

**ILEMBE DISTRICT MUNICIPALITY
AND ITS CONTROLLED ENTITY**

**CONSOLIDATED
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2011**

I am responsible for the preparation of these annual financial statements, which are set out on pages 2 to 53, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

Mike Newton
MUNICIPAL MANAGER

Date

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011**

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ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011

	Note	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
ASSETS					
Current assets		146 413 063	121 482 938	146 717 058	129 916 042
Inventories	12	6 140 523	6 140 523	6 232 440	6 232 440
Consumer debtors	13	43 332 044	43 332 044	40 066 226	40 066 226
Other debtors	14	8 633 992	9 388 299	8 228 311	8 400 824
Current investments	15	75 858 530	53 691 293	67 339 656	52 567 412
Bank balances and cash	16	12 447 974	8 930 778	24 850 424	22 649 140
Non-current assets		752 900 963	725 604 593	632 418 760	625 236 738
Property, plant and equipment	8	734 779 141	707 482 671	615 735 568	608 553 446
Intangible assets	9	589 597	589 597	574 598	574 598
Investments in municipal entities		-	100	-	100
Investments	10	17 245 057	17 245 057	15 811 697	15 811 697
Long-term receivables	11	287 168	287 168	296 897	296 897
Total Assets		899 314 026	847 087 531	779 135 818	755 152 780
LIABILITIES					
Current liabilities		146 460 200	120 864 199	165 012 856	148 571 543
Consumer deposits	4	2 784 512	2 784 512	2 502 987	2 502 987
Creditors	5	78 430 401	74 253 648	86 378 802	82 945 735
Unspent conditional grants and receipts	6	52 030 191	28 947 925	64 743 514	51 137 428
Value Added Taxation	7	6 990 348	8 653 366	5 779 859	6 377 699
Current portion of non-current liabilities	1	2 106 820	2 106 820	2 337 974	2 337 974
Current portion of lease liability	3	4 117 928	4 117 928	3 269 720	3 269 720
Non-current liabilities		108 824 786	108 824 786	111 820 203	111 820 203
Long-term liabilities	1	95 108 777	95 108 777	97 280 652	97 280 652
Retirement benefits	2	3 200 623	3 200 623	2 549 551	2 549 551
Lease liability	3	10 515 386	10 515 386	11 990 000	11 990 000
Total Liabilities		255 284 986	229 688 985	276 833 059	260 391 746
Net Assets		644 029 040	617 398 545	502 302 759	494 761 033
NET ASSETS					
Accumulated surplus		644 029 040	617 398 545	502 302 759	494 761 033
Total Net Assets		644 029 040	617 398 545	502 302 759	494 761 033

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2011**

	Note	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
REVENUE					
Interest on debtors		18 485 605	18 485 605	17 351 099	17 351 099
Service charges	17	97 375 214	97 375 214	97 233 942	97 233 942
Interest on investment		6 876 417	5 598 682	6 111 708	5 747 945
Government grants and subsidies	18	343 888 444	350 678 045	347 170 355	358 288 124
Public Donations	8	-	-	2 280 000	2 280 000
Other income	19	7 880 865	7 840 531	14 946 491	14 930 891
Total Revenue		474 506 545	479 978 077	485 093 595	495 832 001
EXPENDITURE					
Employee related costs	20	82 296 216	79 721 820	72 777 168	72 233 177
Remuneration of councillors	21	5 346 785	5 346 785	5 413 484	5 413 484
Directors' attendance fees	21	418 240	-	106 000	-
Amortisation	9	181 654	181 654	239 164	239 164
Depreciation	8	19 444 745	19 361 983	15 763 044	15 736 629
Impairment	8	-	-	4 045 061	4 045 061
Repairs and maintenance		14 459 273	14 356 568	20 672 915	20 589 424
Finance costs	22	12 363 098	12 363 098	9 839 748	9 839 748
Bulk purchases	23	44 870 810	44 870 810	42 993 608	42 993 608
Retirement and long services benefits	2	651 072	651 072	331 393	331 393
General expenses	24	94 609 248	96 002 339	92 423 304	93 703 611
Grant expenses	25	31 882 727	58 153 324	66 101 689	82 952 988
Adjustments to provisions	13	47 376 895	47 376 895	74 090 667	74 090 667
Loss on disposal of asset		-	-	529 999	528 047
Less: Recharges		(6 663 971)	(6 663 971)	(6 304 610)	(6 304 610)
Total Expenditure		347 236 792	371 722 377	399 022 634	416 392 391
SURPLUS FOR THE YEAR		127 269 753	108 255 700	86 070 961	79 439 610

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED 30 JUNE 2011**

	<u>Group</u> <u>Accumulated</u> <u>Surplus and Total</u> R	<u>IDM Accumulated</u> <u>Surplus and Total</u> R
Restated balance at 30 June 2009	415 691 492	414 817 942
2009/2010		
Donated PPE	36 924	-
Restated Surplus for the year (Note 33.5)	86 070 961	79 439 610
Prior year adjustments (Note 33.6)	473 799	473 799
Increase investment in municipal entity (Note 33.8)	-	99
Adjustment VAT (Note 33.7)	(306 153)	(306 153)
Adjustment unallocated deposits (Note 33.3)	610 153	610 153
Adjustment Umgeni Water debtor (Note 33.1)	(274 417)	(274 417)
Restated Balance at 30 June 2010	502 302 759	494 761 033
2010/2011		
Surplus for the year	127 269 753	108 255 700
Prior year adjustments (Note 33.6)	14 456 528	14 381 812
Balance at 30 June 2011	644 029 040	617 398 545

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2011**

	Note	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from ratepayers, government and other		421 541 801	427 970 973	454 702 313	445 622 394
Cash paid to suppliers and employees		<u>(276 801 861)</u>	<u>(310 861 312)</u>	<u>(289 181 255)</u>	<u>(302 618 841)</u>
Cash generated from operations	27	144 739 940	117 109 661	165 521 058	143 003 553
Interest received		6 876 417	5 598 682	6 111 708	5 747 945
Finance costs		<u>(12 363 098)</u>	<u>(12 363 098)</u>	<u>(9 839 748)</u>	<u>(9 839 748)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES		<u>139 253 259</u>	<u>110 345 245</u>	<u>161 793 018</u>	<u>138 911 750</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(140 437 764)	(120 240 655)	(152 645 669)	(145 435 180)
Purchase of intangible assets		(196 653)	(196 653)	(94 412)	(94 412)
Proceeds on disposal of property, plant and equipment		-	-	601 150	601 150
Increase in non-current investments		(1 433 360)	(1 433 360)	(1 464 776)	(1 464 776)
Decrease in non-current receivables		9 729	9 729	12 961	12 961
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(142 058 048)</u>	<u>(121 860 939)</u>	<u>(153 590 746)</u>	<u>(146 380 257)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Loans raised - leases		2 839 162	2 839 162	7 523 370	7 523 370
Loans repaid		(2 403 029)	(2 403 029)	(2 594 490)	(2 594 490)
Loans repaid - leases		(1 796 445)	(1 796 445)	(2 466 432)	(2 466 431)
Increase in consumer deposits		281 525	281 525	356 851	356 851
NET CASH FLOWS FROM FINANCING ACTIVITIES		<u>(1 078 787)</u>	<u>(1 078 787)</u>	<u>2 819 299</u>	<u>2 819 300</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(3 883 576)</u>	<u>(12 594 481)</u>	<u>11 021 571</u>	<u>(4 649 207)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		92 190 080	75 216 552	81 168 509	79 865 759
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	28	<u>88 306 504</u>	<u>62 622 071</u>	<u>92 190 080</u>	<u>75 216 552</u>

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
1. LONG-TERM LIABILITIES				
Development Bank of South Africa	67 215 597	67 215 597	69 618 626	69 618 626
ABSA	30 000 000	30 000 000	30 000 000	30 000 000
Sub-total	<u>97 215 597</u>	<u>97 215 597</u>	<u>99 618 626</u>	<u>99 618 626</u>
Less: Current portion transferred to current liabilities	2 106 820	2 106 820	2 337 974	2 337 974
Development Bank of South Africa	<u>2 106 820</u>	<u>2 106 820</u>	<u>2 337 974</u>	<u>2 337 974</u>
Total External Loans	<u><u>95 108 777</u></u>	<u><u>95 108 777</u></u>	<u><u>97 280 652</u></u>	<u><u>97 280 652</u></u>

Development Bank of South Africa

Bear interest at rates between 9.02% and 10.8% per annum and are repayable every six months with the last repayment due on 30 September 2025.

ABSA Loan

Bear's interest at 10.8% per annum, interest is paid quarterly and the loan is repayable in 2025.

2. RETIREMENT BENEFITS

Long service awards

The independent valuers, ARCH actuarial consulting, carry out a statutory valuation on an annual basis.

The principal actuarial assumptions used were as follows:

Discount rate per annum	8%	8%	9%	9%
Inflation rate	6%	6%	7%	7%
Net effective discount rate	1%	1%	2%	2%
Benchmark inflation (equal to salary inflation)	6%	6%	6%	6%
Average retirement age	63	63	63	63
Proportion continuing membership at retirement	95%	95%	95%	95%
Proportion of retiring members who are married	90%	90%	90%	90%
Mortality during employment	SA 85-90 ultimate	SA 85-90 ultimate	SA 85-90 ultimate	SA 85-90 ultimate
Mortality post-retirement (No explicit assumption was made about additional mortality or health care costs due to AIDS).	PA 90 ultimate	PA 90 ultimate	PA 90 ultimate	PA 90 ultimate
Percentage of in-service members withdrawing before retirement:				
Age 20	40%	40%	30%	30%
Age 30	25%	25%	25%	25%
Age 40	12%	12%	12%	12%
Age 50	4%	4%	4%	4%
Age 55+	0%	0%	0%	0%

The amounts recognised in the Statement of Financial Position were determined as being the present value of the obligation:

