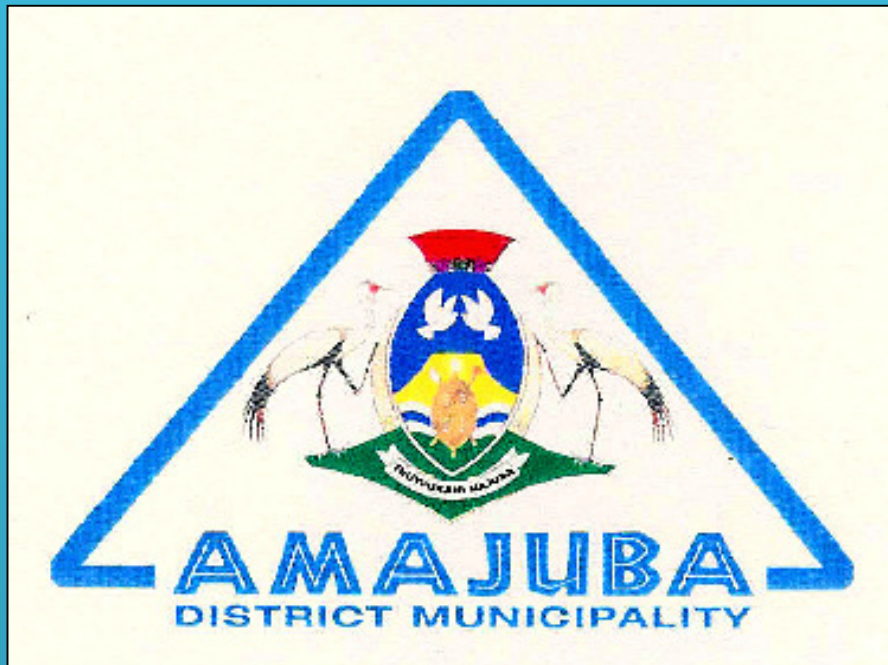


**AMAJUBA DISTRICT
MUNICIPALITY**



**CONSOLIDATED ANNUAL
FINANCIAL STATEMENTS
AS AT**

30 JUNE 2011

**AMAJUBA DISTRICT MUNICIPALITY
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR
YEAR ENDED 30 JUNE 2011
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**AMAJUBA DISTRICT MUNICIPALITY
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR
YEAR ENDED 30 JUNE 2011**

GENERAL INFORMATION

MEMBERS OF THE EXECUTIVE COMMITTEE

Councillor JCN Khumalo	Mayor
Councillor MN Majola	Deputy Mayor
Councillor NA Zwane	Executive Committee -Engineering
Councillor EM Zungu	Executive Committee -Corporate Services
Vacant	Executive Committee -Planning & Economic Development
Councillor EM Sigasa	Speaker

GRADING OF LOCAL AUTHORITY

Grade 3

AUDITORS

Auditor-General

BANKERS

ABSA Bank Limited - Newcastle

REGISTERED OFFICE

Amajuba Building
B9356
MADADENI
2951

Private Bag 6615
NEWCASTLE
2940

Tel No.(034)3297200
Fax No.(034)314 3785

COUNCIL MEMBERS OF AMAJUBA DISTRICT MUNICIPALITY

New Councillors

Councillor FS Tsotetsi
Councillor TA Chonco
Councillor NS Matthews
Councillor MS Mlangeni
Councillor NA Msibi
Councillor TM Mhlongo
Councillor VR Hlatshwayo
Councillor SB Harber

Out Going Councillor

Cllr DB Mabuyakhulu
Cllr JNC Khumalo
Cllr Croft
Cllr AT Zwane
Cllr SJ Zulu
Cllr LPT Dhlomo
Cllr SB Harber
Cllr JP Khumalo

GENERAL INFORMATION

Councillor LPT Dhlomo

Councillor MI Dlamini

Councillor SB Hlatshwayo

Councillor MA Buthelezi

Councillor MP Sithole

Councillor JME Damons

Councillor MA Gama

Councillor SD Msibi

Councillor SJ Zulu

Councillor S Kubheka

Councillor DRF Buthelezi

Councillor MN Mbakazi

Cllr HS Madonsela

Cllr NS Matthews

Cllr BJ Mntambo

Cllr NJ Ndebele

Cllr RB Ndima

Cllr AN Radebe

Cllr MA Sibeko

Cllr D Nkosi

Cllr BL Zulu

Cllr VJ Ngema

Cllr A Chuang Yu

Cllr MF Zikhali

MUNICIPAL MANAGER

Mr V Kubheka

ACTING CHIEF FINANCIAL OFFICER

Mr CT Myeza

AMAJUBA DISTRICT MUNICIPALITY
REPORT OF THE AUDITOR-GENERAL
30 JUNE 2011

The report of the Auditor-General will be inserted after the audit.

STATEMENT OF THE MUNICIPAL MANAGERS RESPONSIBILITY

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

The Amajuba District Municipality is situated Amajuba Building, B 9356, Madadeni, is a category C Municipality established in terms of section 12 (1) of the Municipal Structures Act, No.117 and published in terms of Provincial Government Notice 346 on the 19 September 2000. The Local Government Operations of the Municipality are assigned by section 156 and 229 of the South African Constitution and defined specifically in terms of section 83 of the Municipal Structures Act.

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

.....
Mr V Kubheka
ACTING MUNICIPAL MANAGER

30 SEPTEMBER 2011
DATE

AMAJUBA DISTRICT MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	2011 R'000	2010 R'000
ASSETS			
Current assets			
Cash and cash equivalents	27	3 006	1 085 722
Trade and other receivables from exchange transactions	8	1 182 869	850 252
Other receivables from non-exchange transactions	8	-	-
Inventories	0	-	-
Prepayments	0	-	-
Investments	28	1 284 101	53 206 880
Current portion of receivables	0	-	-
VAT receivable	6	2 741 736	7 842 808
Construction contracts and receivables	0	-	-
Non-current assets held for sale		-	-
Non-current assets			
Non-current receivables	0	-	-
Investments	7	-	10 731 347
Investment in Associate	19	775 117 417	795 644 376
Other non-current financial assets	0	-	-
Property, plant and equipment	29	64 913 186	53 956 128
Intangible assets	29	212 244	318 222
Total assets		845 454 559	923 635 735
LIABILITIES			
Current liabilities			
Trade and other payables from exchange transactions	4	31 117 071	35 579 661
Consumer deposits	0	-	-
VAT payable	6	-	-
Taxes and transfers payable (non-exchange)	0	-	-
Current provisions	2	569 638	832 186
Unspent conditional grants and receipts	5	31 028 030	25 192 652
Current portion of borrowings	1	17 161	88 620
Bank overdraft	9	14 045 183	-
Other current financial liabilities	0	-	-
Non-current liabilities			
Non-current unspent conditional grants and receipts			
Non-current borrowings	1	-	24 685
Non-current finance lease liability	0	-	-
Non-current provisions	0	-	-
Total liabilities		76 777 085	61 717 804
Net assets		768 677 474	861 917 931
NET ASSETS			
Investment in Associate UTW	19	775 117 417	795 644 376
Accumulated surplus / (deficit)		(6 439 944)	66 273 555
Total net assets		768 677 474	861 917 931

AMAJUBA DISTRICT MUNICIPALITY
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2011

AMAJUBA DISTRICT MUNICIPALITY			AMAJUBA DISTRICT MUNICIPALITY	
ACTUAL	ACTUAL	Note	ACTUAL	BUDGET
2009	2010		2011	2011
R	R		R	R
			REVENUE	
5 646 848	6 143 035		10 988 260	8 704 725
13 486 665	7 484 307		3 583 460	3 000 000
60 954 079	63 610 823	28	78 331 000	78 331 000
9 295 106	430 947		-	38 826 362
		10	381 540	
39 531 605	47 824 319		41 469 918	22 303 420
19 109 883	12 338 270		3 380 610	-
148 024 186	137 831 702		138 134 788	151 165 507
			EXPENDITURE	
21 072 677	27 206 222	14	34 640 373	37 487 581
2 689 502	3 007 657	15	3 885 817	4 645 842
2 631 812	3 909 902		4 600 641	1 317 850
1 481 494	2 243 741		2 068 530	2 752 151
30 788	13 782		5 578	-
57 941 841	92 793 876	12	159 890 241	104 962 083
15 991	-		-	-
39 531 605	49 193 615		-	-
125 395 710	178 368 795		205 091 180	151 165 507
22 628 476	(40 537 093)		(66 956 392)	0
22 628 476	(40 537 093)		(66 956 392)	0
-	40 537 093		56 494 934	-
22 628 476	(0)		(10 461 458)	0
-	(12 687 084)	19	(20 526 959)	-
-	(12 687 084)		(30 988 416)	0

Refer to Appendix F & H for the detail Government Grants -Operating Projects
Refer to Appendix E for the comparison with the approved budget

AMAJUBA DISTRICT MUNICIPALITY

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR
ENDED 30 JUNE 2011**

	<u>Accumulated Surplus</u>	<u>Total</u>
	R	R
2010		
Balance at 01 July 2009	69 993 921	69 993 921
Transfer to CRR		-
Transfers to / from Provisions		-
Transfer from/to Capital Development Fund	-	-
Transfer from Operating Expenditure		-
Correction of Error (Note)	-	-
Restated Balance	69 993 921	69 993 921
Surplus for the year	-	-
Transfer to Operating Income	(4 514 771)	(4 514 771)
Prior Years Expenditure & Adjustments	-	-
Prior Years Receipts	-	-
Writeback Inca Loan	10 682 318	10 682 318
Property, Plant and Equipment Purchased	(9 887 912)	(9 887 912)
Balance at 30 June 2010	66 273 556	66 273 556
2011		
Balance at 01 July 2010	66 273 555	66 273 555
Write Back -Recovery Fraud(Uthukela water)	6 428 258	6 428 258
Restated Balance	72 701 813	72 701 813
Surplus/(loss) for the year	(30 988 416)	(30 988 416)
Appropriation for the year	(40 761 340)	(40 761 340)
Property, Plant and Equipment Purchased	(15 651 794)	(15 651 794)
Disposal of Asset	200 075	200 075
Investment in Associate	795 644 376	795 644 376
Prior Years Expenditure & Adjustments	-	-
Write back INCA Loan -Redemption	(12 467 240)	(12 467 240)
Balance at 30 June 2011	768 677 474	768 677 474

AMAJUBA DISTRICT MUNICIPALITY

CASH FLOW STATEMENT

AS AT 30 JUNE 2011

	Note	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		194 629 722	178 368 794
Taxation		-	-
Sales of goods and services		10 988 260	6 143 035
Grants		78 331 000	63 610 823
Interest received		3 583 460	7 484 307
Other receipts		101 727 002	101 130 629
Payments		205 091 180	178 368 794
Employee costs		38 526 190	30 213 879
Suppliers		-	-
Interest paid		5 578	13 782
Other payments		166 559 412	148 141 133
Net cash flows from operating activities		(10 461 458)	(0)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(15 651 794)	(22 226 182)
Proceeds from sale of Property, Plant and Equipment		-	-
Non-operating income receipted in provisions/reserves		(40 841 283)	(30 278 707)
Increase/Decrease in non current investments		-	-
Increase/Decrease in non current investments		-	-
Net cash flows from investing activities		(56 493 077)	(52 504 889)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	-
Repayment of borrowings		(96 144)	(76 576)
Proceeds from finance lease liability		-	-
Repayment of finance lease liability		-	-
Net cash flows from financing activities		(96 144)	(76 576)
Net increase / (decrease) in net cash and cash equivalents		(67 050 679)	(52 581 466)
Net cash and cash equivalents at beginning of period		54 292 602	106 874 068
Net cash and cash equivalents at end of period	9	(12 758 077)	54 292 602

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2011

1 BASIS OF ACCOUNTING

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.

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

1.1 CONSOLIDATION

Basis of consolidation

Consolidated Annual Financial Statements are the Annual Financial Statements of the economic entity presented as those of a single entity

The consolidated Annual Financial Statements incorporate the Annual Financial Statements of the controlling entity and all controlled entities, including special purpose entities, which are controlled by the controlling entity.

Control exists when the controlling entity has the power to govern the financial and operating policies of another entity so as to obtain benefits from its activities.

The results of controlled entities are included in the consolidated Annual Financial Statements from the effective date of acquisition or date when control commences to the effective date of disposal or date when control ceases.

An investment in an entity is accounted for in accordance with the Standard of GRAP on Financial Instruments: Recognition and Measurement from the date that it ceases to be a controlled entity, unless it becomes an associate or a jointly controlled entity, in which case it is accounted for as such. The carrying amount of the investment at the date that the entity ceases to be a controlled entity is regarded as cost on initial measurement of a financial asset in accordance with the Standard of GRAP on Financial Instruments: Recognition and Measurement.

The Annual Financial Statements of the controlling entity and its shareholder loans used in the preparation of the consolidated Annual Financial Statements are prepared as of the same reporting date.

Adjustments are made when necessary to the Annual Financial Statements of the shareholder loans to bring their accounting policies in line with those of the controlling entity.

All inter-entity and intra-entity transactions, balances, revenues and expenses are eliminated in full on consolidation. Minority interests in the net assets of the economic entity are identified and recognised separately from the controlling entity's interest therein, and are recognised within net assets. Losses applicable to the minority in a consolidated controlled entity may exceed the minority interest in the controlled entity's net assets. The excess, and any further losses applicable to the minority, are allocated against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make an additional investment to cover the losses. If the controlled entity subsequently reports surpluses, such surpluses are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

Minority interests in the surplus or deficit of the economic entity is separately disclosed.

1.2 Investment in associates

An associate is an entity over which the controlling entity has significant influence and which is neither a controlled entity nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with Standard of GRAP on Non-current Assets Held-For-Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the consolidated statement of financial for post acquisition changes in the economic entity's share of net assets of the associate, less any impairment losses. acquisition change in the economic entity's share of net assets of the investee. The surplus or deficit of the economic entity includes the economic entity's share of the surplus or deficit of the investee. The economic entity's share of the surplus or deficit of the investee is recognised in surplus or deficit.

