	Corporate GIS Support	MHP Geospace	R 239 172.00	Renewal of the Corporate GIS Support.
8/2/228/2010/2011	09-Jun-11	Design and Printing of the 2009/2010 Annual Report	Computer Artworks Services	R 229 584.00	Extension of the brief.
8/2/72/2006	09-Jun-11	Upgrading and Integration of LUMS for Local Municipalities with Corporate Geographic Information Systems (GIS)	MHP Geospace	R 44 118.00	Limited bidding, single source utilised. Extension of the contract.
8/2/365/2010/2011	09-Jun-11	Geographic Information System (GIS) Base Data Capture and Verification Project for ADM and its Local Municipalities	MHP Geospace	R 257 868.00	Limited bidding, single source utilised. Extension of contract.
8/2/390/2010/2011	09-Jun-11	Hardware Required for the IT Network Upgrade for the ADM	Datacentrix	R 1 371 412.38	Limited bidding, multiple source utilised. Urgency of the IT Infrastructure.
8/2/142/2007/2008	09-Jun-11	Upgrade and Maintenance of Uninterrupted Power Supply and Backup Battery for the ADM	SPS Schultz	R 281 513.88	Limited bidding, single source utilised. Urgency of the procurement as it went out on tender before and no responses.
8/2/417/2010/2011	23-Jun-11	Appointment of a service providers for the Design, Layout and Printing of ADM's By-Laws, Policies, Performance Management Framework and Collective Agreements, as well as Lamination of the 2011/2012 Service Delivery and Budget Implementation Plan	Gemprint	R 219 647.15	Limited bidding, multiple source utilised. Time constraints due to approval granted on 17 May 2011. Design, layout and printing of the By-Laws.
			Print Afrika	R 30 725.00	Limited bidding, multiple source utilised. Time constraints due to approval granted on 17 May 2011. Design, Layout and Printing of ADM's PMS Framework.
			CopyWorld	R 600 027.00	Limited bidding, multiple source utilised. Time constraints due to approval granted on 17 May 2011. Design, Layout and Printing of Policy Booklets for 4 different departments and one booklet for collective agreements.
			CopyWorld	R 27 652.00	Limited bidding, multiple source utilised. Time constraints due to approval granted on 17 May 2011. Lamination of ADM's 2011/2012 SDBIP.
8/2/R	23-Jun-11	Appointment of a Service Provider - Implement ADM's Donor Management Strategy	PriceWaterCoopers	N/A	Limited bidding, single source utilised. Familiar with the project.
8/2/55/2009-2010	28-Jun-11	EDAMS Maintenance contract for the ADM	EDAMS Technology	R 212 991.90	Renewal of contract.
8/2/89/2009-2010	28-Jun-11	Implementation of VPN Links at the MSU in Vincent	Telkom SA	R 331 814.28	Extension of contract.
8/2/415/2010/2011	29-Jun-11	Appointment of a service provider to support the Implementation of IT Policies for ADM	Lumoko Strat	R 737 750.00	Limited bidding, single utilised. Lumoka is currently assisting ADM with reviewing audit queries and has identified issues with IT. They can assist with the implementation.
8/2/R	30-Jun-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 2 710.00	Procurement from Organs of State
8/2/R	01-Jul-11	Goods and Services procured from Organs of State	University of the Western Cape	R 1 273.68	Procurement from Organs of State
8/2/R	02-Jul-11	Goods and Services procured from Organs of State	University of Witwaterstand	R 42 816.37	Procurement from Organs of State

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8/2/R	03-Jul-11	Goods and Services procured from Organs of State	Tshwane University of Technology	R 3 565.00	Procurement from Organs of State
8/2/R	04-Jul-11	Goods and Services procured from Organs of State	University of Witwaterstand	R 10 843.00	Procurement from Organs of State
8/2/R	05-Jul-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 1 197.00	Procurement from Organs of State
8/2/R	06-Jul-11	Goods and Services procured from Organs of State	Nelson Mandela Metropolitan University	R 10 400.00	Procurement from Organs of State
8/2/R	07-Jul-11	Goods and Services procured from Organs of State	University of Free State	R 8 530.00	Procurement from Organs of State
8/2/R	08-Jul-11	Goods and Services procured from Organs of State	Nelson Mandela University	R 199 932.00	Procurement from Organs of State
8/2/R	09-Jul-11	Goods and Services procured from Organs of State	Buffalo City Municipality	R 1 162.00	Procurement from Organs of State
8/2/R	10-Jul-11	Goods and Services procured from Organs of State	University of Western Cape	R 1 273.68	Procurement from Organs of State

Total Amount

R 9 515 395.31

TOTAL PROCUREMENT DEVIATIONS: OTHER

DEPARTMENT	TOTAL AMOUNT
Budget and Treasury Office	R 11 311 856.86
Corporate Services	R 26 130 956.13
Engineering Services	R 189 677 143.93
Health and Protection	R 16 942 488.35
Land Human Settlement &	R 8 283 719.94
Municipal Managers Officer	R 9 515 395.31
Strategic Planning	R 2 400 861.00
TOTAL	R 264 262 421.52