<u><u>3 200 623</u></u>	<u><u>3 200 623</u></u>	<u><u>2 549 551</u></u>	<u><u>2 549 551</u></u>
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**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
2. RETIREMENT BENEFITS (continued)				
Movement in the defined benefit obligation is as follows:				
Balance at beginning of the year	2 549 551	2 549 551	2 218 158	2 218 158
Current service cost	491 689	491 689	366 893	366 893
Interest cost	216 924	216 924	190 612	190 612
Benefit payments	-403 689	(403 689)	(310 414)	(310 414)
Actuarial gains/(losses)	346 148	346 148	84 302	84 302
Recognition of previously unrecognised defined benefit liability	-	-	-	-
Balance at end of year	<u>3 200 623</u>	<u>3 200 623</u>	<u>2 549 551</u>	<u>2 549 551</u>
The timing of the retirement benefits is as follows:				
Current portion of employee benefits	185 407	185 407	403 689	403 689
Non-current portion of employee benefits	3 015 216	3 015 216	2 145 862	2 145 862
	<u>3 200 623</u>	<u>3 200 623</u>	<u>2 549 551</u>	<u>2 549 551</u>
The amounts recognised in the Statement of Financial Performance were as follows:				
Current service cost	491 689	491 689	366 893	366 893
Interest cost	216 924	216 924	190 612	190 612
Benefit payments	-403 689	(403 689)	(310 414)	(310 414)
Actuarial gains/(losses)	346 148	346 148	84 302	84 302
	<u>651 072</u>	<u>651 072</u>	<u>331 393</u>	<u>331 393</u>
Ilembe District Municipality and its Entity have fully adopted IAS 19 Employee benefits				
3. FINANCE LEASE LIABILITY				
Minimum lease payments due are :				
- Within 1 year	4 117 928	4 117 928	3 269 720	3 269 720
- In two to five years	10 515 386	10 515 386	11 990 000	11 990 000
	<u>14 633 314</u>	<u>14 633 314</u>	<u>15 259 720</u>	<u>15 259 720</u>
Non-current liabilities	10 515 386	10 515 386	11 990 000	11 990 000
Current liabilities	4 117 928	4 117 928	3 269 720	3 269 720
Total Lease Commitments	<u>14 633 314</u>	<u>14 633 314</u>	<u>15 259 720</u>	<u>15 259 720</u>
The leases are for a variety of motor vehicles that are utilised in the course of performing the Municipality's powers and functions. The leases are for five years and 240 000 kilometres. The interest rates vary between 9.0% and 15.5%. The termination dates vary between November 2013 and November 2015. The leases are repaid monthly and include maintenance and make provision for the payment of excess distance travelled where applicable. At the termination of the leases the vehicles revert to the lessor.				
4. CONSUMER DEPOSITS				
Water	<u>2 784 512</u>	<u>2 784 512</u>	<u>2 502 987</u>	<u>2 502 987</u>
5. CREDITORS				
Trade creditors	48 480 749	44 459 454	49 773 122	46 413 633
Kwadukuza - water loans	375 763	375 763	5 464 856	5 464 856
Staff leave	6 463 821	6 308 361	5 576 842	5 533 618
Audit fee	-	-	-	-
Other creditors	2 588 388	2 588 390	1 061 963	1 061 963
Payments in advance	5 673 076	5 673 076	2 976 995	2 976 995
Unpresented cheques	14 848 604	14 848 604	21 494 670	21 494 670
Accruals lease expenses	-	-	30 354	-
Total Creditors	<u>78 430 401</u>	<u>74 253 648</u>	<u>86 378 802</u>	<u>82 945 735</u>

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
 NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2011

	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
6. UNSPENT CONDITIONAL GRANTS AND RECEIPTS				
Conditional Grants from other spheres of Government				
Water Grants Mandeni	-	-	891	891
Drought Relief	-	-	58 161	58 161
Provincial Township Establishment	724 048	724 048	-	-
Shared Services (Financial Systems)	971 395	971 395	416 687	416 687
Section 78	200 000	200 000	200 000	200 000
Provincial Management Assistance	822 066	822 066	1 376 774	1 376 774
Beach Restoration Grant	4 796 072	4 796 072	7 748 007	7 748 007
Ngcebo/Lower Thukela Bulk Water	1 460 669	1 460 669	4 468 220	4 468 220
Rehabilitation of Infrastructure	-	-	2 792 535	2 792 535
Maphumulo Waterworks	1 060 753	1 060 753	1 156 800	1 156 800
Refurbishment of Waste Water Works	-	-	221 336	221 336
Disaster Management Grant	2 500 000	2 500 000	-	-
Shared Services (DPSS)	458 661	458 661	2 201 817	2 201 817
IGR Grant	417 000	417 000	-	-
Environmental Management	1 500 000	1 500 000	-	-
Corridor Development Grant	-	-	16 416 000	16 416 000
Desludging	-	-	1 350 877	1 350 877
Financial Management	445 315	445 315	10 519	10 519
Municipal Systems Improvement Grant	62 635	62 635	106 950	106 950
EPWP	-	-	44 938	44 938
LG SETA	255 602	255 602	281 141	281 141
Replacement of water mains in Kwadukuza	-	-	10 811 947	10 811 947
Sanitation - VIP toilets	-	-	1 473 829	1 473 829
VAT Refunds	4 750 196	4 750 196	-	-
2010 World Cup	459	459	-	-
Water Conservation Management	48 620	48 620	-	-
Massification Grant	5 064 434	5 064 434	-	-
Salaries	-	-	809 746	-
Agri Processing	5 354 927	-	4 018 213	-
Disaster Management	55 318	-	292 932	-
Broadband Project	2 369 200	-	2 961 896	-
Biodiesel Production Facility	2 184 800	-	1 568 780	-
North Coast Wine Project	8 441 656	-	2 671 449	-
Amacambini Development Project	757 666	-	955 921	-
Integrated Craft Hub	321 664	-	327 148	-
Maphumulo Small Town Rehabilitation	85 965	-	-	-
Nonoti Beach Resort	49 123	-	-	-
Moringa Tree Plantations	3 461 947	-	-	-
Ndwedwe Town Development	3 410 000	3 410 000	-	-
Total Conditional Grants and Receipts	52 030 191	28 947 925	64 743 514	51 137 428

See Note 18 for reconciliation of grants from other spheres of government. These amounts are invested in a ring-fenced investment until utilized.

7. VALUE ADDED TAXATION	6 990 348	8 653 366	5 779 859	6 377 699
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VAT is payable on the receipts basis. Only once payment is received from debtors is VAT paid over to SARS

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

8. PROPERTY, PLANT & EQUIPMENT

30 June 2011

Reconciliation of Carrying Value	Land	Buildings	Infrastructure Water & Sewerage	Assets under construction	Heritage	Other assets	Improvement to Leasehold	Finance lease assets	Group Total	IDM Total
	R	R	R	R	R	R	R	R	R	R
Carrying Values at 1 July 2010	1 296 718	14 960 742	522 721 075	50 335 336	205 578	11 249 337	545 154	14 421 628	615 735 568	608 553 446
Cost	1 296 718	17 927 475	562 920 987	50 335 336	205 578	16 180 246	695 253	18 271 989	667 833 582	660 625 393
Accumulated depreciation	-	(2 966 733)	(40 199 912)	-	-	(4 930 909)	(150 099)	(3 850 361)	(52 098 014)	(52 071 947)
Acquisitions	27 159	259 977	71 122 114	64 427 779	-	1 761 573	-	2 839 162	140 437 764	120 240 655
Assets under construction released	-	-	26 248 986	(26 248 986)	-	-	-	-	-	-
Public Donations	-	-	-	-	-	-	-	-	-	-
Depreciation	-	(611 485)	(12 711 107)	-	-	(2 331 301)	(138 955)	(3 651 896)	(19 444 744)	(19 361 983)
Adjustment Prior Year	-	-	-	(1 949 447)	-	-	-	-	(1 949 447)	(1 949 447)
Carrying Value of disposals	-	-	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-	-	-
Carrying Values at 30 June 2011	1 323 877	14 609 234	607 381 068	86 564 682	205 578	10 679 609	406 199	13 608 894	734 779 141	707 482 671
Cost	1 323 877	18 187 452	660 292 087	86 564 682	205 578	17 941 819	695 253	21 111 151	806 321 899	778 916 601
Accumulated depreciation	-	(3 578 218)	(52 911 019)	-	-	(7 262 210)	(289 054)	(7 502 257)	(71 542 758)	(71 433 930)

Ilembe District Municipality and its controlled entity have taken advantage of the transitional provisions permitted by the Accounting Standards Board, in terms of Directive 4 issued in March 2009, with respect to the measurement of property plant and equipment as set out in paragraphs 73 to 83.

Ilembe District Municipality and its controlled entity have taken advantage of the transitional provisions permitted by the Accounting Standards Board, in terms of Directive 4 issued in March 2009, with respect to the measurement of leases as set out in paragraphs 55 to 60.

30 June 2010

Reconciliation of Carrying Value	Land	Buildings	Infrastructure Water & Sewerage	Assets under construction	Heritage	Other assets	Improvement to Leasehold	Finance lease assets	Group Total	IDM Total
	R	R	R	R	R	R	R	R	R	R
Carrying Values at 1 July 2009	1 296 718	9 899 875	450 305 153	-	205 578	7 249 572	684 205	10 006 009	479 647 110	479 647 110
Cost	1 296 718	12 438 562	475 998 569	-	205 578	12 733 418	695 253	10 748 619	514 116 717	514 116 717
Accumulated depreciation	-	(2 538 687)	(25 693 416)	-	-	(5 483 846)	(11 048)	(742 610)	(34 469 607)	(34 469 607)
Acquisitions	-	5 488 913	84 642 418	50 335 336	-	4 655 632	-	7 523 370	152 645 669	145 435 180
Newly identified assets at fair value	-	-	-	-	-	2 102 042	-	-	2 102 042	2 102 042
Public Donations	-	-	2 280 000	-	-	-	-	-	2 280 000	2 280 000
Depreciation	-	(428 046)	(10 461 435)	-	-	(1 626 761)	(139 051)	(3 107 751)	(15 763 044)	(15 736 629)
Impairment	-	-	(4 045 061)	-	-	-	-	-	(4 045 061)	(4 045 061)
Carrying Value of disposals	-	-	-	-	-	(1 131 148)	-	-	(1 131 148)	(1 129 196)
Cost	-	-	-	-	-	(3 310 846)	-	-	(3 310 846)	(3 308 546)
Accumulated depreciation	-	-	-	-	-	2 179 698	-	-	2 179 698	2 179 350
Carrying Values at 30 June 2010	1 296 718	14 960 742	522 721 075	50 335 336	205 578	11 249 337	545 154	14 421 628	615 735 568	608 553 446
Cost	1 296 718	17 927 475	562 920 987	50 335 336	205 578	16 180 246	695 253	18 271 989	667 833 582	660 625 393
Accumulated depreciation	-	(2 966 733)	(40 199 912)	-	-	(4 930 909)	(150 099)	(3 850 361)	(52 098 014)	(52 071 947)

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
 NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2011

	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
9. INTANGIBLE ASSETS				
Carrying value opening balance	574 598	574 598	719 350	719 350
Cost	1 943 789	1 943 789	2 007 134	2 007 134
Accumulated Amortisation	(1 369 191)	(1 369 191)	(1 287 784)	(1 287 784)
Additions	196 653	196 653	94 412	94 412
Amortisation	(181 654)	(181 654)	(239 164)	(239 164)
Disposals				
Cost	-	-	(157 757)	(157 757)
Accumulated Amortisation	-	-	157 757	157 757
Carrying value closing balance	589 597	589 597	574 598	574 598
Cost	2 140 442	2 140 442	1 943 789	1 943 789
Accumulated Amortisation	(1 550 845)	(1 550 845)	(1 369 191)	(1 369 191)

The carrying value of intangible assets disclosed relate to computer software.