The most recent available Annual Financial Statements of the associate are used by the economic entity in applying the equity method. When the reporting date's of the economic entity and the associate are different, the associate prepares, for the use of the economic entity, Annual Financial Statements as of the same date as the Annual Financial Statements of the economic entity unless it is impractical to do so. When the Annual Financial Statements of an associate used in applying the equity method are prepared as of a different reporting date from that of the economic entity, adjustments are made for the effects of significant transactions or events that occur between that date and the date of the economic entity's Annual Financial Statements. In any case, the difference between the reporting date of the associate and that of the economic entity is more than three months. The length of the reporting periods and any difference in the reporting dates is the same from period to period. Deficits in an associate in excess of the economic entity's interest in that associate are recognised only to the extent that the economic entity has incurred a legal or constructive obligation to make payments on behalf of the associate. If the associate subsequently reports surpluses, the economic entity resumes recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised. Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in surplus or deficit. Surpluses and deficits on transactions between the economic entity and an associate are eliminated to the extent of the

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2011

economic entity's interest therein.

The controlling entity discontinues the use of the equity method from the date that it ceases to have significant influence over an associate and account for the investment in accordance with the Standard of GRAP on Financial Instruments: Recognition and Measurement from that date, unless the associate becomes a controlled entity or a joint venture, in which case it is accounted for as such. The carrying amount of the investment at the date that it ceases to be an associate is regarded as its cost on initial measurement as a financial asset in accordance with the Standard of GRAP on Financial Instruments: Recognition and Measurement.

These standards are summarised as follows:

GRAP 1 Presentation of Annual Financial Statements

GRAP 2 Cash Flow Statement

GRAP 3 Accounting Policies, Changes in Accounting Estimates and Errors

GRAP 4 The Effects of Changes in Foreign Exchange Rates

GRAP 5 Borrowing Costs

GRAP 6 Consolidated and Separate Financial Statements

GRAP 7 Investments in Associates

GRAP 8 Investments in Joint Ventures

GRAP 9 Revenue from Exchange Transactions

GRAP 10 Financial Reporting in Hyperinflationary Economies

GRAP 11 Contract Contracts

GRAP 12 Inventories

GRAP 13 Leases

GRAP 14 Events After the Reporting Date

GRAP 16 Investment Properties

GRAP 17 Property, Plant and Equipment

GRAP 19 Provisions, Contingent Liabilities and Contingent Assets

GRAP 100 Non-current Assets Held for Sale and Discontinued Operations

GRAP 101 Agriculture

GRAP 102 Intangible Assets

Accounting policies for material transaction, events or conditions not covered by the above GRAP Standards have been developed in accordance with paragraph 7,11 and 12 of GRAP 3. These accounting policies and the applicable disclosures have been based on Generally Recognised Accounting Practise (GRAP) including any such Statements issued by the Accounting Practices Board.

The Accounting Standards Board has set transitional provisions for individual standards of GRAP as set out in Directive 4 and Directive 5 issued in March 2009. Details of the transitional provisions applicable to the municipality have been provided in the notes to the annual financial statements.

A summary of the significant accounting policies which have been consistently applied except where transitional provisions have been granted are disclosed below.

1.3 Presentation currency

The annual financial statements are presented in South African Rand, which is the functional currency of the municipality. The figures to the annual financial statements are rounded to the nearest rand.

1.4 Going concern assumption

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

1.5 Standards, amendments to standards and interpretations issued but not yet effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18 Segment Reporting - issued March 2005

GRAP 21 Impairment of Non-Cash-generating-assets-issued March 2009

GRAP 23 Revenue from Non-Exchange Transactions - issued February 2008

GRAP 24 Presentation of Budget Information - issued November 2007

GRAP 26 Impairment of Cash-generating-assets-issued March 2009

GRAP 103 Heritage Assets - issued July 2008

GRAP 25 Employee Benefits - effective 1 January 2009

GRAP 104 Financial Instruments

IFRIC 17 Distribution of Non-cash Assets to Owners - effective 1 July 2009

1.6 Change in accounting policies and comparability

Accounting policies have been consistently applied, except where otherwise indicated below:

The details of any resulting changes in accounting policy and comparative restatements are given in Notes 35 to the Annual Financial Statements. to the Annual Financial Statements.

The Municipality changes an account policy only if the following instances:

(a) is required by Standard GRAP; or

(b) results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flow. The details of any changes in accounting policies and comparative restatements are explained in the relevant policy.

1.7 Property, plant and equipment

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
 FOR THE YEAR ENDED 30 JUNE 2011

1.7.1 Initial recognition

Property, plant and equipment are tangible non-current assets (include infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purpose, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other cost attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by Municipality. Trade discount and rebates are deducted in the arriving at the cost. The cost also include the necessary cost of dismantling and removing the asset and restoring the site on which it is located.

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 assets is acquired by the Municipality for no or nominal consideration (i.e a non exchange transaction) transactions) the cost is deemed to be equal to the fair value of that asset on the date acquired. Major spare part and servicing equipment qualify as property, plant and equipment when Municipality expects to use them during more than one period. Similarly if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment they are accounted for as property, plant and equipment.

1.7.2 Subsequent measurement - cost model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life. Where the Municipality replaces parts of an asset, it derecognises the part of the asset being replaces 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.

1.7.3 Depreciation and impairment

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 depreciated rates are based on the following estimates average asset lives:

Buildings	25 years	Other	
		Buildings	25 years
Infrastructure		Emergency equipment	5 years
Roads and Paving	20 years	Motor vehicles	5-7 years
Bridges	30 years	Office equipment	5 years
Storm water	15 years	Furniture and fittings	5 years
Gravel	20 years	Bins and containers	5 years
Substations and Transformers	40 years	Plant and equipment	5-7 years
		Other	5 years
Poles, Cables and Lights	15-25 years		
Robots	10 years	Landfill sites	15 years
		Computer equipment	3-5 years
Community			
Buildings	25 years		
Recreational Facilities	5 years		
Security system	5 years		
Dams	5-15 years		
Libraries	15-20 years		
Parks and gardens	15 years		
Cemeteries	15-20 years		
Community centres	5-20 years		
Heritage assets			
Buildings	25 years		
Finance lease assets			
Office equipment	4 years		
Other assets			

The residual value, the useful life of an asset and the depreciation method is 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 amount 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

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 on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2011

The municipality changed its accounting policy for property, plant and equipment in 2010. The change in accounting policy is made in accordance with its transitional provision as per Directive 4 of the GRAP Reporting Framework.

The municipality has taken advantage of the transitional provisions permitted by the Accounting Standards Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP13 Leases-paragraphs 55-60
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph110-118

In accordance with the transitional provision as per Directive 4 of the GRAP Reporting Framework, where property, plant & equipment was acquired through a transfer of functions, the municipality is not required to measure that property plant and equipment for a period of three years from the effective date of the transfer of functions or the effective date of the standard, whichever is later. The municipality acquired a transfers) of function in 2010 and property, plant and equipment has accordingly been recognised at provisional amounts, as as disclosed in 7. The transitional provision expires on 30 June 2012.

Due to the impact of Directive 4 being adopted and the core criteria of all assets being exempt for measurement, for and including the next three financial years impairment and depreciation assessment will not be considered

1.8 Investment property

1.8.1 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. The cost of self-constructed investment property is the cost at date of completion.

1.8.2 Subsequent measurement-cost model

Investment Property is measured using the cost model and a revaluation will be performed once every five years. Under the cost model, investment property is carried at its depreciated revalued amount less impairments at the reporting date. Any gain or loss arising from the revaluation is included in revaluation reserve the reporting date. Any gain or loss arising from the revaluation is included in revaluation reserve.

The Municipality changed its Accounting policy for investment property in 2010. The change in the accounting policy is made in accordance with its transitional provision as per Directive 4 of the GRAP Reporting Framework

The Municipality has taken advantage of the transitional provisions permitted by the Accounting Standard Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP13 Leases-paragraphs 55-60
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph110-118

In accordance with the transitional provision as per Directive 4 of the GRAP Reporting Framework, where investment property was acquired through a transfer of functions, the Municipality is not required to measure that intangible asset for a period of three years from the effective date of the transfer of functions or the effective date of the standard, whichever is later. The transitional provision expires on 30 June 2012

Due to impact of Directive 4 being adopted and the core criteria of all assets being exempt for measurement, for and including the next three financial years impairment and depreciation assessments will not be considered.

1.9 Intangible assets

1.9.1 Initial recognition

An intangible asset is an identifiable non-monetary asset without physical substance. Examples include computer software,

Internally generated intangible assets are subject to strict recognition criteria before they are capitalised. Research expenditure is never capitalised, while development expenditure is only capitalised to the extent that:

- the municipality intends to complete the intangible asset for use or sale;
- it is technically feasible to complete the intangible asset;
- the municipality has the resources to complete the project; and
- it is probable that the municipality will receive future economic benefits or service potential.

Intangible assets are initially recognised at cost.

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2011

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.

1.9.2 Subsequent measurement-cost model

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

1.9.3 Amortisation and impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated average asset lives:

Computer software	3-5 years
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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.

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 (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.

The Municipality has taken advantage of the transitional provisions permitted by the Accounting Standard Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP13 Leases-paragraphs 55-60
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph110-118

In accordance with the transitional provision as per Directive 4 of the GRAP Reporting Framework, where intangible assets were acquired through a transfer of functions, the municipality is not required to measure that intangible assets for a period of three years from the effective date of the transfer of functions or the effective date of the standard, whichever is later. The transitional provision expires on 30 June 2012. Due to impact of Directive 4 being adopted and the core criteria of all assets being exempt for measurement, for and including the next three financial years impairment and amortisation assessment will not be considered.

1.10 Non current Assets held for sale

1.10.1 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.

1.10.2 Subsequent measurement

Non-current assets held for sale (or disposal group) are measured at the lower of carrying amount and 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.

1.11 Value added tax

The Municipality account for Value Added Tax on the payments basis. This means that VAT is declared to South African Revenue Services as input or output Vat only when payments are made to suppliers or payments are received for goods or services. The net output VAT on debtors where money has not been received or creditors where payments has not been made is disclosed separately in the Statement of Financial Position in terms of GRAP 1.

1.12 Leases

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1.12.1 Municipality as lessee

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality. Property, plant and equipment or intangible assets subject to finance lease agreements are initially recognised at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding liabilities are initially recognised at the inception of the lease and are measured as the sum of the minimum lease payments due in terms of the lease agreement, discounted for the effect of interest. In discounting the lease payments, the municipality uses the interest rate that exactly discounts the lease payments and unguaranteed residual value to the fair value of the asset plus any direct costs incurred.

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.

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

The Municipality changed its Accounting policy for leases in 2010. The change in the accounting policy is made in accordance with its transitional provision as per Directive 4 of the GRAP Reporting Framework.

The Municipality has taken advantage of the transitional provisions permitted by the Accounting Standard Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP13 Leases-paragraphs 55-60
GRAP16 Investment property-paragraphs 63-70
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph 110-118

In accordance with the transitional provision as per Directive 4 of the GRAP Reporting Framework, where leasehold asset was acquired through a transfer of functions, the municipality is not required to measure the leasehold asset for a period of three years from the effective date of the transfer of functions or the effective date of the Standard, whichever is later. The transitional provision expires on 30 June 2012.

Due to the impact of Directive 4 being adopted and the core criteria of all assets being exempt for measurement, for and including the next three financial years impairment and depreciation assessment will not be considered.

1.12.2 Municipality as lessor

Under a finance lease, the municipality recognises the lease payments to be received in terms of a lease agreement as an asset (receivable). The receivable is calculated as the sum of all the minimum lease payments to be received, plus any unguaranteed residual accruing to the municipality, discounted at the interest rate implicit in the lease. The receivable is reduced by the capital portion of the lease instalments received, with the interest portion being recognised as interest revenue on a time proportionate basis. The accounting policies relating to derecognition and impairment of financial instruments are applied to lease receivables. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

1.13 Revenue recognition

1.13.1 Revenue from exchange transactions

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

Service charges relating to refuse removal are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage, and are levied monthly based on the recorded number of refuse containers per property.

Interest revenue is recognised on a time proportion basis.

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

Revenue arising from the application of the approved tariff of charges is recognised when the relevant service rendered by applying the relevant gazetted tariff. This includes the issuing of licenses and permits.

1.13.2 Revenue from non-exchange transactions

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Revenue from non-exchange transaction refers to transaction where the municipality received revenue from another entity without directly giving approximately equal value in exchange. Revenue from non-exchange transaction 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

Fines constitute both sport fines and summons. Revenue from sport fines and summonses is recognised when payment is received, together with an estimate of spot fines and summonses that will be received based on past experience of amounts collected

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 has not met the related 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 deferred income (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 virtually certain.

1.13.3 Grants, transfer and donations

Grants, transfers and donations received or receivable are recognised when the resources that have been transferred meet the criteria for recognition as an asset. A corresponding liability is raised to the extent that the grant, transfer or donation is conditional. The liability is transferred to revenue as and when the conditions attached to the grant are met. Grants without any conditions attached are recognised as revenue when the asset is recognised.

1.14 Inventories

1.14.1 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.

1.14.2 Subsequent measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress 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. Redundant and slow-moving inventories are identified and written down in this way. 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.

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. The basis of allocating cost to inventory items is the weighted average method.

1.15 Financial instruments

1.15.1 Initial recognition

Financial instruments are initially recognised at fair value.

1.15.2 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 ("other"). 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.

1.15.3 Investments

AMAJUBA DISTRICT MUNICIPALITY
ACCOUNTING POLICIES
FOR THE YEAR ENDED 30 JUNE 2011

Investments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are categorised as either held-to-maturity where the criteria for that categorisation are met, or as loans and receivables, 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. Impairments are calculated as being the difference between the carrying amount and the present value of the expected future cash flows flowing from the instrument. 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.

1.15.4 Trade and other receivables

Trade and other 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 or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Impairments are determined by discounting expected future cash flows to their present value. Amounts that are receivable within 12 months from the reporting date 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.

1.15.5 Financial Liabilities: account payable

Financial liabilities consist of trade payables and borrowings. They are categorised as financial liabilities and are held at cost, as their cost approximates its fair value

1.15.6 Cash and cash equivalents

Cash includes cash on hand (including petty cash) and cash with banks (including call deposits). Cash equivalents are short-term highly liquid investments, readily convertible into known amounts of cash, that are held with registered banking institutions with maturities of three months or less and are subject to an insignificant risk of change in value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held on call with banks, net of bank overdrafts. The municipality categorises cash and cash equivalents as financial assets: loans and receivables.

Bank overdrafts are recorded based on the facility utilised. Finance charges on bank overdraft are expensed as incurred. Amounts owing in respect of bank overdrafts are categorised as financial liabilities: other financial liabilities carried at amortised cost.

1.16 Conditional Grant and receipts

Unutilised condition grant are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grant and subsidies.

1.17 Provisions

Provisions are recognised when the municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at 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.

The municipality does not recognise a contingent liability or contingent asset. 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.