Ilembe District Municipality and its controlled entity have taken advantage of the transitional provisions permitted by the Accounting Standards Board, in terms of Directive 4 issued in March 2009, with respect to the measurement of intangible assets as set out in paragraphs 110 to 118.

10. INVESTMENTS

Unlisted ABSA Zero coupon investment	17 245 057	17 245 057	15 811 697	15 811 697
Council's valuation of unlisted investments	17 245 057	17 245 057	15 811 697	15 811 697

Average rate of return on the investment is not fixed.

This investment has been ceded as security against the long term loan from ABSA disclosed in Note 1.

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
11. LONG-TERM RECEIVABLES				
Busaries	287 168	287 168	296 897	296 897
Total Receivables	<u>287 168</u>	<u>287 168</u>	<u>296 897</u>	<u>296 897</u>
Staff busaries				
Loans have been granted to individuals as part of a busary scheme				
12. INVENTORIES				
Consumable stores	5 861 822	5 861 822	5 991 687	5 991 687
Water	278 701	278 701	240 753	240 753
Total Inventories	<u>6 140 523</u>	<u>6 140 523</u>	<u>6 232 440</u>	<u>6 232 440</u>
Periodically, physical stock counts are carried out and any obsolete and redundant items are identified and written off under Council authority.				
Ilembe District Municipality and its controlled entity has taken advantage of the transitional provisions permitted by the Accounting Standards Board, in terms of Directive 4 issued in March 2009, with respect to the measurement of inventories as set out in paragraphs 45 to 52.				
13. CONSUMER DEBTORS				
Water and sewerage	247 536 608	247 536 608	215 621 147	215 621 147
Total service debtors	247 536 608	247 536 608	215 621 147	215 621 147
Less provision for bad debts	(204 204 564)	(204 204 564)	(175 554 921)	(175 554 921)
Total	<u>43 332 044</u>	<u>43 332 044</u>	<u>40 066 226</u>	<u>40 066 226</u>
<u>Water and sewerage : Ageing</u>				
Current (0 – 30 days)	8 930 515	8 930 515	10 073 398	10 073 398
31 - 60 Days	8 072 298	8 072 298	8 587 363	8 587 363
61 - 90 Days	6 159 908	6 159 908	7 434 053	7 434 053
91 - 120 Days	5 663 505	5 663 505	6 090 520	6 090 520
Greater than 120 days	218 710 382	218 710 382	186 289 349	186 289 349
Prior year error	-	-	(2853 536)	(2853 536)
Total	<u>247 536 608</u>	<u>247 536 608</u>	<u>215 621 147</u>	<u>215 621 147</u>
<u>Reconciliation of the Bad Debt Provision</u>				
Balance at beginning of the year - Consumer debtors	175 554 921	175 554 921	103 776 675	103 776 675
Contribution to provision - Consumer debtors	47 376 895	47 376 895	74 090 667	74 090 667
Bad debts recovered written off against the provision - Consumer debtors	(18 727 252)	(18 727 252)	(2 312 421)	(2 312 421)
Balance at end of year	<u>204 204 564</u>	<u>204 204 564</u>	<u>175 554 921</u>	<u>175 554 921</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
14. OTHER DEBTORS				
Other debtors	5 531 471	5 443 387	3 966 456	3 940 106
Umgeni water debtors	1 781 785	1 781 785	672 674	672 674
Accrued interest	72 166	72 166	241 600	241 600
Enterprise Ilembe	-	842 391	-	198 863
MIG debtor (Refer to Note 18.3)	-	-	1 530 422	1 530 422
Deposits not reflected on bank statement	1 248 570	1 248 570	1 817 159	1 817 159
	<u>8 633 992</u>	<u>9 388 299</u>	<u>8 228 311</u>	<u>8 400 824</u>
Less provision for bad debts	-	-	-	-
Total Other Debtors	<u>8 633 992</u>	<u>9 388 299</u>	<u>8 228 311</u>	<u>8 400 824</u>
15. CURRENT INVESTMENTS				
<u>ACCOUNT DESCRIPTION - Investments (MFMA requirement)</u>				
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 9114541258 : Call Account</i>				
Bank statement balance at the beginning of the year	93 886	93 886	6 926 571	6 926 571
Bank statement balance at the end of the year	<u>97 684</u>	<u>97 684</u>	<u>93 886</u>	<u>93 886</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 9183363524 : Call account</i>				
Bank statement balance at the beginning of the year	7 526 798	7 526 798	11 077 633	11 077 633
Bank statement balance at the end of the year	<u>3 639 743</u>	<u>3 639 743</u>	<u>7 526 798</u>	<u>7 526 798</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 9095950633 : Call Account</i>				
Bank statement balance at the beginning of the year	2 924 429	2 924 429	2 591 736	2 591 736
Bank statement balance at the end of the year	<u>3 042 741</u>	<u>3 042 741</u>	<u>2 924 429</u>	<u>2 924 429</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 2066739798 : Call account</i>				
Bank statement balance at the beginning of the year	790 451	790 451	741 987	741 987
Bank statement balance at the end of the year	<u>838 308</u>	<u>838 308</u>	<u>790 451</u>	<u>790 451</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 2070224909 : Call Account</i>				
Bank statement balance at the beginning of the year	210 472	210 472	-	-
Bank statement balance at the end of the year	<u>232 516</u>	<u>232 516</u>	<u>210 472</u>	<u>210 472</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 2070362723 : Call Account</i>				
Bank statement balance at the beginning of the year	1 000 000	1 000 000	1 000 000	-
Bank statement balance at the end of the year	<u>-</u>	<u>-</u>	<u>1 000 000</u>	<u>1 000 000</u>
Investment Current Account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 9216957611 - Call Account</i>				
Bank statement balance at the beginning of the year	860 754	860 754	1 186 309	1 186 309
Bank statement balance at the end of the year	<u>1 481 204</u>	<u>1 481 204</u>	<u>860 754</u>	<u>860 754</u>
Investment Current Account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 62129309937 : Call Account</i>				
Bank statement balance at the beginning of the year	1 019 583	1 019 583	4 317 260	4 317 260
Bank statement balance at the end of the year	<u>1 080 268</u>	<u>1 080 268</u>	<u>1 019 583</u>	<u>1 019 583</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
15. CURRENT INVESTMENTS (continued)				
Investment Current Account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 74091301628 : Call Account</i>				
Bank statement balance at the beginning of the year	241 994	241 994	225 406	225 406
Bank statement balance at the end of the year	<u>255 331</u>	<u>255 331</u>	<u>241 994</u>	<u>241 994</u>
Investment Current Account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 74104346206 : Call Account</i>				
Bank statement balance at the beginning of the year	369 892	369 892	349 346	349 346
Bank statement balance at the end of the year	<u>391 995</u>	<u>391 995</u>	<u>369 892</u>	<u>369 892</u>
Investment Current Account				
<i>Standard Bank Account - Durban Branch</i>				
<i>Account Number 293302 : Call Account</i>				
Bank statement balance at the beginning of the year	19 907 105	19 907 105	7 925 212	7 925 212
Bank statement balance at the end of the year	<u>1 765 529</u>	<u>1 765 529</u>	<u>19 907 105</u>	<u>19 907 105</u>
Investment Current Account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 61085067093 : Call Account</i>				
Bank statement balance at the beginning of the year	1 831 173	1 831 173	168 671	168 671
Bank statement balance at the end of the year	<u>336 824</u>	<u>336 824</u>	<u>1 831 173</u>	<u>1 831 173</u>
Investment Current Account				
<i>Standard Bank Account - Durban Branch</i>				
<i>Account Number 282925 : Call Account</i>				
Bank statement balance at the beginning of the year	-	-	1 831 583	1 831 583
Bank statement balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investment Current Account				
<i>Investec Bank Account - Durban Branch</i>				
<i>Account Number 1100-435877 : Call Account</i>				
Bank statement balance at the beginning of the year	10 028 493	10 028 493	1 507 296	1 507 296
Bank statement balance at the end of the year	<u>22 191 247</u>	<u>22 191 247</u>	<u>10 028 493</u>	<u>10 028 493</u>
Investment Current Account				
<i>Investec Bank Account - Durban Branch</i>				
<i>Account Number 50003100564 : Call Account</i>				
Bank statement balance at the beginning of the year	5 066 893	5 066 893	-	-
Bank statement balance at the end of the year	<u>2 104 724</u>	<u>2 104 724</u>	<u>5 066 893</u>	<u>5 066 893</u>
Investment Current Account				
<i>NRB Curatorship</i>				
Bank statement balance at the beginning of the year	679 482	679 482	679 482	679 482
Bank statement balance at the end of the year	<u>679 482</u>	<u>679 482</u>	<u>679 482</u>	<u>679 482</u>
Investment Current Account				
<i>Rand Merchant Bank Account</i>				
<i>Account Number FDC02E00 : Call Account</i>				
Bank statement balance at the beginning of the year	-	-	12 349 790	12 349 790
Bank statement balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investment Current Account				
<i>Rand Merchant Bank Account</i>				
<i>Account Number DC02E000066 : Call Account</i>				
Bank statement balance at the beginning of the year	16 007	16 007	10 892 108	10 892 108
Bank statement balance at the end of the year	<u>4 321 412</u>	<u>4 321 412</u>	<u>16 007</u>	<u>16 007</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
15. CURRENT INVESTMENTS (continued)				
Investment Current Account				
<i>ABSA</i>				
<i>Account Number 2070508898 : 32 Day Investment</i>				
Bank statement balance at the beginning of the year	-	-	-	-
Bank statement balance at the end of the year	<u>5 279 985</u>	<u>5 279 985</u>	-	-
Investment Current Account				
<i>First National Bank</i>				
<i>Account Number 74277625264 : 32 Day Investment</i>				
Bank statement balance at the beginning of the year	-	-	-	-
Bank statement balance at the end of the year	<u>1 170 200</u>	<u>1 170 200</u>	-	-
Investment Current Account				
<i>First National Bank</i>				
<i>Account Number 623313562309 : Call Account</i>				
Bank statement balance at the beginning of the year	-	-	-	-
Bank statement balance at the end of the year	<u>4 782 100</u>	<u>4 782 100</u>	-	-
Investment Current Account				
<i>Investec Bank Account</i>				
<i>Account Number 50004108608 : Call Account</i>				
Bank statement balance at the beginning of the year	14 772 244	-	-	-
Bank statement balance at the end of the year	<u>22 167 237</u>	-	<u>14 772 244</u>	-
TOTAL CURRENT INVESTMENTS	<u><u>75 858 530</u></u>	<u><u>53 691 293</u></u>	<u><u>67 339 656</u></u>	<u><u>52 567 412</u></u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
16. BANK BALANCES AND CASH				
The Municipality has the following main bank accounts:				
<u>ACCOUNT DESCRIPTION</u>				
Water bank account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 4057878321 : Current Account</i>				
Cash book balance at the beginning of the year	2 490 799	2 490 799	2 104 526	2 104 526
Cash book balance at the end of the year	<u>3 925 170</u>	<u>3 925 170</u>	<u>2 490 799</u>	<u>2 490 799</u>
Bank statement balance at the beginning of the year	673 640	673 640	535 973	535 973
Bank statement balance at the end of the year	<u>2 676 600</u>	<u>2 676 600</u>	<u>673 640</u>	<u>673 640</u>
Salaries bank account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 62006302385 : Current Account</i>				
Cash book balance at the beginning of the year	2 037 599	2 037 599	(405 442)	(405 442)
Cash book balance at the end of the year	<u>(2 158 063)</u>	<u>(2 158 063)</u>	<u>(2 037 599)</u>	<u>(2 037 599)</u>
Bank statement balance at the beginning of the year	177 691	177 691	58 613	58 613
Bank statement balance at the end of the year	<u>130 193</u>	<u>130 193</u>	<u>177 691</u>	<u>177 691</u>
Main bank account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 62006302385 : Current Account</i>				
Cash book balance at the beginning of the year	11 032 627	11 032 627	(3 141 524)	(3 141 524)
Cash book balance at the end of the year	<u>511 426</u>	<u>511 426</u>	<u>11 032 627</u>	<u>11 032 627</u>
Bank statement balance at the beginning of the year	17 874 943	17 874 943	9 727 219	9 727 219
Bank statement balance at the end of the year	<u>3 692 514</u>	<u>3 692 514</u>	<u>17 874 943</u>	<u>17 874 943</u>
Projects bank account				
<i>First National Bank Account - Durban Branch</i>				
<i>Account Number 62046718641 : Current Account</i>				
Cash book balance at the beginning of the year	(8 602 121)	(8 602 121)	1 589 284	1 589 284
Cash book balance at the end of the year	<u>(6 956 788)</u>	<u>(6 956 788)</u>	<u>(8 602 121)</u>	<u>(8 602 121)</u>
Bank statement balance at the beginning of the year	3 834 944	3 834 944	5 482 225	5 482 225
Bank statement balance at the end of the year	<u>2 422 471</u>	<u>2 422 471</u>	<u>3 834 944</u>	<u>3 834 944</u>
Levies bank account				
<i>ABSA Bank Account - Durban Branch</i>				
<i>Account Number 4057641326 : Current Account</i>				
Cash book balance at the beginning of the year	78 922	78 922	58 613	58 613
Cash book balance at the end of the year	<u>-</u>	<u>-</u>	<u>78 922</u>	<u>78 922</u>
Bank statement balance at the beginning of the year	78 922	78 922	1 282 339	1 282 339
Bank statement balance at the end of the year	<u>-</u>	<u>-</u>	<u>78 922</u>	<u>78 922</u>
Enterprise Ilembe bank account				
<i>ABSA Bank - Public Sector Branch</i>				
<i>Account Number 4060362852 : Current Account</i>				
Cash book balance at the beginning of the year	2 199 284	-	1 302 750	-
Cash book balance at the end of the year	<u>3 515 196</u>	<u>-</u>	<u>2 199 284</u>	<u>-</u>
Bank statement balance at the beginning of the year	2 199 284	-	1 302 750	-
Bank statement balance at the end of the year	<u>3 515 196</u>	<u>-</u>	<u>2 199 284</u>	<u>-</u>
Petty cash and cash on hand	11 000	9 000	11 000	9 000
TOTAL BANK BALANCES AND CASH:				
Cash book balance at the end of the year	(1 163 059)	(4 678 255)	5 161 912	2 962 628
Bank statement balance at the end of the year	12 436 974	8 921 778	24 839 424	22 640 140
Petty cash and cash on hand	11 000	9 000	11 000	9 000
	<u>12 447 974</u>	<u>8 930 778</u>	<u>24 850 424</u>	<u>22 649 140</u>
17. SERVICE CHARGES				
Water	81 346 577	81 346 577	83 632 595	83 632 595
Sewerage	16 028 637	16 028 637	13 601 347	13 601 347
Total Service Charges	<u>97 375 214</u>	<u>97 375 214</u>	<u>97 233 942</u>	<u>97 233 942</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
18. GOVERNMENT GRANTS AND SUBSIDIES				
Equitable Share	178 693 910	178 693 910	145 775 216	145 775 216
MIG Funding	80 797 965	80 797 965	123 106 843	123 106 843
Premiers Fund	-	-	582 696	582 696
Drought Relief	51 194	51 194	-	-
Sports and Recreation	-	-	89 655	89 655
EU LED Projects	-	-	2 577 125	2 577 125
Shared Services (Financial Systems)	-	-	554 708	554 708
Beach Restoration Grant	2 951 935	2 951 935	8 884 626	8 884 626
Ngcebo/Lower Thukela Bulk Water	21 592 151	21 592 151	1 931 680	1 931 680
Rehabilitation of Infrastructure	2 792 535	2 792 535	6 069 307	6 069 307
Ndwedwe waterworks	-	-	994 400	994 400
Maphumulo Waterworks	96 047	96 047	-	-
Refurbishment of Waste Water Works	98 218	98 218	6 736 367	6 736 367
Shared Services (DPSS)	2 743 464	2 743 464	1 848 550	1 848 550
Maphumulo Town Establishment	-	700 000	-	-
Nonoti Beach Resort	-	400 000	-	-
Corridor Development Grant	4 000 000	33 916 000	4 375 000	24 675 000
Desludging	-	-	10 149 123	10 149 123
Financial Management	565 204	565 204	739 481	739 481
Municipal Systems Improvement Grant	794 315	794 315	628 050	628 050
EPWP	-	-	1 040 862	1 040 862
LG SETA	275 901	275 901	190 210	190 210
Replacement of water mains in Kwadukuza	11 685 272	11 685 272	11 188 053	11 188 053
Sanitation - VIP toilets	-	-	10 526 171	10 526 171
2010 World Cup	3 508 369	3 508 369	-	-
Water Conservation Management	1 444 055	1 444 055	-	-
Massification Grant	166 566	166 566	-	-
Provincial Township Establishment	75 952	75 952	-	-
VAT Refunds	7 328 992	7 328 992	-	-
Salaries	2 120 259	-	500 767	-
Agricultural Hub	622 079	-	622 079	-
Industrial Development Strategy	186 624	-	1 486 624	-
Broadband Project IDC	186 623	-	224 727	-
Broadband Project DCGTA	3 092 696	-	-	-
North Coast Wine Project IDC	182 477	-	1 511 028	-
North Coast Wine Project DCGTA	3 229 793	-	-	-
Agri Processing	9 663 286	-	3 981 787	-
Disaster Management	237 614	-	207 068	-
Biodiesel Production Facility	3 299 980	-	431 220	-
Amacambini Development Project	198 255	-	44 079	-
Integrated Craft Hub	5 484	-	172 852	-
Nonoti Beach Resort	350 877	-	-	-
Maphumulo Small Town Regeneration	614 035	-	-	-
Moringa Tree Plantations	38 053	-	-	-
Other Grants	198 263	-	-	-
Total Government Grant and Subsidies	<u>343 888 444</u>	<u>350 678 045</u>	<u>347 170 355</u>	<u>358 288 124</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
18. GOVERNMENT GRANTS AND SUBSIDIES (continued)				
18.1 Equitable Share				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	178 693 910	178 693 910	145 775 216	145 775 216
Conditions met – transferred to revenue	-178 693 910	(178 693 910)	(145 775 216)	(145 775 216)
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members.				
18.2 Water Grants Mandeni				
Balance unspent at beginning of year	891	891	891	891
Current year receipts	-	-	-	-
Conditions met – transferred to revenue	-	-	-	-
Adjustments and Transfers	(891)	(891)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>891</u>	<u>891</u>
This grant was used to fund water projects. No funds were withheld.				
18.3 Municipal Infrastructure Grant				
Balance unspent at beginning of year	(1 530 422)	(1 530 422)	381 421	381 421
Current year receipts	91 790 000	91 790 000	121 195 000	121 195 000
Conditions met - transferred to revenue	(80 797 965)	(80 797 965)	(123 106 843)	(123 106 843)
Adjustments and Transfers	(9 461 613)	(9 461 613)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>(1 530 422)</u>	<u>(1 530 422)</u>
This grant was used to fund infrastructure spending on projects. No funds were withheld.				
18.4 Premiers Fund Grant				
Balance unspent at beginning of year	-	-	582 696	582 696
Current year receipts	-	-	-	-
Transferred to revenue - no further conditions to be met	-	-	(582 696)	(582 696)
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.5 Drought Relief Grant				
Balance unspent at beginning of year	58 161	58 161	58 161	58 161
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(51 194)	(51 194)	-	-
Adjustments and Transfers	(6 967)	(6 967)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>58 161</u>	<u>58 161</u>
This grant was used to provide relief to the community during droughts. No funds were withheld.				
18.6 Sports and Recreation				
Balance unspent at beginning of year	-	-	89 655	89 655
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	-	-	(89 655)	(89 655)
Conditions met.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
This grant was used to build sports fields. No funds were withheld.				

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.7 EU LED projects				
Balance unspent at beginning of year	-	-	2 577 125	2 577 125
Current year receipts	-	-	-	-
Transferred to revenue - no further conditions to be met	-	-	(2 577 125)	(2 577 125)
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.8 Shared Services (Financial Services)				
Balance unspent at beginning of year	416 687	416 687	971 395	971 395
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	-	-	(554 708)	(554 708)
Adjustments and Transfers	554 708	554 708	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>971 395</u>	<u>971 395</u>	<u>416 687</u>	<u>416 687</u>
18.9 Section 78				
Balance unspent at beginning of year	200 000	200 000	200 000	200 000
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>	<u>200 000</u>
This grant will be used for a feasibility study of appointing an external water service provider. No funds were withheld.				
18.10 Provincial Management Assistance				
Balance unspent at beginning of year	1 376 774	1 376 774	1 376 774	1 376 774
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-
Adjustments and Transfers	(554 708)	(554 708)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>822 066</u>	<u>822 066</u>	<u>1 376 774</u>	<u>1 376 774</u>
This grant was received to fund the payment of the service provider relating to the GRAP compliant fixed assets register. No funds were withheld.				
18.11 Beach Restoration Grant				
Balance unspent at beginning of year	7 748 007	7 748 007	16 632 633	16 632 633
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(2 951 935)	(2 951 935)	(8 884 626)	(8 884 626)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>4 796 072</u>	<u>4 796 072</u>	<u>7 748 007</u>	<u>7 748 007</u>
Balance committed to construction of ablution blocks on the beach and sewer retreat project. No funds were withheld.				
18.12 Ngcebo/Lower Thukela Bulk Water Scheme				
Balance unspent at beginning of year	4 468 220	4 468 220	6 399 900	6 399 900
Current year receipts	18 584 600	18 584 600	-	-
Conditions met - transferred to revenue	(21 592 151)	(21 592 151)	(1 931 680)	(1 931 680)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>1 460 669</u>	<u>1 460 669</u>	<u>4 468 220</u>	<u>4 468 220</u>
Ongoing project. Grants are advanced as work progresses. No funds were received.				