Future events that may affect the amount required to settle an obligation are reflected in the amount of a provision where there is sufficient objective evidence that they will occur. Gains from the expected disposal of assets are not taken into account in measuring a provision. Provisions are not recognised for future operating losses. The present obligation under an onerous contract is recognised and measured as a provision.

A provision for restructuring costs is recognised only when the following criteria over and above the recognition criteria of a provision have been met:

(a) The municipality has detailed formal plan for the restructuring identifying at least:

- the business or part of a business concerned
- the principal locations affected
- the location, function approximate number of employees who will be compensated for terminating their services
- the expenditures that will be undertaken; and
- when the plan will be implemented; and

(b) The municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

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1.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised to the cost of that asset unless it is inappropriate to do so. The municipality ceases the capitalisation of borrowing costs when substantially all the activities to prepare the asset for its intended use or sale are complete. It is considered inappropriate to capitalise borrowing costs where the link between the funds borrowed and the capital asset acquired cannot be adequately established. Borrowing costs incurred other than on qualifying assets are recognised as an expense in surplus or deficit when incurred.

1.19 Employee Benefits

1.19.1 Retirement Benefits

Contribution to the Natal Joint Provided Fund (NJPF) and are made as follows:

Provident 1.-1 Member-5% Council-13.65%

Provident 2.-2 Members-7% Council-18%

Provident 3.-5 Members-9.25% Council-18%

Retirement

?? Members

Council-29%

Superannuation

?? Members

Member-9.25%

Council-25%

Councillors-28.75%

?? Members

Member 13.75%

Member 15%

1.19.2 Medical Aid: Continued Members

The Municipality provides pos-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 (subject to applicable conditions of services) on retirement is entitled to remain a continued member of such medical fund in which case the member is liable for the portion as determined by Council from time to time of the medical aid membership fee and the municipality for the remaining portion. These contributions are charges to the Statement of Financial Performance when paid.

1.20. Unauthorised expenditure

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

1.21 Irregular expenditure

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

1.22 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.

1.23 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.

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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.

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.

The Municipality changed its Accounting policy for investment property in 2010. The change in the accounting policy is made in accordance with its transitional provision as per Directive 4 of the GRAP Reporting Framework.

The Municipality has taken advantage of the transitional provisions permitted by the Accounting Standard Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP13 Leases-paragraphs 55-60
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph110-118
GRAP102 Intangible Assets-paragraph110-118

In accordance with the transitional provision as per Directive 4 of the GRAP Reporting Framework, where leasehold asset was acquired through a transfer of functions, the municipality is not required to measure that leasehold asset for a period of three years from the effective date of the transfer of functions or the effective date of the Standard, whichever is later. The transitional provision expires on 30 June 2012.

Due to the impact of Directive 4 being adopted and the core criteria of all assets being exempt for measurement, for and including the next three financial years impairment and depreciation assessment will not be considered.

1.24 Transitional Provisions

Amajuba District Municipality has taken advantage of the transitional provisions permitted by the Accounting Standards Board, as set out in Directive 4 issued in March 2009 as follows:

GRAP1 Presentation of Financial Statements-paragraphs 7-8A
GRAP9 Revenue from Exchange Transactions-paragraph 37-38
GRAP12 Inventories - paragraph 45-52
GRAP13 Leases-paragraphs 55-60
GRAP16 Investment property - paragraph 63-70
GRAP17 Property, Plant and Equipment- paragraph 73-83
GRAP19 Provisions, Contingent Liabilities and Contingent Assets-paragraph 93-94E
GRAP102 Intangible Assets-paragraph110-118

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
1 LONG-TERM LIABILITIES		
Capitalised Lease Liability	17 161	113 305
Sub-Total	17 161	113 305
Less: Current Portion Transferred to Current Liabilities	(17 161)	(96 144)
Annuity Loans	-	-
Capitalised Lease Liability	17 161	(96 144)
Total External Loans	-	17 161

Refer Appendix A for more detail on long-term liabilities.

2 FINANCIAL LEASE EXPENDITURE

2010/2011	VEHICLES	VEHICLES (CURRENT PAYMENTS)
Not later than one year	17 161	113 305
Later than 1 year and not later than 5 years		
Later than five years		
Total lease commitments	17 161	113 305
LESS: finance costs	17 161	96 144
Total present value of lease liabilities	-	17 161

2009/2011	VEHICLES	VEHICLES (CURRENT PAYMENTS)
Not later than one year	-	113 305
Later than 1 year and not later than 5 years	17 161	
Later than five years		
Total lease commitments	17 161	113 305
LESS: finance costs	17 161	96 144
Total present value of lease liabilities	-	17 161

3 CURRENT PROVISIONS

Leave pay provision is calculated on all outstanding leave balances as at 30 June 2011. This is the amount that the employees would be entitled to receive should the employees resign or cease employment with the municipality on 30 June 2011

Staff Leave	569 538	832 186
Total Current Provisions	569 538	832 186

3.1 LEGAL PROCEEDINGS PROVISION

No disputes was reported at June 30, 2011 but it is probable that

there can be an outflow of economic benefit as a result of disputes against unpaid creditors, no value could be established at year-end and therefore no provision has been raised in accordance with the GRAP standard on provisions and contingent liabilities.

4 CREDITORS

Trade Creditors	20 111 122	26 936 788
Other Creditors	1 687 843	220 409
Retentions	8 675 950	7 817 113
Performance Bonuses	642 157	605 350
Total Creditors	31 117 071	35 579 661

5 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Conditional Grants from Government	27 912 030	25 192 652
National Grants	15 057 843	8 343 833
Provincial Grants and Subsidies	12 854 187	16 848 818
Other Conditional Receipts	3 116 000	-
Total Conditional Grants and Subsidies	31 028 030	25 192 652

Amount received and invested until utilised .	31 028 030	25 192 652
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Refer to Appendix G and Appendix H for a reconciliation of Conditional Grants and Receipts from National and Provincial Government and Other Donations and Public Contributions.

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
6 VAT		
Vat Receivable	<u>2 741 736</u>	<u>7 842 808</u>
VAT is payable on the receipt basis. Only once payment is received from debtors is VAT paid over to SARS.	-	
7 INVESTMENTS		
<u>Listed</u>		
ADM had no listed investments at the reporting date.		
<u>Unlisted</u>		
Shares in Uthukela Water(PTY) LTD	-	-
<u>Financial Instruments</u>		
Fixed Deposits - Long-Term	-	10 731 347
Total Financial Instruments	<u>-</u>	<u>10 731 347</u>
<u>Call Investment Deposits</u>		
Other Deposits - Short-Term	1 284 101	53 206 880
Call Account Deposits	-	-
Total Call Investment Deposits	<u>1 284 101</u>	<u>53 206 880</u>
Total Investments	<u>1 284 101</u>	<u>63 938 227</u>
Average rate of return on investments	6%	7%
Allocation of External Investments		
Surplus cash is invested until used for specific purposes. Investments are allocated on the following basis:-		
Surplus Cash	<u>1 287 107</u>	<u>54 289 625</u>
Total	<u>1 287 107</u>	<u>54 289 625</u>
8 OTHER DEBTORS		
Staff Debtors	880 339	850 252
Uthukela Water Debtor	301 730	
Tender Deposit Refundable	800	-
Total Other Debtors	<u>1 182 869</u>	<u>850 252</u>
9 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consist of:		
Cash on Hand	3 006	3006
Bank/Cashbook Balances	-	1 082 716
Bank Overdraft	(14 045 183)	
Call Deposit	1 284 101	53 206 880
	<u>(12 758 077)</u>	<u>54 292 602</u>
Current Assets		54 292 602
Current Liabilities	<u>(12 758 077)</u>	<u>54 292 602</u>
The Municipality has the following bank accounts:		
<u>Current Account (Primary Bank Account)</u>		
Account Number: 40-5347-2593		
ABSA Bank		
Scott Street		
Newcastle		
Cashbook balance at the beginning of the year	1 082 716	13 499 644
Cashbook balance at the end of the year	<u>(14 045 183)</u>	<u>1 082 716</u>
Bank statement balance at the beginning of the year	2 152 704	15 747 452
Bank statement balance at the end of the year	<u>(12 369 217)</u>	<u>2 152 704</u>

AMAJUBA DISTRICT MUNICIPALITY

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
10 GOVERNMENT GRANTS AND SUBSIDIES		
<u>Government Grants</u>		
Equitable Share	38 243 000	29 712 000
Equitable Share Levy Replacement Grant	40 087 974	33 898 823
DWAF	9 734 700	3 128 300
MIG	31 382 000	29 001 900
MSIG	750 000	735 000
FMG Grant	1 000 000	750 000
Pulic Works Grant	411 000	
Total Government Grants	121 608 674	97 226 023
<u>Provincial Subsidies</u>		
Subsidy	3 976 397	1 022 694
Provincial Grant (Cogta)	3 540 000	2 654 000
Total Provincial Subsidies	7 516 397	3 676 694
and Allocated as Income	129 125 071	100 902 717
Transferred from Conditional Grant	(98 097 041)	(75 710 065)
	(98 097 041)	(75 710 065)
reflected on the Statement of Financial	31 028 030	25 192 652

Equitable Share

In terms of the Constitution, this grant is used to subsidise the provision of basic and administrative services to indigent community members and to subsidise income.

Other Grants and Subsidies

All other funds received in the income account were reimbursements for expenditure incurred and no balances were carried forward. All conditions were met and no funds were withheld.

National/Provincial Government Grant & Other Funding (Expenditure Reimbursement)

Conditional Grants and subsidies are receipted to the Conditional Grant Creditor accounts and all non-capital expenditure is expensed through the income and expenditure account. Once all conditions are met operating and capital expenditure financed from Conditional Grants and Subsidies is re-imbursed by a transfer from the Conditional Grant Creditor account to the operating account as revenue.

Refer Note 5, Appendix G and Appendix H for more detail on the Conditional Grant and Subsidy balances and transaction movements for 2010/11.

Conditions on the funding were complied with and no funds were withheld.

11 OTHER INCOME

Hall Deposits	127 120	59 059
Insurance Recoveries	-	-
Telephone Refunds	157 909	189 811
Tender Deposits	30 878	36 528
Skills Development Refund	8 847	145 549
Transfer from Accumulated Surplus	-	-
Other Income	56 786	-
Total Other Income	381 540	430 947

11.1 Transfer from Accumulated Surplus	56 494 934	40 537 093
	56 494 934	40 537 093

12 GENERAL EXPENSES - OTHER

WSP Contribution -Uthukela W	25 512 693	26 215 996
Promotions;	783 737	1 468 709
Mayors Discretionary Fund;	278 641	2 114 822
Mayors Projects;	-	13 937 237
Arts & Culture;	2 357 664	1 858 501
Marketing & Corporate Image;	1 155 467	1 112 605
Professional & Legal Costs;	2 754 288	1 173 050
Sports & Recreation;	3 485 521	7 840 168
HIV/AIDS Plan Implementation	1 510 943	1 146 190
Youth;	758 936	1 155 524
2010 FIFA WORLD CUP;	641 679	3 226 235
Audit Fees-External;	1 402 565	1 054 670
Budget & IDP Roadshows;	6 902 825	1 535 341
Emergency Water Supplies;	3 449	1 509 223
LED Manufacturing Strategic	2 003 489	2 081 805
LED Agricultural Strategic S	1 385 745	1 617 892

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
PROJECT INITIATION FUND;	1 569 138	1 759 155
Disaster Relief Intervention	1 113 810	2 886 439
Pauper Burials;	1 692 374	-
Community Project-Education;	7 786 490	-
Community Project-Health;	1 840 169	-
Community Project-Functions;	8 505 396	-
Community Project-Sporting Activities	3 610 332	-
Community Project-Farming Activities	13 541 600	-
Kwanaloga Games;	6 449 247	-
ADM Tourism Signage Developm	1 191 340	-
Led-Infrastructure;	1 130 854	-
LED Project Support;	1 008 017	-
Water Projects -Technical;	10 879 534	-
MIG/DWAF Operating Projects	25 373 888	-
Other	23 260 412	19 100 313
Total General Expenses - Other	159 890 242	89 907 435

All categories exceeding R1 000 000 are stated separately.

1

13 EMPLOYEE RELATED COSTS

Salaries and Wages	27 280 817	24 725 357
Social Contributions	7 359 557	5 488 522
Total Employee related costs	34 640 373	30 213 879

Remuneration of the Municipal Manager

Basic Salary & Other	-	297 978
Performance Bonus	-	133 675
Total	-	431 653

(Note: The above amounts are for the period 01 July 2010 to 30 June 2010. No bonus was paid and no provision has been made for bonus payable.)

Remuneration of the Chief Financial Officer

Annual Remuneration	-	573 706
Performance Bonus	-	102 732
Total	-	676 438

(Note: The above amounts are for the period 01 July 2010 to 30 June 2011. No bonus was paid and no provision has been made for bonus payable.)

Remuneration of the Director of Acting Chief Financial Officer

Annual Remuneration	-	-
Performance Bonus	-	-
Acting Allowance	60 000	-
Total	60 000	-

Remuneration of the Director of Corporate Services

Annual Remuneration	658 827	600 908
Performance Bonus	97 844	92 236
Acting Allowance(1 June 2010 to September 2010)	92 881	-
Total	849 551	693 144

(Note: No bonus was paid but a provision of R 97,844 was made for the 2010/11 financial year.)

Remuneration of the Director of Engineering Services

Annual Remuneration	658 827	557 940
Performance Bonus	97 844	92 236
Total	756 670	650 175

(Note: No bonus was paid but a provision of R 97,844 was made for the 2010/11 financial year.)

Remuneration of the Director of Development Planning

Annual Remuneration	658 827	515 089
Performance Bonus	97 844	92 236
Total	756 670	607 325

(Note: No bonus was paid but a provision of R 97,844 was made for the 2010/11 financial year.)

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
Remuneration of the Director of Community Services		
Annual Remuneration	658 827	509 267
Performance Bonus	97 844	92 236
Acting Allowance(01 October 2010 - May 2011)	178 538	
Total	935 208	601 502

(Note: No bonus was paid but a provision of R 97,844 was made for the 2010/11 financial year.)