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.13 Rehabilitation of Infrastructure				
Balance unspent at beginning of year	2 792 535	2 792 535	8 861 842	8 861 842
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(2 792 535)	(2 792 535)	(6 069 307)	(6 069 307)
Conditions met.	<u>-</u>	<u>-</u>	<u>2 792 535</u>	<u>2 792 535</u>
18.14 Ndwedwe Waterworks				
Balance unspent at beginning of year	-	-	994 400	994 400
Current year receipts	-	-	-	-
Transferred to revenue - no further conditions to be met	-	-	(994 400)	(994 400)
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
This grant was used to reburbish waterworks. No funds were withheld.				
18.15 Maphamulo Waterworks				
Balance unspent at beginning of year	1 156 800	1 156 800	1 156 800	1 156 800
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(96 047)	(96 047)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>1 060 753</u>	<u>1 060 753</u>	<u>1 156 800</u>	<u>1 156 800</u>
Service provider appointed is under investigation.				
18.16 Refurbishment of Waste Water Networks				
Balance unspent at beginning of year	221 336	221 336	6 957 703	6 957 703
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(98 218)	(98 218)	(6 736 367)	(6 736 367)
Adjustments and Transfers	(123 118)	(123 118)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>221 336</u>	<u>221 336</u>
18.17 Disaster Management Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	2 500 000	2 500 000	-	-
Conditions met - transferred to revenue	-	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>2 500 000</u>	<u>2 500 000</u>	<u>-</u>	<u>-</u>
This grant will be used to implement a Disaster Recovery venue. No funds were withheld.				
18.18 Shared Services Grant (DPSS)				
Balance unspent at beginning of year	2 201 817	2 201 817	1 230 367	1 230 367
Current year receipts	1 000 308	1 000 308	2 820 000	2 820 000
Conditions met - transferred to revenue	(2 743 464)	(2 743 464)	(1 848 550)	(1 848 550)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>458 661</u>	<u>458 661</u>	<u>2 201 817</u>	<u>2 201 817</u>
The District Municipality and local municipalities have entered into a shared services grant for professional planning, GIS and PMS. The monies are to run this unit in the 2010/2011 Financial year. No funds were withheld.				

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.19 Corridor Development				
Balance unspent at beginning of year	16 416 000	16 416 000	4 300 000	4 300 000
Current year receipts	-	17 500 000	16 491 000	36 791 000
Conditions met - transferred to revenue	(4 000 000)	(33 916 000)	(4 375 000)	(24 675 000)
Adjustments and Transfers	(12 416 000)	-	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>16 416 000</u>	<u>16 416 000</u>
18.20 Desludging				
Balance unspent at beginning of year	1 350 877	1 350 877	-	-
Current year receipts	-	-	11 500 000	11 500 000
Conditions met - transferred to revenue	-	-	(10 149 123)	(10 149 123)
Adjustments and Transfers	(1 350 877)	(1 350 877)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>1 350 877</u>	<u>1 350 877</u>
18.21 Financial Management				
Balance unspent at beginning of year	10 519	10 519	-	-
Current year receipts	1 000 000	1 000 000	750 000	750 000
Conditions met - transferred to revenue	(565 204)	(565 204)	(739 481)	(739 481)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>445 315</u>	<u>445 315</u>	<u>10 519</u>	<u>10 519</u>
This grant is used to implement financial management systems and pay finance interns. No funds were withheld.				
18.22 Municipal Systems Improvement Grant				
Balance unspent at beginning of year	106 950	106 950	-	-
Current year receipts	750 000	750 000	735 000	735 000
Conditions met - transferred to revenue	(794 315)	(794 315)	(628 050)	(628 050)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>62 635</u>	<u>62 635</u>	<u>106 950</u>	<u>106 950</u>
This grant is used to implement or improve municipal systems. No funds were withheld.				
18.23 EPWP				
Balance unspent at beginning of year	44 938	44 938	-	-
Current year receipts	-	-	1 085 800	1 085 800
Conditions met - transferred to revenue	-	-	(1 040 862)	(1 040 862)
Adjustments and Transfers	(44 938)	(44 938)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>44 938</u>	<u>44 938</u>

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.24 LG SETA				
Balance unspent at beginning of year	281 141	281 141	-	-
Current year receipts	250 362	250 362	471 351	471 351
Conditions met - transferred to revenue	(275 901)	(275 901)	(190 210)	(190 210)
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>255 602</u>	<u>255 602</u>	<u>281 141</u>	<u>281 141</u>
This grant was used for training activities approved by SETA. No funds were withheld.				
18.25 Replacement of water mains in Kwadukuza				
Balance unspent at beginning of year	10 811 947	10 811 947	-	-
Current year receipts	-	-	22 000 000	22 000 000
Conditions met - transferred to revenue	(11 685 272)	(11 685 272)	(11 188 053)	(11 188 053)
Adjustments and Transfers	873 325	873 325	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>10 811 947</u>	<u>10 811 947</u>
18.26 Sanitation - VIP toilets				
Balance unspent at beginning of year	1 473 828	1 473 828	-	-
Current year receipts	-	-	12 000 000	12 000 000
Conditions met - transferred to revenue	-	-	(10 526 171)	(10 526 171)
Adjustments and Transfers	(1 473 828)	(1 473 828)	-	-
Conditions met.	<u>-</u>	<u>-</u>	<u>1 473 829</u>	<u>1 473 829</u>
VAT portion of grant - project to be extended. No funds were withheld.				
18.27 2010 World Cup				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	4 000 000	4 000 000	-	-
Conditions met - transferred to revenue	(3 508 369)	(3 508 369)	-	-
Adjustments and Transfers	(491 172)	(491 172)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>459</u>	<u>459</u>	<u>-</u>	<u>-</u>
18.28 Water Conservation Management				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	1 492 675	1 492 675	-	-
Conditions met - transferred to revenue	(1 444 055)	(1 444 055)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>48 620</u>	<u>48 620</u>	<u>-</u>	<u>-</u>
18.29 Massafication Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	5 231 000	5 231 000	-	-
Conditions met - transferred to revenue	(166 566)	(166 566)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>5 064 434</u>	<u>5 064 434</u>	<u>-</u>	<u>-</u>

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.30 Environmental Management				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	1 500 000	1 500 000	-	-
Conditions met - transferred to revenue	-	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>1 500 000</u>	<u>1 500 000</u>	<u>-</u>	<u>-</u>
18.31 IGR Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	417 000	417 000	-	-
Conditions met - transferred to revenue	-	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>417 000</u>	<u>417 000</u>	<u>-</u>	<u>-</u>
18.32 Provincial Township Establishment				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	800 000	800 000	-	-
Conditions met - transferred to revenue	(75 952)	(75 952)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>724 048</u>	<u>724 048</u>	<u>-</u>	<u>-</u>
18.33 VAT Refunds				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	-	-	-	-
Conditions met - transferred to revenue	(7 328 992)	(7 328 992)	-	-
Adjustments and Transfers	12 079 188	12 079 188	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>4 750 196</u>	<u>4 750 196</u>	<u>-</u>	<u>-</u>
18.34 Salaries - IDC Grant				
Balance unspent at beginning of year	809 746	-	-	-
Current year receipts	1 310 513	-	1 310 513	-
Conditions met - transferred to revenue	(2 120 259)	-	(500 767)	-
Conditions met.	<u>-</u>	<u>-</u>	<u>809 746</u>	<u>-</u>

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.35 Agricultural Hub IDC Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	622 079	-	622 079	-
Conditions met - transferred to revenue	(622 079)	-	(622 079)	-
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.36 Industrial Development Strategy IDC Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	186 624	-	186 624	-
Conditions met - transferred to revenue	(186 624)	-	(186 624)	-
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.37 Broadband Project IDC Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	186 623	-	186 623	-
Conditions met - transferred to revenue	(186 623)	-	(186 623)	-
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.38 North Coast Wine Project IDC Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	182 477	-	182 477	-
Conditions met - transferred to revenue	(182 477)	-	(182 477)	-
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.39 Agri Processing Grant				
Balance unspent at beginning of year	4 018 213	-	-	-
Current year receipts	6 500 000	-	8 000 000	-
Conditions met - transferred to revenue	(9 663 286)	-	(3 981 787)	-
Adjustments and Transfers	4 500 000	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>5 354 927</u>	<u>-</u>	<u>4 018 213</u>	<u>-</u>
18.40 Industrial Development Strategy Grant				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	-	-	1 300 000	-
Conditions met - transferred to revenue	-	-	(1 300 000)	-
Conditions met	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.41 Disaster Management Grant				
Balance unspent at beginning of year	292 932	-	-	-
Current year receipts	-	-	500 000	-
Conditions met - transferred to revenue	(237 614)	-	(207 068)	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>55 318</u>	<u>-</u>	<u>292 932</u>	<u>-</u>
18.42 Broadband Project Grant				
Balance unspent at beginning of year	2 961 896	-	-	-
Current year receipts	2 500 000	-	3 000 000	-
Conditions met - transferred to revenue	(3 092 696)	-	(38 104)	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>2 369 200</u>	<u>-</u>	<u>2 961 896</u>	<u>-</u>
18.43 Biodiesel Production Facility Grant				
Balance unspent at beginning of year	1 568 780	-	-	-
Current year receipts	-	-	2 000 000	-
Conditions met - transferred to revenue	(3 299 980)	-	(431 220)	-
Adjustments and Transfers	3 916 000	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>2 184 800</u>	<u>-</u>	<u>1 568 780</u>	<u>-</u>
18.44 North Coast Wine Project Grant				
Balance unspent at beginning of year	2 671 449	-	-	-
Current year receipts	5 000 000	-	4 000 000	-
Conditions met - transferred to revenue	(3 229 793)	-	(1 328 551)	-
Adjustments and Transfers	4 000 000	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>8 441 656</u>	<u>-</u>	<u>2 671 449</u>	<u>-</u>

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18. GOVERNMENT GRANTS AND SUBSIDIES (Continued)				
18.45 Amacambini Dev Project Grant				
Balance unspent at beginning of year	955 921	-	-	-
Current year receipts	-	-	1 000 000	-
Conditions met - transferred to revenue	(198 255)	-	(44 079)	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>757 666</u>	<u>-</u>	<u>955 921</u>	<u>-</u>
18.46 Integrated Craft Hub Grant				
Balance unspent at beginning of year	327 148	-	-	-
Current year receipts	-	-	500 000	-
Conditions met - transferred to revenue	(5 484)	-	(172 852)	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>321 664</u>	<u>-</u>	<u>327 148</u>	<u>-</u>
18.47 Nonoti Beach Resort				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	400 000	400 000	-	-
Conditions met - transferred to revenue	(350 877)	(400 000)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>49 123</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.48 Maphumulo Small Town Regeneration				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	700 000	700 000	-	-
Conditions met - transferred to revenue	(614 035)	(700 000)	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>85 965</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.49 Moringa Tree Plantation				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	3 500 000	-	-	-
Conditions met - transferred to revenue	(38 053)	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>3 461 947</u>	<u>-</u>	<u>-</u>	<u>-</u>
18.50 Ndwedwe Town Development				
Balance unspent at beginning of year	-	-	-	-
Current year receipts	3 410 000	3 410 000	-	-
Conditions met - transferred to revenue	-	-	-	-
Conditions still to be met-transferred to liabilities (refer to Note 6)	<u>3 410 000</u>	<u>3 410 000</u>	<u>-</u>	<u>-</u>
19. OTHER INCOME				
Included in other income is the following: -				
Rental income	77 702	77 702	122 799	122 799
Tender documents	257 239	257 239	123 302	123 302
Clearance certificates	365 101	365 101	263 076	263 076
Private developers	1 544 294	1 544 294	73 234	73 234
Siza water concessions	1 179 733	1 179 733	1 128 345	1 128 345
Department of water affairs	-	-	3 000 000	3 000 000
Insurance proceeds	350 980	350 980	7 223 347	7 223 347
Interest on bank accounts	316 503	316 503	569 006	569 006
Gain on fair valuing of assets	294 369	294 369	2 102 042	2 102 042
Adhoc Grants	2 422 422	2 422 422	-	-
Other income	1 072 522	1 032 188	341 340	325 740
	<u>7 880 865</u>	<u>7 840 531</u>	<u>14 946 491</u>	<u>14 930 891</u>

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20. EMPLOYEE RELATED COSTS				
Employee related costs - salaries and wages	57 468 554	55 027 096	47 469 970	46 992 360
Bonus	3 564 246	3 564 246	2 813 543	2 813 543
Medical aid	3 391 566	3 391 566	2 867 064	2 867 064
UIF	467 175	446 473	421 367	415 107
WCA	633 702	633 702	-	-
SDL	636 525	636 525	544 765	544 765
Leave pay	1 798 057	1 685 821	2 000 430	1 957 206
Pension contributions	6 231 628	6 231 628	5 682 857	5 682 857
Overtime payments	2 953 615	2 953 615	6 051 072	6 051 072
Car allowance	3 250 163	3 250 163	3 501 812	3 493 652
Housing benefits	418 921	418 921	419 656	419 656
Group life	1 482 064	1 482 064	995 895	995 895
Other employee related costs	-	-	8 737	-
	<u>82 296 216</u>	<u>79 721 820</u>	<u>72 777 168</u>	<u>72 233 177</u>

Included in the employee related costs are the following:

Remuneration of the Municipal Manager

Annual Remuneration	994 794	994 794	793 428	793 428
Car Allowance	34 991	34 991	24 134	24 134
Other	17 721	17 721	27 678	27 678
Total	<u>1 047 506</u>	<u>1 047 506</u>	<u>845 240</u>	<u>845 240</u>

During the 2009/2010 Financial year the Municipal Manager was in office for only 10 months

Remuneration of the Chief Finance Officer

Annual Remuneration	562 849	562 849	1 019 038	1 019 038
Car Allowance	163 467	163 467	98 074	98 074
Other	-	-	7 761	7 761
Contributions to UIF, Medical and Pension Funds	8 221	8 221	39 558	39 558
Total	<u>734 537</u>	<u>734 537</u>	<u>1 164 431</u>	<u>1 164 431</u>

During the 2010/2011 financial year the CFO was in office for 9 months. For the 2009/2010 financial year the remuneration of the CFO reflects a 9 month lump sum payment made to the former CFO.

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
20. EMPLOYEE RELATED COSTS (Continued)				
<i>Remuneration of the Chief Executive Officer Enterprise Ilembe</i>				
Annual Remuneration	519 750	-	412 919	-
Travel, motor car, accommodation, subsistence and other allowances	205 613	-	8 160	-
Contributions to UIF, Medical and Pension Funds	-	-	5 029	-
Total	<u>725 363</u>	<u>-</u>	<u>426 108</u>	<u>-</u>
<i>During the 2009/2010 Financial year the CEO was in office for only 7 months.</i>				
<i>Remuneration of the Chief Financial Officer Enterprise Ilembe</i>				
Annual Remuneration (Contract basis disclosed under professional fees)	<u>67 083</u>	<u>-</u>	<u>100 195</u>	<u>-</u>
<i>During the 2010/2011 financial year the CFO was on contract for 11 months and a full time CFO was engaged on 1 June 2011.</i>				
21. REMUNERATION OF COUNCILLORS AND BOARD MEMBERS				
REMUNERATION OF COUNCILLORS:				
Mayor	615 580	615 580	599 711	599 711
Speaker	552 739	552 739	483 470	483 470
Councillors	2 132 228	2 132 228	2 264 919	2 264 919
Executive members	2 046 238	2 046 238	2 065 384	2 065 384
Total Councillors' Remuneration	<u>5 346 785</u>	<u>5 346 785</u>	<u>5 413 484</u>	<u>5 413 484</u>
The Mayor and Speaker are full-time and have an office and secretarial support for the Mayor at the cost of the Council. The Mayor has the use of a Council leased vehicle for official duties and has two permanent bodyguards.				
REMUNERATION OF BOARD MEMBERS:				
Attendance fees at meetings:				
M C Manci	91 998	-	21 000	-
T C Chetty	32 250	-	25 000	-
B N Linda	82 248	-	25 000	-
M H Gumede	15 000	-	12 500	-
D Naidoo	17 500	-	22 500	-
I Deetlefs	60 748	-	-	-
P M Mabaso	60 748	-	-	-
R Meer	57 748	-	-	-
	<u>418 240</u>	<u>-</u>	<u>106 000</u>	<u>-</u>
22. FINANCE COSTS				
Non-current liabilities	12 363 098	12 363 098	9 839 748	9 839 748
Short-term borrowings	-	-	-	-
	<u>12 363 098</u>	<u>12 363 098</u>	<u>9 839 748</u>	<u>9 839 748</u>
23. BULK PURCHASES				
Water	<u>44 870 810</u>	<u>44 870 810</u>	<u>42 993 608</u>	<u>42 993 608</u>

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
24. GENERAL EXPENSES				
Included in general expenses is the following: -				
2010 World cup	-		4 282 748	4 282 748
Advertising	981 063	422 024	731 473	487 610
Agri Processing Hub	1 834 703	1 834 703	-	-
Analysis of Water	1 145 935	1 145 935	896 019	896 019
Auditors remuneration	2 497 546	2 277 936	1 584 592	1 584 592
Bank charges	444 255	435 445	330 481	326 490
Cleaning	1 219 764	1 219 764	1 038 545	1 038 545
Consulting and professional fees	4 742 737	3 704 184	3 644 446	2 572 676
Contribution to Shared Services	400 000	400 000	-	-
Data cleansing	-	-	860 103	860 103
DIMS	318 885	318 885	518 089	518 089
Disaster management	588 192	588 192	1 104 749	1 104 749
Electricity and water	9 440 233	9 440 233	7 972 986	7 972 986
Enterprise Ilembe	-	2 163 171	-	1 620 000
Entertainment	373 566	349 412	754 899	666 657
Establishment and transformation	848 453	848 453	1 632 602	1 632 602
Five Year Review	236 248	236 248	-	-
Flood damage	-	-	142 758	142 758
Free basic water	5 930 972	5 930 972	7 597 350	7 597 350
Fuel and oil	4 585 188	4 585 188	4 011 033	4 011 033
Heritage celebrations	918 643	918 643	-	-
HIV/AIDS Programmes	431 506	431 506	-	-
Insurance	1 646 380	1 646 380	1 356 067	1 356 067
Kwanaloga games	-	-	-	-
LED	-	1 500 000	-	1 300 000
LM Support	519 893	519 893	-	-
Management contract	8 147 211	8 147 211	7 311 747	7 311 747
Marketing and communication	2 757 239	1 884 940	854 532	486 779
Membership Fees	570 709	570 709	427 462	427 462
Motor vehicle expenses	322 242	322 242	-	-
Ndwedwe Community Projects	1 305 500	1 305 500	-	-
Plant and vehicle hire	3 131 150	3 131 150	11 656 824	11 656 824
Postage and courier	1 068 077	1 068 077	832 623	832 623
Printing and stationary	2 391 106	2 054 444	2 447 984	2 447 984
Public participation	2 745 537	2 745 537	1 215 243	1 215 243
Rand for rand	-	-	1 400	1 400
Recharge	6 663 972	6 663 972	6 304 610	6 304 610
Reconnections and disconnections	4 576 013	4 576 013	1 885 368	1 885 368
Rental offices	199 418	199 418	290 816	220 263
Review of transport plan	37 661	37 661	613 339	613 339
Security	3 743 882	3 743 882	5 431 025	5 431 025
Siza Water Audit Fee	-	1 200 000	-	-
Sports Development	1 976 494	1 976 494	3 121 798	3 121 798
Stores and materials	7 692 416	7 692 416	5 672 104	5 672 104
Telephone and Fax	3 305 269	3 141 365	2 887 609	2 882 173
Tourism	-	800 000	-	700 000
Training	798 949	682 428	381 916	363 332
Travelling and Subsistence	406 327	-	-	-
Uniforms	1 057 069	1 057 069	558 742	558 742
Other general expenses	2 608 845	2 084 644	2 069 223	1 599 722
	94 609 248	96 002 339	92 423 304	93 703 611