14 REMUNERATION OF COUNCILLORS AND BOARD MEMBERS

Mayor's Allowance	434 417	388 559
Deputy Mayor's Allowance	64 745	-
Speaker's Allowances	280 892	367 031
Executive Committee Allowances	1 000 037	794 017
Councillors' Allowances	2 105 726	1 365 278
Sitting Allowances	-	92 771
Total Councillors' and Board Members Remuneration	3 885 817	3 007 657

15 EMPLOYEE RELATED COSTS

Salaries & Allowances	27 280 817	24 725 357
Overtime	1 449 237	901 760
Medical Aid Contributions	1 068 720	877 851
Pension Fund Contributions	2 242 042	1 733 833
Bonuses	2 188 969	1 558 821
Travel Allowance	1 248	-
Housing Allowance	128 045	131 230
Group Life Contributions	143 545	171 144
UIF Contributions	127 756	109 446
Bargaining Council	4 293	3 465
Telephone Allowance	5 702	972
Total Employee Related Costs	34 640 373	30 213 879

16 ADDITIONAL DISCLOSURES IN TERMS OF THE MUNICIPAL FINANCE MANAGEMENT ACT

These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.

Contributions to SALGA

Opening Balance	-	-
Council Subscriptions	183 468	183 731
Amount Paid - Current Year	(183 468)	(183 731)
Amount Paid - Previous Years	-	-
Balance Unpaid	-	-

Audit Fees

Opening Balance	-	-
Over Provision Written Back	-	-
Current Year Audit Fee	1 402 565	1 377 102
Amount Paid - Current Year	(1 402 565)	(1 377 102)
Amount Paid - Previous Years	-	-
Balance Unpaid	-	-

Pension and Medical Aid Deductions

Opening Balance	-	-
Current Year Payroll Deductions and Council Contributions	3 310 762	2 611 684
Amount Paid - Current Year	(3 310 762)	(2 611 684)
Amount Paid - Previous Years	-	-
Balance Unpaid	0	-

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	R	R
17 CAPITAL COMMITMENTS		
These amounts are not recognised in the Annual Financial Statements and are disclosed to enhance the usefulness of the Annual Financial Statements.		
Commitments in respect of capital expenditure:		
Approved and Contracted for		
- Approved and contracted -Bulk Water(DWAF)	-	-
- Approved and contracted for-Sportsfield Infrastructure	5 226 000	4 680 000
- Approved and contracted for-Additional Office Space	-	7 000 000
- Approved but not yet contracted -Tousong Service centre	-	-
- Approved and contracted for	64 082 000	28 569 095
- Approved but not yet contracted for	14 017 894	18 995 905
Total Commitments	83 325 894	59 245 000
This expenditure will be financed from:		
- Own Funding -Operating income	7 232 894	23 300 000
- Government Grants	72 967 000	35 945 000
- Other	3 126 000	-
	83 325 894	59 245 000

All commitments are in respect of Property, Plant and Equipment.

18 RETIREMENT BENEFIT INFORMATION

All municipal councillors and employees belong to The Natal Joint Municipal Pension Fund (Superannuation) and The Natal Joint Pension Fund (Retirement) or provident fund which are administered by the board of trustees.

These schemes cannot be broken down per municipality, as they are considered to be multi-employer schemes and hence are treated as defined contribution schemes by the municipality.

Municipal employees are also members of the Government Employee Municipal Provident Fund or Pension Fund. All contributions have been included in the employee related cost note. Government Employees pension fund and Certain councillors have opted to join the Municipal Councillor's Pension Fund.

19 INVESTMENT IN ASSOCIATE

The municipality has a 33% shareholding in uThukela Water Pty Ltd Joint Venture which was established in 2004. The Municipality never disclosed investment amount because there were no up to date annual financial for Uthukela Water Pty Ltd at the previous reporting date. Uthukela Water Pty Ltd has now prepared up to date annual financial statements which has made it possible to disclose the restated investment amount using equity method prescribed in GRAP 8 shown below.

Amajuba District Municipality holds 33% of the issued share capital in		
Opening balance of carrying value	795 644 376	808 331 460
Share of retained profit on the equity method for the period	-20 526 959	-12 687 084
Closing balance of carrying value	775 117 417	795 644 376
Investment carrying value is made up as follows:		
33% of issued shares (33 000 shares at R0,01 each)	330	330
33% of retained portion of uThukela Water profit	775 117 087	795 644 046
	775 117 417	795 644 376
Market value and Council's valuation of this investment	775 117 417	795 644 376
Market value and Council's valuation of this investment		
Summary of uThukela Water (Pty)Ltd Financial Information:	30/06/2011	30/06/2010
Equity	(2 348 839 659)	(2 411 042 564)
Liabilities	(242 236 437)	(224 752 164)
Total Equity and Liabilities	(2 591 076 096)	(2 635 794 728)
Total Assets	2 591 076 096	2 635 794 827

The Financial Statements of Uthukela Water (Pty)Ltd are prepared for the accounting period 01 July 2010 to 30 June 2011

No loans were made to or received from the associate.

No shares were sold during the period.

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

		2011 R	2010 R
20 RELATED PARTY TRANSACTIONS			
	Relationship	Amount	
	Name of party		
	Uthukela Water	25 512 693	26 215 996

21 SUPPLY CHAIN MANAGEMENT DEVIATIONS

In terms of the supply management policy acquisitions for R30 000 and above should be advertised on the Municipalities Website and notice board for seven days

Because of the urgency of the listed transactions the request for bids was not advertised but three quotations was sought from the list of accredited service provider.

Refer to Annexure H on Detailed Deviations on Supply Chain Management Policies

21.1 IRREGULAR,FRUITLESS AND WASTEFUL EXPENDITURE

Reconciliation of irregular expenditure

Opening balance	20 946 188	16 145 472
Add:Irregular Expenditure-Current Year	41 898 218	4 800 716
Less:Amounts condoned		-
Current Expenditure	62 844 405.89	20 946 188
Irregular expenditure awaiting condonement		20 946 188
Analysis		
Current	41 898 218	4 800 716
Prior years	20 946 188	16 145 472
	62 844 406	20 946 188

21.2 UNAUTHORISED EXPENDITURE

At the time of completion the annual financial statements, there appears to be unauthorised expenditure

Description (Budget vs Actual)

	BUDGET	ACTUAL	VARIANCE
Marketing & Corporate Image;	1 000 000	1 155 467	(155 467.00)
Community Project-Education;	3 000 000	7 786 490	(4 786 490.00)
Community Project-Health;	1 000 000	1 840 169	(840 169.00)
Community Project-Functions;	5 000 000	8 505 396	(3 505 396.00)
Community Project-Sporting A	3 000 000	3 610 332	(610 332.00)
Community Project-Farming Ac	4 000 000	13 541 600	(9 541 600.00)
Professional & Legal Costs;	650 000	1 511 952	(861 952.00)
Security;	1 050 000	1 199 268	(149 268.00)
Sports & Recreation;	3 000 000	3 485 521	(485 521.00)
Gender & Children;	1 500 000	2 112 352	(612 352.00)
Arts & Culture;	800 000	2 357 664	(1 557 664.00)
Kwanaloga Games;	3 000 000	6 449 247	(3 449 247.00)
LED Manufacturing Strategic	1 500 000	2 003 489	(503 489.00)
Budget & IDP Roadshows;	500 000	3 325 624	(2 825 624.00)
Water Tanker Services	4 000 000	7 258 676	(3 258 676.00)
			(33 143 247.00)

21.3 FRUITLESS AND WASTEFUL EXPENDITURE

At the time of completion the annual financial statements, there appears to be Fruitless and Wasteful expenditure

21.4 Opening balance

Fruitless and wasteful expenditure current year	-	0
Condoned or written off by Council	0	
Transfer to receivables for recovery - not condoned	-	
Irregular expenditure awaiting condonement	62 844 406	20 946 188
	62 844 406	20 946 188

22 EVENTS AFTER THE REPORTING DATE

At the time of preparing and submitting the Annual Financial Statements there were no subsequent events to disclose.

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 R	2010 R
23 CONTINGENT LIABILITY		
Litigations can arise against the municipality relating to a dispute with a suppliers. The municipality's lawyers and management are negotiating with the suppliers and some of the matters have been resolved. At year-end no rand value for litigations could be established		
Claims for Damages		
There were no claims for damages identified at year end.	-	-

Incident	Disciplinary steps/criminal proceedings
Payroll Fraud was detected during September 2010 .Disciplinary process against the Payroll Officer Mrs LS Dube was instituted but was still in the process of been finalized at year-end.	

24 GOING CONCERN

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

25 OPERATING/FINANCIAL LEASES

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

No later than 1 year		
Later than 1 year and no later than 5 years		
Later than 5 years	-	-

26 CASH GENERATED BY OPERATIONS

Net Surplus for the year	-	(0)
Adjustment for:		
Equity accounted share of associate's loss		-
Correction of Depreciation over charged last year		-
Writing of Consumer Deposit		(13 839)
Cllr Backpay Debtor		6 676
Revaluation of Zero Rate Assets		2 228 264
Interest Paid	(5 578)	(13 782)
Vat Debtor Raised		10 678 377
Investment Income	3 583 460	7 484 307
Contributions from Reserves - Current	(10 793 935)	(23 632 076)
Operating Surplus Before Working Capital Changes:	(7 216 053)	(3 262 073)
Increase/(Decrease) in Other Debtors	332 617	(5 436 745)
Increase in Taxation		-
Increase in Unspent Conditional Grants & Receipts	5 424 379	(21 583 518)
Increase/(Decrease) in Creditors	(3 721 352)	6 780 603
Increase/(Decrease) in VAT	(5 101 072)	(7 428 296)
Working Capital Changes	(3 065 427)	(27 667 956)
Cash Generated from Operations	(10 281 480)	(30 930 029)

27 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following statement of amounts indicating financial position:

Bank balances and cash	(14 045 183)	1 082 716
Petty Cash	2 806	2 806
Cashiers Deposit	200	200
Call investment deposits	1 284 101	53 206 880
Total Cash and Cash Equivalents	(12 758 077)	54 292 602

AMAJUBA DISTRICT MUNICIPALITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

28 INVESTMENTS	ACCOUNT NUMBER	2011 R	2010 R
ABSA - 32 Days Notice	90-7431-6117	1 284 101	1 238 946
Absa	91-1663-8293		411 397
Absa	20-6784-2386		24 309 635
Standard	068448309-001		7 615 943
Standard	068448309-002		109 317
Nedbank	03/7165008195/000001-17		
Nedbank	03/7165008195/000001		19 521 643
First National Bank	74231918051	-	-
		1 284 101	53 206 880

28.1 INVESTMENTS(INTEREST)	ACCOUNT NUMBER		
ABSA - 32 Days Notice	90-7431-6117	45 455	
Absa	91-1663-8293	16 140	
Absa	20-6784-2386	410 221	
Standard	068448309-001	327 254	
Standard	068448309-002	3 153	
Nedbank	03/7165008195/000001-17	-	
Nedbank	03/7165008195/000001	421 864	
First National Bank	74231918051	-	
ABSA Bank Account	40053472593	550 586	
Investec	TR22903	1 735 893	
Absa -20-7142-4108	20-7142-4108	8 015	
Other		64 879	
		3 583 460	

29 PROPERTY, PLANT & EQUIPMENT

OWNED ASSETS:

Reconciliation of Carrying Value 30 June 2011	Land and Buildings	Infrastructure	Community	Other Assets	Intangible Assets	Total
	R	R	R	R		R
Carrying values at beginning of the year	-	0	2 237 892	51 718 236	318 222	54 274 350
Cost	-	0	2 279 222	60 881 700	1 154 889	64 315 811
Accumulated depreciation	-	0	(41 330)	(9 163 464)	(836 667)	(10 041 461)
Accumulated depreciation on asset fair valued						
Acquisitions	-	0	2 034 199	13 617 596	0	15 651 795
Assets fair valued		0			0	0
Capital under construction	-	0			0	0
Depreciation		0	(76 108)	(4 418 554)	(105 978)	(4 600 640)
Accumulated depreciation on asset fully depreciated		0				0
Carrying value of disposals	-	-	-	(200 075)		(200 075)
Cost	-	0		(380 051)		(380 051)
Accumulated depreciation	-	0		179 976		179 976
Carrying value at end of the year	0	0	4 195 983	60 717 203	212 244	65 125 430
Cost	0	0	4 313 421	74 119 245	1 154 889	79 587 555
Accumulated depreciation	-	-	-117 438	-13 402 042	-942 645	-14 462 125

Reconciliation of Carrying Value 30 June 2010	Land and Buildings	Infrastructure	Community	Other Assets	Intangible Assets	Total
	R	R	R	R		R
Carrying values at beginning of the year		0	385 438	35 097 285		35 958 070
Cost	0	0	413 010	40 692 161	984 457	42 089 628
Accumulated depreciation	-	0	(27 572)	(5 594 876)	(509 110)	(6 131 558)
Acquisitions	0	-	1 866 212	20 189 539	170 432	22 226 183
Capital under construction						0
Depreciation		0	(13 758)	(3 568 588)	(327 557)	(3 909 903)
Carrying value of disposals	-	-	-	-		-
Cost			0	0		0
Accumulated depreciation			0	0		0
Carrying value at end of the year	-	-	2 237 892	51 718 236	318 222	54 274 350
Cost	-	-	2 279 222	60 881 700	1 154 889	64 315 811
Accumulated depreciation – cost	-	0	(41 330)	(9 163 464)	(836 667)	(10 041 461)
FINANCE LEASE ASSETS:				2011		2010
29.1 Reconciliation of Carrying Value						
Carrying values at beginning of the year				0		0
Cost				0		0
Accumulated depreciation				0		0
Depreciation				0		0
Carrying value at end of the year				-		-
Cost				-		-
Accumulated depreciation				0		0
The above office equipment is pledged as security for deemed finance leases.						
Total property, plant and equipment				65 125 430		54 274 350

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX A
SCHEDULE OF EXTERNAL LOANS AT 30 JUNE 2011**

EXTERNAL LOANS						
Issued	Loan No.	Redeemable	Balance at 30/06/2010 R	Received during R	Redeemed / R	Balance at 30/06/2010 R
<u>Financial Leases :</u>						
2010 @ 10.0%	71836458	30/06/2011	113 305	-	-	113 305
		Jul-10	113 305		7 748	105 556
		Aug-10	105 556		7 800	97 756
		Sep-10	97 756		7 852	89 904
		Oct-10	89 904		7 883	82 022
		Nov-10	82 022		7 935	74 087
		Dec-10	74 087		7 971	66 115
		Jan-11	66 115		8 024	58 091
		Feb-11	58 091		8 078	50 014
		Mar-11	50 014		8 132	41 882
		Apr-11	41 882		8 186	33 696
		May-11	33 696		8 240	25 456
		Jun-11	25 456		8 295	17 161
Total Financial Leases			113 305	-	96 144	17 161
Total External Loans			113 305	-	96 144	17 161