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
25 GRANT EXPENSES				
Included in grant expenditure is the following:-				
2010 World Cup	3 508 369	3 508 369	-	-
Amacambini Development Project	198 255	-	44 079	-
Beach Facilities Mandeni	2 000 000	2 000 000	-	-
Beach restoration/facilities	2 951 935	2 951 935	8 884 626	8 884 626
Biodiesel Production Project	-	3 916 000	-	-
Broadband Project	-	2 500 000	-	-
Corridor development	-	-	3 875 000	19 175 000
Design Lower Tugela bulk water	-	-	1 931 681	1 931 681
Disaster Management	237 614	-	207 069	-
Financial management	565 203	565 203	739 481	739 481
Hub incubator - agric processing	-	11 000 000	-	5 000 000
Industrial Development Strategy	3 000	-	1 551 610	-
Integrated Craft Hub	5 484	-	172 852	-
King shaka route	-	-	500 000	500 000
Kwashushu hotspring tour development	2 000 000	2 000 000	1 000 000	1 000 000
Land Management Programme	75 952	75 952	-	-
LED Projects	1 756 218	-	1 080 422	-
LG Seta Grant	275 901	275 901	-	-
Maphumulo Small Town Regeneration	614 035	-	-	-
MIG	-	-	1 438 596	1 438 596
Moringa Tree Plantations	-	3 500 000	-	-
Municipal systems improvement	794 315	794 315	628 050	628 050
Nonoti Beach Resort	350 877	400 000	-	-
North Coast Wine Project	-	9 000 000	-	-
Reservoir Locking	336 000	336 000	-	-
Sanitation	11 655 615	11 655 615	20 631 709	20 631 709
Shared services	2 743 463	2 743 463	1 589 495	1 589 495
Siza Water Concession Monitoring	701 754	-	-	-
Strategic support grant expenditure	-	-	259 055	259 055
Tourism	826 816	-	392 669	-
Town planning	-	-	500 000	500 000
Town Regeneration Program	56 571	756 571	-	-
Upgrade of sewer	-	-	10 526 171	10 526 171
VIP toilets	-	-	10 149 123	10 149 123
Water Safety Plan	174 000	174 000	-	-
Other - New Projects	51 350	-	-	-
	31 882 727	58 153 324	66 101 689	82 952 988

26 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE

26.1 Unauthorised expenditure

Infrastructure projects - due to overpayments	-	-	15 685 775	15 685 775
Amortisation	181 654	181 654	239 164	239 164
Depreciation	3 444 745	3 361 983	15 736 629	15 736 629
Impairment	-	-	4 045 061	4 045 061
Finance Charges	1 685 138	1 685 138	-	-
Retirement and long service benefits	651 072	651 072	331 393	331 393
General expenses	-	-	802 755	802 755
Grant expenses	16 222 560	17 177 157	28 084 973	28 084 973
Adjustment to provisions	24 876 895	24 876 895	44 806 215	44 806 215
Loss on disposal of asset	-	-	528 047	528 047
	47 062 064	47 933 899	110 260 012	110 260 012

26.2 Fruitless and wasteful expenditure

No fruitless or wasteful expenditure incurred for the year ended 30 June 2009 or for the year ended 30 June 2010

	351 873	351 873	-	-
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26.3 Irregular expenditure

Reconciliation of irregular expenditure:

Opening balance	-	-	-	-
Irregular expenditure for the current year	19 154 471	8 697 996	230 303 760	220 940 560
To be approved/condoned by Council	(19 154 471)	(8 697 996)	(230 303 760)	(220 940 560)
Transfer to receivables for recovery - not condoned	-	-	-	-

Deviations were approved in terms of Section 34 of the Supply Chain Management Policy:

Total Value	29 770 643	25 508 028	-	-
Total Number	266	234	-	-

Incident:

All irregular expenditure is as a result of non compliance with one or more Supply Chain Management Regulations or Supply Chain Management Policy requirements.

Action:

It is the Municipality's and its Controlled Entity's opinion that the expenditure is valid apart from the non compliance set out above. The irregular expenditure is awaiting condonement.

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
27 CASH GENERATED BY OPERATIONS				
Surplus for the year	127 269 753	108 255 700	86 070 961	79 439 610
Adjustment for: -				
Amortisation: Intangible assets	181 654	181 654	239 164	239 164
Previous years operating transactions	14 456 517	14 381 812	540 126	503 481
Previous years unspent grants entity	280 335	-	-	-
Depreciation:Property,Plant and equipment	19 444 745	19 361 983	15 763 044	15 736 629
Impairment	-	-	4 045 061	4 045 061
Contribution to retirement benefit obligation	651 072	651 072	331 393	331 393
Contribution to bad debt provision	47 376 895	47 376 895	74 090 667	74 090 667
Bad debts written off	(18 727 252)	(18 727 252)	(2 312 421)	(2 312 421)
Loss on disposal of property, plant and equipment	-	-	529 999	528 047
Gain on fair valuing assets	-	280 324	(2 102 042)	(2 102 042)
Public donation	-	-	(2 280 000)	(2 280 000)
Investment income	(6 876 417)	(5 598 682)	(6 111 708)	(5 747 945)
Finance costs	12 363 098	12 363 098	9 839 748	9 839 748
Investment in municipal entity	-	-	-	(99)
Operating surplus before working capital changes:	196 420 400	178 526 604	178 643 992	172 311 293
(Increase)/Decrease in inventories	91 917	91 917	(390 548)	(390 547)
(Increase)/Decrease in consumer debtors	-31 915 461	(31 915 461)	(52 423 238)	(52 423 238)
(Increase)/Decrease in other debtors	-405 681	(987 475)	6 189 201	6 402 386
(Decrease)/Increase in unspent conditional grants	-12 713 323	(22 189 503)	11 971 750	(1 634 335)
(Decrease)/Increase in creditors	-7 948 401	(8 692 088)	22 214 256	18 824 509
(Decrease)/Increase in VAT payable	1 210 489	2 275 667	(684 355)	(86 515)
Cash generated by operations	<u>144 739 940</u>	<u>117 109 661</u>	<u>165 521 058</u>	<u>143 003 553</u>

28 CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

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

Bank balances and cash	12 447 974	8 930 778	24 850 424	22 649 140
Current investments	75 858 530	53 691 293	67 339 656	52 567 412
Total cash and cash equivalents at the end of the year	<u>88 306 504</u>	<u>62 622 071</u>	<u>92 190 080</u>	<u>75 216 552</u>

The municipality and entity do not have overdraft facilities.

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
29 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT				
<u>29.1 Contributions to organised local government</u>				
Opening balance	-	-	-	-
Council subscriptions	553 056	553 056	420 540	420 540
Amount paid - current year	(553 056)	(553 056)	(420 540)	(420 540)
Amount paid - previous years	-	-	-	-
Balance unpaid (included in creditors)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>29.2 Audit fees</u>				
Opening balance	-	-	-	-
Current year audit fee	-	-	-	-
Prior year audit fee	2 497 546	2 277 936	1 521 519	1 521 519
Amount paid - current year	-	-	-	-
Amount paid - previous years	-	-	-	-
Balance unpaid (included in creditors)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>29.3 VAT</u>				
Vat received for the year	<u>38 161 751</u>	<u>35 192 619</u>	<u>28 398 685</u>	<u>28 398 685</u>
VAT paid for the year	<u>2 113</u>	<u>-</u>	<u>89 192</u>	<u>89 192</u>
VAT inputs receivable and VAT outputs payable are shown in Note 7. All VAT returns have been submitted by the due date throughout the year.				
<u>29.4 PAYE and UIF</u>				
Opening balance	925 648	925 648	710 940	710 940
Current year payroll deductions	13 171 851	12 939 640	11 202 685	11 069 979
Amount paid - current year	(12 179 283)	(11 947 072)	(10 277 037)	(10 144 331)
Amount paid - previous years	(925 648)	(925 648)	(710 940)	(710 940)
Balance unpaid (included in creditors)	<u>992 568</u>	<u>992 568</u>	<u>925 648</u>	<u>925 648</u>
<u>29.5 Pension and Medical Aid Deductions</u>				
Opening balance	716 254	716 254	634 573	634 573
Current year payroll deductions and Council	15 999 779	15 999 779	14 443 401	14 443 401
Amount paid - current year	(14 694 285)	(14 694 285)	(13 727 147)	(13 727 147)
Amount paid - previous years	(716 254)	(716 254)	(634 573)	(634 573)
Balance unpaid (included in creditors)	<u>1 305 494</u>	<u>1 305 494</u>	<u>716 254</u>	<u>716 254</u>
<u>29.6 Councillor's arrear consumer accounts</u>				
The following Councillors had arrear accounts outstanding for more than 90 days as at 30 June:				
<u>Outstanding more than 90 days</u>				
K Anamalay	-	-	1 268	1 268
JLT Sibiya	-	-	-	-
JB Nzuza	-	-	2 041	2 041
	<u>-</u>	<u>-</u>	<u>3 309</u>	<u>3 309</u>
<u>29.7 Distribution losses</u>				
Units lost (kiloletres)	<u>9 283 597</u>	<u>9 283 597</u>	<u>10 470 860</u>	<u>10 470 860</u>
Units lost (sales price per kilolitres - rands)	<u>63 435 714</u>	<u>63 435 714</u>	<u>94 761 283</u>	<u>94 761 283</u>
Units lost (purchase price per kilolitres - rands)	<u>20 205 997</u>	<u>20 205 997</u>	<u>22 245 984</u>	<u>22 245 984</u>
Units lost (percentage)	45%	45%	48%	48%

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
30 CAPITAL COMMITMENTS				
Commitments in respect of capital expenditure:				
- Approved and contracted for:	256 375 760	241 670 745	100 023 399	90 259 517
Infrastructure	240 943 566	240 943 566	83 090 306	83 090 306
Community	15 432 194	727 179	16 933 093	7 169 211
- Approved but not yet contracted for:	1 554 721 803	1 546 259 856	424 916 163	424 916 163
Infrastructure	1 546 259 856	1 546 259 856	424 916 163	424 916 163
Community	8 461 947	-	-	-
Total	1 811 097 563	1 787 930 601	524 939 562	515 175 680
This expenditure will be financed as follows:				
Grant funded	1 419 028 197	1 395 861 235	516 990 444	507 226 562
Council funded	392 069 366	392 069 366	7 949 118	7 949 118
External Loans	-	-	-	-
Funding still to be sourced	-	-	-	-
	1 811 097 563	1 787 930 601	524 939 562	515 175 680
31 CONTINGENT LIABILITIES				
No contingent liabilities have been identified				
32 CONTINGENT ASSETS				
Umgeni Water	-	-	1 998 419	1 998 419
The contingent asset for Umgeni Water is in respect of the right of use charge for Umvoti Waterworks which is an asset of Ilembe District Municipality that Umgeni Water uses to purify water which they then sell to Ilembe District Municipality for the KwaDukuza area.				
33 CORRECTION OF PRIOR YEAR ERRORS AND CHANGE IN ACCOUNTING POLICY				
The change in accounting policy refers to the implementation of Generally Recognised Accounting Practice primarily by Ilembe District Municipality:				
33.1 Other Debtors				
Balances previously reported				
Debtors			8 502 728	8 675 241
Correction of prior year error				
Adjustment Umgeni Water Debtor			(274 417)	(274 417)
Restated balance at 30 June 2010			8 228 311	8 400 824
33.2 Consumer Debtors				
Balances previously reported				
Consumer debtors			42 919 762	42 919 762
Correction of prior year error				
Billing Adjustments			(2 853 536)	(2 853 536)
Restated balance at 30 June 2010			40 066 226	40 066 226
33.3 Creditors				
Balances previously reported				
Creditors			88 353 633	84 920 566
Correction of prior year error				
Expenditure			(1 364 678)	(1 364 678)
Adjustment unallocated deposits			(610 153)	(610 153)
Restated balance at 30 June 2010			86 378 802	82 945 735