AMAJUBA DISTRICT MUNICIPALITY

APPENDIX B (i)

ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2011

	Cost					Accumulated Depreciation				Carrying value
	Opening Balance	Additions / Write-Ons	Work in progress - Assets not completed	Disposals / Write-Offs	Closing Balance	Opening Balance	Additions / Write-Ons	Disposals / Write-Offs	Closing Balance	
Computer Software	1 154 888				1 154 888	836 667	105 978		942 645	212 243
Total Intangible Assets	1 154 888	-	-	-	1 154 888	836 667	105 978	-	942 645	212 243
AGRICULTURAL ASSETS										
Soy Bean Farms										
Total Agricultural Assets	0	0	0	0	0	0	0	0	-	0
TOTAL	64 315 809	15 651 795	-380 051	-	79 587 553	10 041 457	4 600 640	-179 976	14 462 121	65 125 432

AMAJUBA DISTRICT MUNICIPALITY

APPENDIX C

SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AT 30 JUNE 2011

Fixed Assets	Historical Cost				Accumulated Depreciation				
Description	Opening Balance	Additions / Write-Ons	Disposals / Write-Offs	Closing Balance	Opening Balance	Additions / Write-Ons	Disposals / Write-Offs	Closing Balance	Carrying value
Executive and Council	735 182	22 870		758 052	328 138	104 444		432 582	325 470
Municipal Manager	828 797	6 020 911		6 849 708	379 058	129 781		508 839	6 340 869
Corporate Services	16 151 260	555 709		16 706 969	2 619 937	638 104		3 258 041	13 448 928
Community Services	37 408 885	3 902 520	-248 105	41 063 300	2 861 776	2 108 511	-79 848	4 890 439	36 172 861
Financial Services	2 401 651	363 082		2 764 733	1 367 658	302 219		1 669 877	1 094 856
Engineering Services	4 225 742	4 441 644	-131 946	8 535 440	1 414 881	873 213	-100 128	2 187 966	6 347 474
Planning & Development Services	2 439 931	184 048		2 623 979	1 040 295	411 919		1 452 214	1 171 765
Disaster Management / Tousong	124 361	161 010		285 371	29 714	32 450		62 164	223 207
Revaluation of Assets	-			-				-	-
TOTALS	64 315 809	15 651 794	-380 051	79 587 552	10 041 457	4 600 641	-179 976	14 462 122	65 125 430

AMAJUBA DISTRICT MUNICIPALITY
APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE

2010 Actual Income R	2010 Actual Expenditure R	2010 Surplus/ (Deficit) R		2011 Actual Income R	2011 Actual Expenditure R	2011 Surplus/ (Deficit) R
76 786 128	29 976 855	46 809 273	Executive Mayor & Council	94 020 047	30 184 226	63 835 821
-	24 717 501	(24 717 501)	Municipal Manager	-	44 143 789	(44 143 789)
335 360	9 289 164	(8 953 804)	Corporate Services	455 486	12 417 372	(11 961 886)
687 753	20 368 212	(19 680 458)	Social Services -Community Services	127 120	27 721 710	(27 594 590)
44 572 444	9 500 987	35 071 456	Financial Services	57 739 379	13 446 405	44 292 974
53 240 624	60 320 917	(7 080 292)	Technical Services	38 522 182	46 232 462	(7 710 281)
-	1 081 512	(1 081 512)	Social Services -Community Halls	-	914 921	(914 921)
1 742 664	17 086 846	(15 344 182)	Planning and Economic . Dev	3 765 508	24 538 573	(20 773 065)
1 003 822	6 026 801	(5 022 980)	Social Services -Health & Disaster	-	5 491 721	(5 491 721)
-	-	-	Uthukela Water Pty Ltd	-	-	-
178 368 794	178 368 794	(0)	Sub-Total	194 629 722	205 091 179	(10 461 457)
178 368 794	178 368 794	(0)	TOTAL	194 629 722	205 091 179	(10 461 457)
-	-	-	Share of loss of associate accounted for under the equity method	-	-	(20 526 959)
178 368 794	178 368 794	(0)	TOTAL	194 629 722	205 091 179	(30 988 416)

AMAJUBA DISTRICT MUNICIPALITY
APPENDIX E
ANNUAL VERSUS BUDGET (REVENUE AND EXPENDITURE)

	Actual 2011	Budget 2011	Variance	Variance	Explanation of Significant Variances greater than 10% versus Budget
	R	R	R	%	
Service Charges	10 988 260	8 704 725	(2 283 535)	(26)	
Other Income	381 540	38 826 362	38 444 822	99	
Government Grants- Equitable Share	38 243 000	38 243 000	-	0	
Government Grants- Equitable Share -Levy					
Replacement Grant	40 088 000	40 088 000	-	0	
Operating Government Grants & Subsidies	41 469 918	22 303 420	(19 166 497)	(86)	
Donations & Public Contribution- PPE	-	-	-	0	
Government Grants- PPE	3 380 610	-	(3 380 610)	0	
Interest Earned - External Investments	3 583 460	3 000 000	(583 460)	(19)	
Transfers from Accumulated Surplus	56 494 934		(56 494 934)	0	
Total Revenue	194 629 722	151 165 507	(43 464 215)	(29)	
EXPENDITURE					
Executive Mayor	30 184 226	35 215 478	5 031 252	14	
Municipal Manager	44 143 789	26 455 784	(17 688 005)	(67)	
Corporate Services	12 417 372	12 998 474	581 102	4	
Social Services -Community Services	27 721 710	21 640 011	(6 081 699)	(28)	
Financial Services	13 446 405	10 089 711	(3 356 694)	(33)	
Technical Services	46 232 462	8 974 726	(37 257 736)	(415)	
Social Services -Community Halls	914 921	1 201 193	286 272	24	
Planning and Economic . Dev	24 538 573	21 719 924	(2 818 649)	(13)	
Social Services -Health & Disaster	5 491 721	12 870 206	7 378 485	57	
Total Expenditure	205 091 179	151 165 507	(53 745 695)	(36)	
	(10 461 456)	0	(10 461 457)	0	
Share of loss of associate accounted for under the equity method	(20 526 959)		(20 526 959)		
NET SURPLUS/(DEFICIT) FOR THE YEAR	(30 988 415)	0	(30 988 415)	0	

AMAJUBA DISTRICT MUNICIPALITY
APPENDIX F
CONDITIONAL GRANTS AND RECEIPTS AT 30 JUNE 2011

	UNSPENT BALANCE 01/07/2010	CURRENT YEARS RECEIPTS	TRANSFER TO REVENUE OPERATING EXPENDITURE	TRANSFER TO REVENUE CAPITAL EXPENDITURE	TRANSFERS	UNSPENT BALANCE 30/06/2011
NATIONAL GOVERNMENT						
1. Municipal Infrastructure Grant	7 279 312	31 382 000	25 982 598	-	-	12 678 713
2. Municipal Systems Improvement Grant	(0)	750 000	750 000			-0
3. Financial Management Grant	-	1 000 000	1 000 000			-
4. Equitable Share	-	38 243 000	38 243 000			-
5. RSC Levies Replacement	-	40 087 974	40 087 974			-
6.DWAF Water Operating Subsidy	(0)					-0
7.Backlogs in Clinics & School	-					-
8.Disaster Relief Grant/Drought Relief Grant	1 064 522		-	1 064 521		1
9.Emandlangeni Bulk Water Supply	-	9 734 700		7 355 571	-	2 379 129
10.Department of Public Works Grant		411 000				411 000
	8 343 833	121 608 674	106 063 572	8 420 092	-	15 468 843
PROVINCIAL GOVERNMENT						
	-					-
1.2010 Base Camp and Academy(Monte Vista)	8 299 923		-	-		8 299 923
2.2010 Base Camp & Sports Academy-Purchase	3 892 635		3 380 610	-		512 025
3.Spatial Development	500 000		500 000			-
4.Development Administration	500 000		500 000			-
5.Shared Services -GIS	750 000		750 000			-
6.District Informations System -MIG Intergration	568 398		568 398			0
7.Water Conservation/Water Demand	37 148		37 148			-
8.Public Transport Grant	177 800		177 800			-
9.Inkululeko Yompakathi Trust	1 124		1 124			-
10.Amathungwa Trust Fund	32 873		32 873			-
11.MAP	97 607		97 607			-
12.TOURISM SIGNAGE	1 991 309		1 191 340			799 968
13.Massification Programme		1 978 000	-			1 978 000
14.Government Expert Grant		725 000	288 729			436 271
15.Inter-governmental Relations Grant		417 000				417 000
16.Department of Sports and Recreation Grant		420 000	420 000			-
						-
	16 848 817	3 540 000	7 945 629	-	-	12 443 188
DONATIONS AND PUBLIC CONTRIBUTIONS						
1. National Lottery Grant	-	3 116 000	-	-		3 116 000
2. Newcastle Airshow Refund	(0)	126 500	126 500			-0

AMAJUBA DISTRICT MUNICIPALITY
APPENDIX F
CONDITIONAL GRANTS AND RECEIPTS AT 30 JUNE 2011

	UNSPENT BALANCE 01/07/2010	CURRENT YEARS RECEIPTS	TRANSFER TO REVENUE OPERATING EXPENDITURE	TRANSFER TO REVENUE CAPITAL EXPENDITURE	TRANSFERS	UNSPENT BALANCE 30/06/2011
3.KZN Tourism	0	128 250	128 250			0
5.Gambling Board Subsidy	-	426 502	426 502			-
6.DBSA Feasibility Study Grant	-	179 145	179 145			-0
Donations & Public Contributions	0	3 976 397	860 397	-	-	3 116 000

25 192 652	129 125 071	114 869 599	8 420 092	-	31 028 031
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AMAJUBA DISTRICT MUNICIPALITY

APPENDIX G

DISCLOSURE OF CONSOLIDATED CONDITIONAL GRANTS AND RECEIPTS AT 30 JUNE 2011

	EXECUTIVE MAYOR	CORPORATE SERVICES	COMMUNITY SERVICES	FINANCE	ENGINEERING SERVICES	PLANNING AND ECON. DEV	TOTAL
<u>TRANSFER TO REVENUE - OPERATING EXPENDITURE</u>							-
NATIONAL GOVERNMENT							-
1. Municipal Infrastructure Grant	-		-	-	31 382 000	-	31 382 000
2. Municipal Systems Improvement Grant	-			750 000			750 000
3. Financial Management Grant	-			1 000 000			1 000 000
4. Equitable Share	38 243 000						38 243 000
5. RSC Levies Replacement	-			40 087 974			40 087 974
6. Emandlangeni Bulk Water Supply					9 734 700		9 734 700
7. Dept of Public Works					411 000		411 000
	38 243 000		-	41 837 974	41 527 700	-	121 608 674
PROVINCIAL GOVERNMENT							
1. Dept of Sports and Recreation Grant			-		420 000		420 000
2. Massification Grant					1 978 000	-	1 978 000
3. Intergovernmental Relations Grant		725 000					725 000
4. Government Expert Grant		417 000					417 000
5. Tourism KZn Grant						128 250	128 250
	-	1 142 000	-	-	2 398 000	128 250	3 668 250
TOTAL NATIONAL/PROVINCIAL GOVERNMENT GRANT	38 243 000	1 142 000	-	41 837 974	43 925 700	128 250	125 276 924
DONATIONS AND PUBLIC CONTRIBUTIONS							-
1. Newcastle Airshow Refund	-		-	-	-	126 500	126 500
2. Tourism Grant	-		-	-	-	-	-
3. National Loteery Grant Refund					3 116 000	-	3 116 000
4. DBSA Feasibility Study					179 145		179 145
5. Gambling Board Subsidy	426 502						426 502
TOTAL DONATIONS AND PUBLIC CONTRIBUTIONS	426 502	-	-	-	3 295 145	126 500	3 848 147
TOTAL CONDITIONAL GRANTS & RECEIPTS	38 669 502	1 142 000	-	41 837 974	47 220 845	254 750	129 125 071

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX H
IRREGULAR EXPENDITURE LIST**

VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
11002140	2010/08/27	MOON AND EARTH TRADING	CATERING FOR SENIOR CITIZENS DAY EVENT	ACTING DIR COMMUNITY SERVICES	129 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002213	2010/09/08	THE CURVE BEHIND TRADING	PUBLIC CATERING FOR OPERATION SIYAYA	DIR CORPORATE SERVICES ACTING MM	132 090.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11002236	2010/09/08	MOON AND EARTH TRADING	PUBLIC CATERING FOR OPERATION SIYAYA	DIR CORPORATE SERVICES ACTING MM	111 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER AND MEMO
11002293	2010/10/15	KHETHAKAHLE TRADING AND	ID CAMPAIGN PHOTOGRAPHER SERVICES	DIR CORPORATE SERVICES ACTING MM	104 975.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11002332	2010/11/19	CMAS	SUPPLY AND DELIVERY OF BLOCK MAKING MACHINE	DIR COMMUNITY SERVICES ACTING MM	199 960.06	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002334	2010/11/19	CMAS	SUPPLY AND DELIVERY OF 630 X 50kg GROWER MASH: POULTRY PROJECT	DIR COMMUNITY SERVICES ACTING MM	195 350.40	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002338	2010/11/17	SIBAMBISWANO TRADING C	8 X GESTETNER PHOTOCOPIERS FOR MAYORAL PROJECT	DIR COMMUNITY SERVICES ACTING MM	121 600.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER
11002339	2010/11/17	INDHLOVU DEVELOPMENT C	PUBLIC CATERING 2500 PEOPLE	DIR COMMUNITY SERVICES	175 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002341	2010/11/23	SILVER SOLUTIONS 3146	SUPPLY AND DELIVERY OF BRUSH CUTTER B450 INDUSTRIAL PETROL	DIR COMMUNITY SERVICES ACTING MM	194 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002371	2010/12/01	SUPER SIZE INVESTMENTS	GENERAL CLEARING GARDEN SERVICES AT MONTE VISTA CASINO	DIR ENGINEERING SERVICES	130 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	MEMO WITH 3 FORMAL QUOTATION
11002381	2010/12/03	PALISADE CONCRETE PROD	FENCING	DIR ENGINEERING SERVICES	313 643.88	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11002437	2010/12/14	WAMAHLE TRADING CC	SUPPLY AND DELIVERY OF BRASS BAND EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	199 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11002453	2010/11/30	MENZI'S TECH CENTRE ST	T-SHIRTS,GOLF T-SHIRTS FOR DISABILITY SPORTS DAY	DIR COMMUNITY SERVICES	134 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002559	2010/12/08	NCEBAMAHLE TRADING	SUPPLY AND DELIVERY OF TEN CAMICORD, ONE DIGITAL CAMERA AND TWO DESKTOP COMPUTERS	DIR COMMUNITY SERVICES ACTING MM	198 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002561	2010/12/17	IDLA NATHI CONSTRUCTION	CONSTRUCTION OF 4 TWOROOM HOUSES	DIR COMMUNITY SERVICES	143 200.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER
11002562	2010/12/17	IDLA NATHI CONSTRUCTION	CATERING FOR KWANALOGA GAMES	DIR COMMUNITY SERVICES	196 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11002608	2010/12/22	WAMAHLE TRADING CC	SUPPLY AND DELIVERY OF SEWING MATERIAL AND TENT,CHAIRS, SQUARE TABLES ETC	DIR COMMUNITY SERVICES ACTING MM	189 000.00	Deviation from SCM Policy		
11002979	2011/01/27	BIRDLIFE NORTHERN NATA	AMAJUBA BIRDING ROUTE DEVELOPMENT	DIR PLANNING & DEVELOPMENT	100 000.00	Sole Provider	YES	YES
11002984	2011/01/06	INJIKIYETHUSI TRADING	FIELD PLOUGHING AND MAIZE SEEDS SUPPLY	DIR COMMUNITY SERVICES ACTING MM	200 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days		
11003156	2011/02/09	THE LEARNING TROVE CC	SUPPLY AND DELIVERY OF CALCULATORS	DIR COMMUNITY SERVICES ACTING MM	159 835.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER (WITH 3 FORMAL QUOTATION)
11003279	2011/04/01	LAKHIS CASH AND CARRY	SUPPLY AND DELIVERY OF FOOD PARCELS FOR MAYORAL PROJECT	DIR COMMUNITY SERVICES ACTING MM	100 242.91	Technical breach -Not Advertised on Website/Notice board for 7 days		
11003298	2011/04/04	YAMI YAKHO YETHU TRADING	SUPPLY AND DELIVERY OF BUILDING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	197 198.00	Technical breach -Not Advertised on Website/Notice board for 7 days		
11003301	2011/04/04	LEMPITSE TRADING ENTER	SUPPLY AND DELIVERY OF FOOD PARCELS	DIR COMMUNITY SERVICES	90 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11003302	2011/04/04	UMZINYATHI REGIONAL TA	TRANSPORT FOR SANITATION WEEK	DIR COMMUNITY SERVICES ACTING MM	179 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX H
IRREGULAR EXPENDITURE LIST**

VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
11003348	2011/04/05	TURN THE WORLD	SUPPLY AND DELIVERY OF 2500kg MAIZE SEEDS AND 2500kg MANURE	DIR COMMUNITY SERVICES ACTING MM	103 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
11003357	2011/04/07	KOPORASI TRADING T/A N	CONSTRUCTION OF ONE THREE ROOM HOUSE AND ONE TWO ROOM HOUSE	DIR COMMUNITY SERVICES ACTING MM	151 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	yes	ORDER WITH 3 FORMAL QUOTATION
11003368	2011/04/11	MTHABELA PK	DONATION TO NEWCASTLE-SICILIANS FC	DIR COMMUNITY SERVICES ACTING MM	100 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11003399	2011/04/15	UZWANO INVESTMENT 25CC	SOUND SYSTEM HIRE FOR TWO DAYS FOR BUDGET ROADSHOW	DIR COMMUNITY SERVICES ACTING MM	190 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
11003505	2011/05/05	AZAMANZIMASE INVESTMEN	SUPPLY AND DELIVERY OF ROUND TSHIRTS FOR IDP	DIR COMMUNITY SERVICES ACTING MM	199 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WTH 3 FORMAL QUOTATION
11003549	2011/05/16	CHAMP MARKETING & PROM	NEWCASTLE AIRSHOW	DIR COMMUNITY SERVICES ACTING MM	150 000.00	Conditional Grant-Approved by KZN Tourism	No HDI points	Payment approved by Department of Tourism
11003566	2011/05/05	JEKULLA JULY TRADING A	SUPPLY AND DELIVERY OF TSHIRTS FOR THE IDP ROADSHOW	DIR COMMUNITY SERVICES ACTING MM	198 875.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WTH 3 FORMAL QUOTATION
11003569	2011/05/17	UMZINYATHI REGIONAL TA	TRANSPORT HIRE FOR IDP	DIR COMMUNITY SERVICES ACTING MM	199 050.00	Technical breach -Not Advertised on Website/Notice board for 7 days, Formal quotations not received		
15010974	2010/07/02	BOGGA LEO TRDING	CATERING FOR 2500 PEOPLE AT MAJUBA FET	DIR COMMUNITY SERVICES	137 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WTH 3 FORMAL QUOTATION
15011052	2010/07/08	THEMRICH TRADING	REFRESHMENTS	DIR COMMUNITY SERVICES	207 360.00	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15011064	2010/07/08	UMZINYATHI REGIONAL TA	172 TAXIS FROM AROUND THE DISTRICT	DIR COMMUNITY SERVICES	168 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER
15011184	2010/07/27	ZENZE TRADING ENTERPRI	ADDITIONAL LCD SCREENS FOR WORLD CUP	ACTING DIR COMMUNITY SERVICES	500 000.00	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15011186	2010/07/27	SIKHULUMI TRADING ENTE	TRANSPORT DONATION TO DEPT OF EDUCATION	DIR COMMUNITY SERVICES	189 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15011198	2010/07/30	VALAMEHLO TRUCK HIRE	HIRE OF WATER TANKER	DIR ENGINEERING SERVICES	180 387.90	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15011217	2010/07/30	RAINBOW BIRDY TRADING	TENT, LCD SCREEN AND CHAIRS FOR PVA	DIR COMMUNITY SERVICES	205 200.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER
15011223	2010/07/30	QNN TRADING & PROJECTS	REHABILITATION OF BOREHOLES	DIR ENGINEERING SERVICES	120 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES WITH TWO INVITED CONTRACTORS
15011364	2010/08/25	VALAMEHLO TRUCK HIRE	HIRE OF WATER TANKER	DIR ENGINEERING SERVICES	185 874.15	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15011407	2010/08/31	BERLMONTE TRADING	SOUND SYSTEM	DIR CORPORATE SERVICES ACTING MM	199 500.00	Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011409	2010/08/31	ZULULAND WORKWEAR	BLANKETS	DIR CORPORATE SERVICES ACTING MM	182 400.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011519	2010/09/02	SOLLY M SPORTS	MAYORAL CUP SPORTS KIT MATERIAL	ACTING DIR COMMUNITY SERVICES	102 543.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011521	2010/09/02	BAGABISILE TRADING	CATERING FOR SENIOR CITIZENS DAY EVENT	DIR COMMUNITY SERVICES ACTING MM	222 000.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QUOTATION
15011525	2010/09/02	UMZINYATHI REGIONAL TA	TAXI TRANSPORT FOR SENIOR CITIZENS	DIR COMMUNITY SERVICES ACTING MM	119 100.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	TWO ORDERS WITH QUOTATION

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX H
IRREGULAR EXPENDITURE LIST**

VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15011531	2010/09/02	GOLDEE TRADING	FLEECE BLANKETS	DIR COMMUNITY SERVICES ACTING MM	182 400.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011588	2010/09/09	THUKUTHELA CONSTRUCTIO	TENTS&CHAIRS,TOILETS&TENTS	ACTING DIR COMMUNITY SERVICES	283 800.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QUOTATION
15011602	2010/09/14	EMP FIELD TOILETS	30 X 5000L STORAGE TANKS	DIR ENGINEERING SERVICES	99 240.42	Deviation from SCM Policy		
15011607	2010/09/14	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	198 382.80	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15011631	2010/09/16	MEGAPHASE TRADING 308	HIRING OF WATER TANKER	DIR ENGINEERING SERVICES	105 400.00	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15011643	2010/09/16	KOPORASI TRADING T/A N	T SHIRTS	ACTING DIR COMMUNITY SERVICES	147 600.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011668	2010/09/21	YANWABA GENERAL TRADIN	RENOVATION OF A BURNT HOUSE	DIR CORPORATE SERVICES ACTING MM	112 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011669	2010/09/21	EZIMFOFI TRADING ENTER	CONTRUCTION OF TWO ROOMS	DIR CORPORATE SERVICES ACTING MM	130 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011670	2010/09/21	INDHLOVU DEVELOPMENT C	CONSTRUCTION OF TWO HOUSES: KWAMHLONGO	DIR CORPORATE SERVICES ACTING MM	184 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011694	2010/09/28	UMZINYATHI REGIONAL TA	TRANSPORT FOR ELDERS	DIR COMMUNITY SERVICES	154 750.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15011793	2010/09/02	GUARANTEE TRUST ZULULAND	PREPARATION OF 2009/2010 FINANCIAL STATEMENTS	RESOLUTION: E63:14/07/2010	367 359.30	APPROVED BY EXCO	YES	YES
15011816	2010/10/01	UMZINYATHI REGIONAL TA	PUBLIC TRANSPORT FOR WOMEN'S DAY CELEBRATION	DIR COMMUNITY SERVICES	162 700.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15011857	2010/10/12	MOON AND EARTH TRADIN	ID CAMPAIGN: PHOTO'S AND TRANSPORT	DIR COMMUNITY SERVICES	100 325.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15011968	2010/10/21	KUYEZA KUNINGI TRADING	PUBLIC CATERING FOR AMAJUBA GAMES 2010	DIR COMMUNITY SERVICES	114 415.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15011974	2010/10/21	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	186 532.50	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012070	2010/11/02	EZIMFOFI TRADING ENTER	BUYING OF BALES FOR MAYORAL PROJECT	DIR COMMUNITY SERVICES ACTING MM	152 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012077	2010/11/02	AFRONIQUE MANAGEMENT &	REFRESHMENTS KWANALOGA GAMES	DIR COMMUNITY SERVICES ACTING MM	779 160.00	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15012080	2010/11/02	JEKULLA JULY TRADING A	AMAJUBA GAMES T-SHIRTS/G SHIRTS	DIR COMMUNITY SERVICES ACTING MM	184 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012191	2010/11/10	YANWABA GENERAL TRADIN	BUYING OF RICOH BASED A3 SYSTEM	DIR COMMUNITY SERVICES ACTING MM	135 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012193	2010/11/10	MOON AND EARTH TRADIN	BUYING OF 10X2 POLE TENTS AND THREE PHOTOCOPIERS	DIR COMMUNITY SERVICES ACTING MM	193 050.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012195	2010/11/10	QITHITHI TRADING ENTER	BUYING OF HORSE MATERIAL	ACTING DIR COMMUNITY SERVICES	149 032.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012222	2010/11/11	THE CURVE BEHIND TRADI	BUYING OF A COPIER	ACTING DIR COMMUNITY SERVICES	183 713.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012224	2010/11/11	KHETHAKAHLE TRAIING AND	PURCHASING OF 35 ROUND TABLES AND 10 X 2POLE TENTS	ACTING DIR COMMUNITY SERVICES	163 950.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION

**AMAJUBA DISTRICT MUNICIPALITY
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VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15012245	2010/11/18	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	151 859.40	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012266	2010/11/23	BAGABISILE TRADING	SUPPLY AND DELIVERY OF CATERING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	132 750.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012268	2010/11/23	HALAVANA TRADING	SUPPLY AND DELIVERY OF CATERING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	114 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012274	2010/11/23	ISAMBULO COMMUNICATION	SUPPLY AND DELIVERY OF GRASS CUTTING PETROL	DIR COMMUNITY SERVICES ACTING MM	198 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012281	2010/11/23	MEGAPHASE TRADING 308	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	105 400.00	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012292	2010/11/02	ALPHA OFFICE FURNITURE	SUPPLY AND DELIVERY OF OFFICE FURNITURE FOR SPORTS COMPLEX MANAGER	DIR COMMUNITY SERVICES	148 741.50	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012333	2011/01/12	RAINBOW BIRDY TRADING	TENTS&CHAIRS, TABLES	DIR COMMUNITY SERVICES	156 864.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012351	2010/12/01	BRIGHT IDEA	SUPP/DEL OF SEWING MACHINES	DIR COMMUNITY SERVICES	189 779.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012354	2010/12/01	JEKULLA JULY TRADING A	T SHIRTS	DIR COMMUNITY SERVICES	105 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012355	2010/12/01	KOPORASI TRADING T/A N	SUPP/DEL OF PETROL GENERATOR	DIR COMMUNITY SERVICES	199 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012357	2010/12/01	THUKUTHELA CONSTRUCTIO	SUPP/DEL OF CATERING EQUIPMENT	DIR COMMUNITY SERVICES	197 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012358	2010/12/01	MISELIWE TRADING ENTER	T-SHIRTS FOR WORLD AIDS DAY	DIR COMMUNITY SERVICES	104 125.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012466	2010/12/09	MOON AND EARTH TRADING	TENTS FOR MAYORAL PROJECTS	DIR COMMUNITY SERVICES	198 720.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012471	2010/12/09	MNGCOBO CONSTRUCTION	GOLF SHIRTS FOR SALGA GAMES	DIR COMMUNITY SERVICES	197 400.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012472	2010/12/09	IKUSASA NOKULODWA CONS	ART AND CULTURE MATERIAL	DIR COMMUNITY SERVICES	193 058.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012485	2010/12/09	SIBOYANA CONSTRUCTION	TENTS AND CHAIRS AND TABLES	DIR COMMUNITY SERVICES	145 065.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012486	2010/12/09	RAINBOW BIRDY TRADING	TABLE/CHIARS	DIR COMMUNITY SERVICES	129 076.50	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012490	2010/12/09	IMVUSA TRADING 859 CC	SOUND SYSTEM	DIR COMMUNITY SERVICES	190 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012495	2010/12/09	STAYLZ MANAGEMENT SERV	BACKPACK SPORTS	DIR COMMUNITY SERVICES	143 605.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012505	2010/12/09	MBIBIYO TRADING ENTERP	TRAINING FEES	DIR COMMUNITY SERVICES	114 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15012509	2010/12/09	MEGAPHASE TRADING 310	HIRE OF WATER TANKER	DIR ENGINEERING SERVICES	102 000.00	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012510	2010/12/09	TATHAM WILKES	LEGAL FEES	DIR COMMUNITY SERVICES ACTING MM	293 869.56	Legal Services-Approved Lawyers of ADM	No HDI points	YES

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						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15012511	2010/12/09	VALAMEHLO TRUCK HIRE	HIRE OF WATER TANKER	DIR COMMUNITY SERVICES ACTING MM	182 143.50	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012551	2010/12/03	MOON AND EARTH TRADING	SUPPLY AND DELIVERY GAS STOVES	DIR COMMUNITY SERVICES ACTING MM	116 550.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012562	2010/12/03	AFRONIQUE MANAGEMENT &	2010 KWANALOGA GAMES TEAM WATER AND POWERADE DRINKS	DIR COMMUNITY SERVICES ACTING MM	160 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15012567	2010/12/15	AFEZEKA T/DING ENTERPR	RECONSTRUCTION OF ROOF OF FIVE ROOM HOUSE	DIR COMMUNITY SERVICES ACTING MM	191 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days		
15012569	2010/12/15	IKUSASA NOKULONDA CONS	SUP/DEL OF WELDING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	199 750.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012570	2010/12/15	AZAMANZIMASE INVESTMEN	GOLF SHIRTS FOR TEAM AMAJUBA KWANALOGA GAMES	DIR COMMUNITY SERVICES ACTING MM	196 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012571	2010/12/15	ALJANE CONSTRUCTION AN	SUP/DEL OF CATERING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	199 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012573	2010/12/15	THEMRICH TRADING	CHAIRS AND TABLES BUYING	DIR COMMUNITY SERVICES ACTING MM	199 700.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WIYH 3 FORMAL QUOTATION
15012579	2010/12/15	INDHLOVU DEVELOPMENT C	KWANALOGA GAMES CATERING	DIR COMMUNITY SERVICES ACTING MM	199 600.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WIYH 3 FORMAL QUOTATION
15012580	2010/12/15	AFEZEKA T/DING ENTERPR	KWANALOGA GAMES CATERING	DIR COMMUNITY SERVICES ACTING MM	196 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WIYH 3 FORMAL QUOTATION
15012581	2010/12/15	YANWABA GENERAL TRADING	KWANALOGA GAMES CATERING	DIR COMMUNITY SERVICES ACTING MM	198 400.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WIYH 3 FORMAL QUOTATION
15012629	2010/12/22	CINGWANE INVESTMENTS C	SUP/DEL OF HEAVY DUTY CHAIRS	DIR COMMUNITY SERVICES ACTING MM	197 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WIYH 3 FORMAL QUOTATION
15012631	2010/12/22	KOPORASI TRADING T/A N	PLOUGHING AND DISKING FIELDS AT MNDOZO	DIR COMMUNITY SERVICES ACTING MM	195 200.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012633	2010/12/22	BAGABISILE TRADING	CATERING EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	199 450.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012634	2010/12/22	INDHLOVU DEVELOPMENT C	PLOUGHING AND DISKING FIELDS AT MNDOZO	DIR COMMUNITY SERVICES ACTING MM	198 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012635	2010/12/22	UMZINYATHI REGIONAL TA	TAXI FOR MAYORAL PROJECT HANDOVER	DIR COMMUNITY SERVICES ACTING MM	177 300.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012641	2010/12/22	HALAVANA TRADING	SUP/DEL OF SEWING MACHINE	DIR COMMUNITY SERVICES ACTING MM	199 608.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012642	2010/12/22	STATEN INVESTMENT(PTY)	12000 A1 WALL CALENDERS	DIR COMMUNITY SERVICES ACTING MM	198 360.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012643	2010/12/22	SILVER SOLUTIONS 3145	SUP/DEL OF 2500 HEAVY DUTY CHAIRS	DIR COMMUNITY SERVICES ACTING MM	199 125.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012644	2010/12/22	SUNAY TRADING	PLOUGHING AND DISKING FIELDS AT MNDOZO	DIR COMMUNITY SERVICES ACTING MM	200 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012647	2010/12/22	NOLIK CONSTRUCTION	SUP/DEL OF CATERING EQUIP	DIR COMMUNITY SERVICES ACTING MM	199 399.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012648	2010/12/22	VEEZ MICRO ENTERPRISE	TRANSPORT TO KWANALOGA	ACTING DIR COMMUNITY SERVICES	198 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012649	2010/12/22	SUNAY TRADING	SUP/DEL OF 15 SEWING MACHINE	DIR COMMUNITY SERVICES ACTING MM	195 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012650	2010/12/22	PHANGUKUHAMBA CONTRACT	SUP/DEL OF VIP TOILETS	DIR COMMUNITY SERVICES ACTING MM	169 900.00	Technical breach -Not Advertised on Website/Notice board for 7 days	yes	ORDER WITH 3 FORMAL QUOTATION
15012651	2010/12/22	RAINBOW BIRDY TRADING	HIRE OF 2000 SEATER TENT, CHAIRS, ROUND TABLES	DIR COMMUNITY SERVICES ACTING MM	199 956.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION

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						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15012670	2010/12/22	THE CURVE BEHIND TRADI	SUP/DEL OF 38 DESKTOP COMPUTERS	DIR COMMUNITY SERVICES ACTING MM	266 000.00	No Competitive Bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QUOTATION
15012694	2010/12/17	STAYLZ MANAGEMENT SERV	SUPPLY AND DELIVERY OF BAKERY EQUIPMENT	DIR COMMUNITY SERVICES ACTING MM	199 985.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012695	2010/12/17	KHETHAKAHLE TRAIING AND	THREE PHOTOCOPYING MACHINES B/W	DIR COMMUNITY SERVICES ACTING MM	193 050.00			
15012696	2010/12/17	SHINE THE WAY CC 108	SUP/DEL OF CAR WASH MATERIALS	DIR COMMUNITY SERVICES ACTING MM	198 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012699	2010/12/22	ABOVE THE GROUND	SUP/DEL OF PUBLIC PHONE AND INTERNET CONTAINER	DIR COMMUNITY SERVICES ACTING MM	194 210.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012701	2010/12/22	SIBAMBISWANO TRADING C	SUP/DEL OF 28 DESKTOP COMPUTERS	DIR COMMUNITY SERVICES ACTING MM	196 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012702	2010/12/22	UZWANO INVESTMENT 25CC	SOUND HIRE FOR AN OUTDOOR EVENT	DIR COMMUNITY SERVICES ACTING MM	130 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012704	2010/12/22	THUKUTHELA CONSTRUCTION	SUPPLY AND DELIVERY OF SEWING MATERIALS	DIR COMMUNITY SERVICES ACTING MM	195 420.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012705	2010/12/22	AZAMANZIMASE INVESTMEN	SUPPLY AND DELIVERY OF SOUND SYSTEM	DIR COMMUNITY SERVICES ACTING MM	198 559.95	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012707	2010/12/22	MISELIWE TRADING ENTER	SUPPLY AND DELIVERY OF 4 SOUND SYSTEM, GENERATOR, 17 INCH MONITOR	DIR COMMUNITY SERVICES ACTING MM	199 930.60	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012708	2010/12/22	KOPORASI TRADING T/A N	SUPPLY AND DELIVERY OF 3 POLE TENT AND CHAIRS,	DIR COMMUNITY SERVICES ACTING MM	186 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012709	2010/12/22	DONT GO TELLING	POVERTY MATERIAL: POULTRY	DIR COMMUNITY SERVICES ACTING MM	194 200.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012710	2010/12/22	BERLMONTE TRADING	HIRE OF P A SYSTEM	DIR COMMUNITY SERVICES ACTING MM	190 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012711	2010/12/22	KUYEZA KUNINGI TRADING	VIP CATERING FOR 750 PEOPLE MENU 4	DIR COMMUNITY SERVICES ACTING MM	164 900.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012713	2010/12/22	BRIGHT IDEA	DEL OF WELDING MACHINES	DIR COMMUNITY SERVICES ACTING MM	188 900.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012722	2010/12/22	MOON AND EARTH TRADING	SUP/DEL OF 7 X 2 POLE TENTS	DIR COMMUNITY SERVICES ACTING MM	118 230.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012734	2010/12/22	RAINBOW BIRDY TRADING	TENT, CHAIRS	DIR COMMUNITY SERVICES ACTING MM	133 779.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15012742	2010/12/03	THUKUTHELA CONSTRUCTION	2000 BAGS CHILDREN CHRISTMAS GIFTS	DIR COMMUNITY SERVICES ACTING MM	196 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012750	2010/12/22	S'THEMBI'ZUZO INVESTME	3/4 PANTS FOR ADM TEAM AND MICRO-ACTIVE TRACKSUITS	DIR COMMUNITY SERVICES ACTING MM	360 000.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QUOTATION
15012751	2010/12/22	REGIT 15 INVESTMENTS C	SHORTS FOR ADM KWANALOGA GAMES TEAM	DIR COMMUNITY SERVICES ACTING MM	198 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012773	2010/12/10	AFEZEKA T/DING ENTERPR	SUP/DEL EGG LATER PROJECT	DIR COMMUNITY SERVICES ACTING MM	190 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012774	2010/12/10	MORALLA	T-SHIRTS FOR ADM 2010 KWANALOGA GAMES TEAM	DIR COMMUNITY SERVICES ACTING MM	195 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012777	2010/12/22	DI-NOVO TRADING ENTERP	SUP/DEL OF POLTRY MATERIALS	DIR COMMUNITY SERVICES ACTING MM	196 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012778	2010/12/22	MORALLA	SUP/DEL OF MUSIC CHOIR ATTIRE	DIR COMMUNITY SERVICES ACTING MM	169 683.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15012780	2010/12/22	NGEGWE TRADING	SUP/DEL OF 180 SQUARE TABLES / CHAIRS	DIR COMMUNITY SERVICES ACTING MM	198 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION

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						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15012784	2010/12/17	ISAMBULO COMMUNICATION	SUPPLY AND DELIVERY OF BAKERY EQUIPMENT AND LAWNMOWER	DIR COMMUNITY SERVICES ACTING MM	306 950.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15012791	2010/12/10	PHANGUKUHAMBA CONTRACT	SUP/DEL OF VIP TOILETS	DIR COMMUNITY SERVICES ACTING MM	156 000.00	Deviation from SCM Policy	YES	PHOTOCOPIED ORDER
15012796	2010/12/03	PHAKAMA MAJUBA TRADING	CAR WASH MATERIAL	DIR COMMUNITY SERVICES ACTING MM	249 901.50	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15012797	2010/12/10	KOPORASI TRADING T/A N	CATERING FOR ADM TEAM 2010 KWANALOGA GAMES	DIR COMMUNITY SERVICES ACTING MM	199 200.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012800	2010/12/01	ROADSHOW EXPRESS	BUS FOR TRAINING,BUS TO SVOSLOORUS,BUS TO NONGOMA,COACHES,BUSES	DIR COMMUNITY SERVICES ACTING MM	113 486.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012802	2010/12/22	CLIFFORD MKHIZE&ASSOCI	BLOCK MAKING MACHINE,sup/del of blocks materials	DIR COMMUNITY SERVICES ACTING MM	227 016.37	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15012805	2010/12/09	HALLELUYA ENTERTAINMEN	TOWELS 4 ADM TEAM	DIR COMMUNITY SERVICES	187 350.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012824	2011/01/27	RAINBOW BIRDY TRADING	AND BACK	DIR COMMUNITY SERVICES ACTING MM	114 000.00	Deviation from SCM Policy	YES	YES
15012841	2011/01/27	EZIMFOFI TRADING ENTER	SUPPLYING SEEDS, PLOUGHING AND PLANTING AT DICKS	DIR COMMUNITY SERVICES ACTING MM	150 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012842	2011/01/27	YANWABA GENERAL TRADIN	SUPPLYING SEEDS, PLOUGHING AND PLANTING AT MNDZOZO	DIR COMMUNITY SERVICES ACTING MM	180 880.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012844	2011/01/27	SIBOYANA CONSTRUCTION	SUPPLY AND DELIVERY OF VIP AND PUBLIC TOILETS	DIR COMMUNITY SERVICES ACTING MM	198 250.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012858	2011/01/14	MEGAPHASE TRADING 308	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	105 400.00	Tender Process not completed, Agreement approved to supply water by	YES	YES
15012866	2011/01/27	STATEN INVESTMENT(PTY)	CALENDERS	DIR COMMUNITY SERVICES ACTING MM	387 896.40	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15012874	2011/01/11	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR COMMUNITY SERVICES ACTING MM	164 587.50	Agreement approved to supply water by Accounting Officer until tender process	YES	YES
15012880	2011/01/06	SUNAY TRADING	SUP/DEL OF TENTS 3POLE,CATERING	DIR COMMUNITY SERVICES ACTING MM	277 000.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15012881	2011/01/06	VIN-VIN TRADING	MACHINES	DIR COMMUNITY SERVICES ACTING MM	165 047.60	Deviation from SCM Policy	YES	ORDER
15012915	2011/01/14	PHANGUKUHAMBA CONTRACT	SUPPLY AND DELIVERY OF VIP TOILETS	DIR COMMUNITY SERVICES ACTING MM	156 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012922	2011/01/07	IDLA NATHI CONSTRUCTIO	SUPPLY OF 50 KGS OF EGG LAYING MASH, AND 3 POLE TENTS	DIR COMMUNITY SERVICES ACTING MM	586 750.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15012936	2011/02/01	SLULEKO TRADING ENTERP	SUPPLY AND DELIVERY OF 10 DESKTOP COMPUTER AND 12 X 3IN 1 PRINTERS	DIR COMMUNITY SERVICES ACTING MM	199 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012949	2011/02/03	MORALLA	SUPPLY OF T-SHIRTS	DIR COMMUNITY SERVICES ACTING MM	197 400.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012953	2011/02/03	YAMI YAKHO YETHU TRADI	SPRAY RACE DEEP WITH SPRAY WOO	DIR COMMUNITY SERVICES ACTING MM	199 500.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012963	2011/02/08	STATEN INVESTMENT(PTY)	SUPPLY AND DELIVERY OF DIARIES AND DESK PADS	DIR COMMUNITY SERVICES ACTING MM	155 815.20	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012968	2011/02/10	PAPER HOUSE	PENS, FRAMES, BAGS, T-SHIRTS,PENS,BAGS,GOLF SHIRTS,FULL COU	DIR COMMUNITY SERVICES ACTING MM	116 232.22	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012969	2011/02/10	AYAKHETHANA CONTRACTOR	CATERING FOR DISASTER MANAGEMENT W/SHOP	DIR COMMUNITY SERVICES ACTING MM	104 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012970	2011/02/10	AZAMANZIMASE INVESTMEN	SUPPLY AND DELIVERY OF3000 x 165g T-SHIRTS	DIR COMMUNITY SERVICES ACTING MM	195 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION

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15012973	2011/02/10	SUNAY TRADING	CONSTRUCTION OF TWO ROOM HOUSES AT MANZANA	DIR COMMUNITY SERVICES ACTING MM	146 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15012999	2011/02/28	KINNO'S MARQUEE & TARP	SUP/DEL OF DOME TENT	DIR COMMUNITY SERVICES ACTING MM	105 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15013016	2011/02/28	HALLELUYA ENTERTAINMENT	2011 KWANALOGA GAMES ACCOMODATION	DIR COMMUNITY SERVICES ACTING MM	580 964.00	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15013017	2011/02/28	CENTRAL ROUTE MEDIA TR	2011 KWANALOGA GAMES ACCOMODATION	DIR COMMUNITY SERVICES ACTING MM	950 795.00	No Competitive bidding process followed Deviation from SCM Process	YES	YES
15013019	2011/02/28	LINDINHLANHLA BUSINESS	2011 KWANALOGA GAMES ACCOMODATION	DIR COMMUNITY SERVICES ACTING MM	475 380.50	No Competitive bidding process followed Deviation from SCM Process	YED	YES
15013071	2011/02/28	MEGAPHASE TRADING 308	HIRE OF WATER TRUCK,HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	210 800.00	Tender Process not completed,	YES	YES
15013078	2011/02/10	DI-NOVO TRADING ENTERP	SHIRTS	DIR COMMUNITY SERVICES ACTING MM	120 000.00	Agreement approved to supply water by Deviation from SCM Policy	YES	YES
15013167	2011/02/28	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR ENGINEERING SERVICES	184 338.00	Agreement approved to supply water by	YES	YES
15013268	2011/02/08	RAINBOW BIRDY TRADING	HIRING OF TENT AND CHAIRS	DIR COMMUNITY SERVICES ACTING MM	214 548.00	No Competitive bidding process followed Deviation from SCM Process	YES	ORDER WITH 3 FORMAL QOUTATION
15013358	2011/03/31	INDHLOVU DEVELOPMENT C	SUPPLY OF MAIZE SEEDS, MANUA	DIR COMMUNITY SERVICES ACTING MM	190 600.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15013364	2011/03/31	RAINBOW BIRDY TRADING	2000 SEATER MARQUEE, TENTS/CHAIRS/VIP TOILET/MOBILE STAGE	DIR COMMUNITY SERVICES ACTING MM	110 409.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15013372	2011/03/31	AZAMANZIMASE INVESTMEN	SUPPLY AND DELIVERY OF 1000 ROUND NECK T-SHIRTS-165g, 120 GOLF SHIRTS FOR WATER AND	DIR COMMUNITY SERVICES ACTING MM	112 260.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QOUTATION
15013383	2011/03/31	ANGLIA INVESTMENTS CC	GARDENING SERVICES	DIR COMMUNITY SERVICES ACTING MM	186 675.00	Website/Notice board for 7 days	YES	YES
15013384	2011/03/31	VALAMEHLO TRUCK HIRE	HIRE OF WATER TRUCK	DIR COMMUNITY SERVICES ACTING MM	176 437.80	Tender Process not completed, Agreement approved to supply water by	YES	YES
15013428	2011/03/31	KOPORASI TRADING T/A N	HOUSE	DIR COMMUNITY SERVICES ACTING MM	151 000.00	Deviation from SCM Policy	YES	YES
15013471	2011/03/31	KCK UNITRDE ENTERPRISE	RENOVATION AT EMADLANGENI SWIMMING POOL	DIR ENGINEERING SERVICES	133 750.00	Deviation from SCM Policy	YES	YES
15013481	2011/03/31	DICLA: PREFERRED SUPPLIER	BROILER POULTRY PROJECT	DIR PLANNING & DEVELOPMENT	104 247.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	YES
15013493	2011/03/31	MBONGISENI MALANGENI C	JUICE BOTTLES,RULERS AND BALLP,wax cryons,back packs with log	DIR COMMUNITY SERVICES ACTING MM	154 700.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013562	2011/04/15	INDHLOVU DEVELOPMENT C	SUPPLY OF T SHIRTS FOR IDP ROASHOWS	DIR COMMUNITY SERVICES ACTING MM	170 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013563	2011/04/15	RAINBOW BIRDY TRADING	HIRE OF TENTS, CHAIRS AND TABL	DIR COMMUNITY SERVICES ACTING MM	197 676.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013564	2011/04/15	ZAMUZILE TRADING ENTER	HIRE OF PHOTOGRAPHER AND VIDEO	DIR COMMUNITY SERVICES ACTING MM	198 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013572	2011/04/15	CENTRAL ROUTE MEDIA TR	SUPPLY OF T SHIRTS FOR IDP	DIR COMMUNITY SERVICES ACTING MM	166 700.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013573	2011/04/15	AFRONIQUE MANAGEMENT &	SUPPLY OF T SHIRTS FOR IDP	DIR COMMUNITY SERVICES ACTING MM	166 800.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013574	2011/04/15	MOON AND EARTH TRADIN	HIRE OF PA SYSTEM FOR 4DAYS	DIR COMMUNITY SERVICES ACTING MM	199 600.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013579	2011/04/15	SRB SUPPLIERS	VIP CATERING	DIR COMMUNITY SERVICES ACTING MM	191 835.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013588	2011/04/15	SIBOYANA CONSTRUCTION	HIRE OF 4X3POLE, 4X3POLE TENTS, 4000 CHAIRS, 20 ROUND TABLES,4 VIP TOILETS, AND 24 PUBLIC	DIR COMMUNITY SERVICES ACTING MM	198 998.40	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013593	2011/04/15	KESTOTRADE CC	SUPPLY AND DELIVERY OF ROUND NECK T-SHIRTS FOR IDP ROADSHOW	DIR COMMUNITY SERVICES ACTING MM	100 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX H
IRREGULAR EXPENDITURE LIST**

VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15013600	2011/04/15	ZAKHELE CONSTRUCTION A	HIRING OF DISLUDGING TRUCK FOR SECTION 7 MADADENI	DIR COMMUNITY SERVICES ACTING MM	160 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013602	2011/04/15	CMAS	FOR IDP ROADSHOW	DIR COMMUNITY SERVICES ACTING MM	91 998.00	Deviation from SCM Policy		
15013607	2011/04/15	VALAMEHLO TRUCK HIRE	WATER TANKER TRUCK	DIR COMMUNITY SERVICES ACTING MM	189 165.90	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process was completed,	YES	YES
15013610	2011/04/15	MEGAPHASE TRADING 309	WATER TANKER TRUCK	DIR COMMUNITY SERVICES ACTING MM	105 400.00	Tender Process not completed, Agreement approved to supply water by Accounting Officer until tender process was completed,	YES	YES
15013629	2011/04/15	IDLA NATHI CONSTRUCTIO	CONSTRUCTION OF TWO HOUSES	DIR COMMUNITY SERVICES ACTING MM	191 000.00	Deviation from SCM Policy	YES	YES
15013632	2011/04/15	STAYLZ MANAGEMENT SERV	HIRING OF A SOUNDS SYTEM FOR BUDGET ROADSHOWS	DIR COMMUNITY SERVICES ACTING MM	185 000.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013650	2011/04/15	DI-NOVO TRADING ENTERP	FOR BUDGET ROADSHOW	DIR COMMUNITY SERVICES ACTING MM	162 500.00	Deviation from SCM Policy	YES	YES
15013663	2011/04/15	KOSINDA OWABALEKA TRAD	ROADSH,REFRESHMENTS	DIR ENGINEERING SERVICES	167 000.00	Deviation from SCM Policy	YES	YES
11003585	2011/06/02	LAKHIS CASH AND CARRY	SUPPLY OF MAYORAL PROJECT FOOD PARCELS	Dir Community Services Acting MM	118 956.85	Deviation from SCM Policy		
11003587	2011/06/02	IDLA NATHI CONSTRUCTIO	POVERTY ALLEVIATION	Dir Community Services Acting MM	180 000.00	Deviation from SCM Policy		
11003590	2011/06/02	WINNERS SPORT	SOCCER KITS , BALLS	Dir Community Services Acting MM	102 548.92	Deviation from SCM Policy		
11003596	2011/06/02	ABCDE TRADING	TOURNAMENT	Dir Community Services Acting MM	165 860.00	Deviation from SCM Policy		
11003673	2011/06/01	PHAKAMA MAJUBA TRADIN	BUDGET ROADSHOW LOUD HAILING	Dir Community Services Acting MM	150 000.00	Deviation from SCM Policy		
11003678	2011/06/03	MUNICIPAL WASTE REMOV	DISLUDGING OF 792 VIP TOILETS	Dir Engineering Services	183 750.40	Deviation from SCM Policy		
11003709	2011/06/01	DHLADHLA J A	MARSHALS & MEALS DISTRIBUTION	Dir Community Services Acting MM	103 180.00	Deviation from SCM Policy		
15013750	2011/06/01	MNGCOBO CONSTRUCTION	GOLF SHIRTS, LAPTOP BAGS AND CAPS FOR SAFA AMAJUBA 5TH GENERAL MEETING	Dir Community Services Acting MM	141 990.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER WITH 3 FORMAL QUOTATION
15013754	2011/06/01	INDHLOVU DEVELOPMENT C	WEEDS KILLER	Dir Community Services Acting MM	165 000.00	Deviation from SCM Policy	YES	YES
15013755	2011/06/01	MOON AND EARTH TRADIN	REFRESHMENTS	Dir Community Services Acting MM	127 400.00	Deviation from SCM Policy	YES	YES
15013758	2011/06/01	NONOZI CATERERS CC	CATERING FOR TECHNOPARK SOD TURNING	Dir Community Services Acting MM	102 000.00	Deviation from SCM Policy	YES	YES
15013766	2011/06/01	YANWABA GENERAL TRADIN	PLANTING OF FIELDS	Dir Community Services Acting MM	108 000.00	Deviation from SCM Policy	YES	YES
15013768	2011/06/01	HALAVANA TRADING	OVERLOCKERS	Dir Community Services Acting MM	168 440.00	Deviation from SCM Policy	YES	YES
15013770	2011/06/01	SUNAY TRADING	PLANTING OF FIELDS	Dir Community Services Acting MM	121 300.00	Deviation from SCM Policy	YES	YES
15013778	2011/06/01	INDHLOVU DEVELOPMENT C	POVERTY ALLEVIATION PROJECT	Dir Community Services Acting MM	198 800.00	Deviation from SCM Policy	YES	YES
15013789	2011/06/01	RIVER QUEEN TRADING 21	MAYORAL PROJECT: SPORTS MATERIAL-SOCCER KITS	Dir Community Services Acting MM	110 960.00	Technical breach -Not Advertised on Website/Notice board for 7 days	YES	ORDER
15013792	2011/06/01	EZIMFOFI TRADING ENTER	POVERTY ALLEVIATION	Dir Community Services Acting MM	197 800.00	Deviation from SCM Policy	YES	YES
15013802	2011/06/01	SERVICES	SYSTEM SET	Dir Community Services Acting MM	196 000.00	Deviation from SCM Policy	YES	YES
15013810	2011/06/01	BKN MANAGEMENT AND CON	BLOUBOSCH	Dir Community Services Acting MM	195 000.00	Deviation from SCM Policy	YES	YES
15013816	2011/06/01	KOSINDA OWABALEKA TRAD	SOUND SYSTEM	Dir Community Services Acting MM	182 000.00	Deviation from SCM Policy	YES	YES
15013817	2011/06/01	SIBOYANA CONSTRUCTION	ADDITIONAL TENT, CHAIRS AND TABLES	Dir Community Services Acting MM	199 044.00	Deviation from SCM Policy	YES	YES
15013818	2011/06/01	ZAMUZILE TRADING ENTER	ROADSHOW	Dir Community Services Acting MM	124 200.00	Deviation from SCM Policy	YES	YES
15013820	2011/06/01	UMZINYATHI REGIONAL TA	TRANSPORT MAYORAL BUDGET ROADSHOW	Dir Community Services Acting MM	117 750.00	Deviation from SCM Policy	YES	YES
15013823	2011/06/01	KUYEZA KUNINGI TRADING	SOUND SYSTEM, TENT AND CHAIRS	Dir Community Services Acting MM	183 200.00	Deviation from SCM Policy	YES	YES
15013836	2011/06/01	PROJECT	SOUND SYSTEM	Dir Community Services Acting MM	170 000.00	Deviation from SCM Policy	YES	YES

**AMAJUBA DISTRICT MUNICIPALITY
APPENDIX H
IRREGULAR EXPENDITURE LIST**

VOUCHER NO.	DATE	SUPPLIER	GOODS/SERVICES DESCRIPTION	RESPONSIBLE DIRECTOR	AMOUNT	NATURE OF DEVIATIONS		
						Not Advertised on Website for 7 days	No HDI points	Memo Attached
15013841	2011/06/01	BKN MANAGEMENT AND CON	BLAUBOSCH	Dir Community Services Acting MM	150 000.00	Deviation from SCM Policy	YES	YES
15013849	2011/06/01	IZINYOSI ZEZULU CONSTR	MAYORAL PROJECTS	Dir Community Services Acting MM	192 000.00	Deviation from SCM Policy	YES	YES
					41 898 217.89			

NOTES

1. Range of procurement processes

SCM POLICY NO:12.1.Goods and services may only be procured by way of –

- (a) petty cash purchases, up to a transaction value of R400 (VAT included);
- (b) written or verbal quotations for procurements of a transaction value over R400 up to R10 000 (VAT included);
- (c) formal written price quotations for procurements of a transaction value over R10 000 up to R200 000 (VAT included); and

2. Procedures for procuring goods or services through written or verbal quotations and formal written price quotations

SCM POLICY NO:18. The procedure for the procurement of goods or services through written or verbal quotations or formal written price quotations, is as follows:

- (a) when using the list of accredited prospective providers the accounting officer must promote ongoing competition amongst providers by inviting providers to submit quotations on a rotation basis;
- (b) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven days on the website and an official notice board of the municipality.**
- (c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
- (d) the accounting officer or chief financial officer must on a monthly basis be notified in writing of all written or verbal quotations and formal written price quotations accepted by an official acting in terms of a subdelegation
- (e) offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
- (f) acceptable offer: (PPPFA and associated regu scored the highest points;

3.Deviation from, and ratification of minor breaches of, procurement processes

SCM POLICY NO.36

The accounting officer may –

- (a) dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only –
 - (i) in an emergency;
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or
 - (v) in any other exceptional case where it is impractical or impossible to follow the official procurement processes; and
- (b) ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.