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
 NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
33 CORRECTION OF PRIOR YEAR ERRORS AND CHANGE IN ACCOUNTING POLICY (Continued)				
33.4 Accumulated surplus/(deficit)				
Balances previously reported				
Surplus for the year - restated (Note 32.18)			86 070 961	79 439 610
Prior year adjustments (Note 32.19)			473 799	473 799
Increase in investment in municipal entity			-	99
Adjustment VAT			(306 153)	(306 153)
Adjustment unallocated deposits			610 153	610 153
Adjustment Umgeni Water debtor			(274 417)	(274 417)
Restated balance at 30 June 2010			<u><u>86 574 343</u></u>	<u><u>79 943 091</u></u>
33.5 (Deficit) / surplus for the year				
Balances previously reported				
			87 559 819	80 928 468
Prior year adjustments				
Billing adjustments			(2 853 536)	(2 853 536)
Expenditure			1 364 678	1 364 678
Restated balance at 30 June 2010			<u><u>86 070 961</u></u>	<u><u>79 439 610</u></u>
33.6 Prior year adjustments				
Prior year income				-
Staff loans				-
Prior year expenditure				-
Write off cheques stolen			(69 941)	(69 941)
Stores				-
Other	311 386	311 386	(550)	(550)
Prior year accruals			544 290	544 290
Assets Under Construction expensed	(1 949 447)	(1 949 447)		-
VAT review claim	11 005 337	11 005 337		-
KwaDukuza Loans redeemed	5 014 536	5 014 536		-
Enterprise Ilembe	74 716			-
	<u><u>14 456 528</u></u>	<u><u>14 381 812</u></u>	<u><u>473 799</u></u>	<u><u>473 799</u></u>
33.7 VAT				
Balance previously reported				
			5 473 706	6 071 546
Correction of prior year error				
Adjustment to balance			306 153	306 153
Restated balance as at 30 June 2010			<u><u>5 779 859</u></u>	<u><u>6 377 699</u></u>
33.8 Investments in municipal entities				
Balance previously reported				
				1
Correction of prior year error				
Correcting investment in municipal entity				99
Restated balance as at 30 June 2010				<u><u>100</u></u>

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
34. EVENTS AFTER THE REPORTING DATE				
No events after balance sheet date have been identified				
35 OPERATING LEASES				
The future minimum lease payments payable under operating leases for the actual liability are as follows:				
No later than 1 year	205 200	205 200	187 903	187 903
Later than 1 year and no later than 5 years	615 600	615 600	188 228	188 228
	<u>820 800</u>	<u>820 800</u>	<u>376 131</u>	<u>376 131</u>
Ilembe District Municipality and its Entity have taken advantage of the transitional provisions permitted by the Accounting Standards Board, in terms of Directive 4 issued in March 2009, with respect to the measurement of leases as set out in paragraphs 55 to 60.				
36 CONTROLLED ENTITY				
The Ilembe District Municipality established an entity the Ilembe Management Development Enterprise (Pty) Ltd (trading as Enterprise Ilembe). There is a service level agreement between the municipality and its controlled entity. The controlled entity is tasked with the local economic development and tourism functions.				
37 RELATED PARTIES				
Ilembe district Municipality has a 100% (2009 - 100%) holding in Ilembe Management Development Enterprise (Pty) Ltd. During the year there was no change in the shareholding of the municipal entity.				
Related party balances:				
Amounts included in trade receivables/payables in the related parties	842 391	842 391	1 150 379	1 150 379
Related party transactions:				
Corridor grant funding	31 016 000	31 016 000	20 300 000	20 300 000
Inter entity grant funding	5 663 171	5 663 171	3 620 000	3 620 000
Rental offices	180 000	180 000	180 000	180 000
38. RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES				
38.1 Interest Rate Analysis				
Financial Assets:				
External Investments:				
Investments - Ceded as security against ABSA loan	17 245 057	17 245 057	15 811 697	15 811 697
Current Investments	75 858 530	53 691 293	67 339 656	52 567 412
Bank balances and cash	12 447 974	8 930 778	24 850 424	22 649 140
	<u>105 551 561</u>	<u>79 867 128</u>	<u>108 001 777</u>	<u>91 028 249</u>
Interest earned external investments	<u>6 876 417</u>	<u>5 598 682</u>	<u>6 111 708</u>	<u>5 747 945</u>
Interest rate	<u>6.5%</u>	<u>7.0%</u>	<u>5.7%</u>	<u>6.3%</u>
Outstanding Debtors:				
Long-term receivables	287 168	287 168	296 897	296 897
Consumer debtors	247 536 608	247 536 608	215 621 147	215 621 147
Other debtors	8 633 992	9 388 299	8 228 311	8 400 824
	<u>256 457 768</u>	<u>257 212 075</u>	<u>224 146 355</u>	<u>224 318 868</u>
Interest earned on outstanding debtors	<u>18 485 605</u>	<u>18 485 605</u>	<u>17 351 099</u>	<u>17 351 099</u>
Interest rate	<u>7.2%</u>	<u>7.2%</u>	<u>7.7%</u>	<u>7.7%</u>
Financial Liabilities:				
Long-term Liabilities:				
Development bank of South Africa	67 215 597	67 215 597	69 618 626	69 618 626
ABSA - Investment held as security	30 000 000	30 000 000	30 000 000	30 000 000
Lease liability	14 633 314	14 633 314	15 259 720	15 259 720
	<u>111 848 911</u>	<u>111 848 911</u>	<u>114 878 346</u>	<u>114 878 346</u>
Interest paid on long-term liabilities	<u>12 363 098</u>	<u>12 363 098</u>	<u>9 839 748</u>	<u>9 839 748</u>
Interest rate	<u>11.1%</u>	<u>11.1%</u>	<u>8.6%</u>	<u>8.6%</u>

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	Group 2011 R	IDM 2011 R	Group 2010 R	IDM 2010 R
RISK MANAGEMENT OF FINANCIAL ASSETS AND LIABILITIES				
38. (continued)				
38.2 Credit Risk				
Receivables:				
Consumer debtors	247 536 608	247 536 608	215 621 147	215 621 147
Other debtors	<u>8 633 992</u>	<u>9 388 299</u>	<u>8 228 311</u>	<u>8 400 824</u>
	<u>256 170 600</u>	<u>256 924 907</u>	<u>223 849 458</u>	<u>224 021 971</u>
Ageing of consumer debtors:				
Current	8 930 515	8 930 515	10 073 398	10 073 398
31-60 days	8 072 298	8 072 298	8 587 363	8 587 363
>60 days	230 533 795	230 533 795	196 960 386	196 960 386
Less: Provision for bad debts	<u>(204 204 564)</u>	<u>(182 382 275)</u>	<u>(175 554 921)</u>	<u>(175 554 921)</u>
Net Consumer Debtors	<u>43 332 044</u>	<u>65 154 333</u>	<u>40 066 226</u>	<u>40 066 226</u>
Movement Provision for bad debt:				
Balance at beginning of year	175 554 921	175 554 921	103 776 675	103 776 675
Contributions	47 376 895	47 376 895	74 090 667	74 090 667
Bad debts written off	<u>(18 727 252)</u>	<u>(18 727 252)</u>	<u>(2 312 421)</u>	<u>(2 312 421)</u>
Balance at end of year	<u>204 204 564</u>	<u>204 204 564</u>	<u>175 554 921</u>	<u>175 554 921</u>
39.3 Liquidity Risk				
Debt (Long term liabilities)	<u>111 848 911</u>	<u>111 848 911</u>	<u>114 878 346</u>	<u>114 878 346</u>
Equity (Net Assets)	<u>644 029 040</u>	<u>617 398 545</u>	<u>502 302 759</u>	<u>494 761 033</u>
Net Debt to Equity Ratio	<u>17.4%</u>	<u>18.1%</u>	<u>22.9%</u>	<u>23.2%</u>

39 CONSOLIDATION AND COMPARATIVES

The financial statements of Ilembe District Municipality and Ilembe Management Development Enterprise (Pty) Ltd have been prepared separately and the 2011 figures have been aggregated in this consolidation. Inter entity balances have been eliminated.

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

40. STATEMENT OF COMPARATIVE AND ACTUAL INFORMATION

Description	2010/11 Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	R	R	R	R	R	R	%	%
Financial Performance								
Interest on debtors	16 200 000	3 750 000	19 950 000	18 485 605	-	(1 464 395)	93%	114%
Service charges	103 515 992	(6 918 999)	96 596 993	97 375 214	-	778 221	101%	94%
Interest on investment	4 550 000	2 750 000	7 300 000	6 876 417	-	(423 583)	94%	151%
Government grants and subsidies	190 750 356	31 260 044	222 010 400	343 888 444	-	121 878 044	155%	180%
Public donations	-	-	-	-	-	-	100%	100%
Other income	12 690 169	7 879 290	20 569 459	7 880 865	-	(12 688 594)	38%	62%
Total Revenue (excluding capital transfers & contributions)	327 706 517	38 720 335	366 426 852	474 506 545		108 079 693	129%	145%
Employee related costs	92 274 405	(3 779 975)	88 494 430	82 296 216	-	(6 198 214)	93%	89%
Remuneration to Councillors	5 997 862	(543 853)	5 454 009	5 346 785	-	(107 224)	98%	89%
Directors attendance fees	580 000	-	580 000	418 240	-	(161 760)	72%	72%
Amortisation	-	-	-	181 654	181 654	-	100%	100%
Depreciation	-	16 000 000	16 000 000	19 444 745	3 444 745	3 444 745	100%	100%
Impairment	-	-	-	-	-	-	100%	100%
Repairs and Maintenance	26 880 000	(7 071 528)	19 808 472	14 459 273	-	(5 349 199)	73%	54%
Finance charges	12 973 963	(2 296 003)	10 677 960	12 363 098	1 685 138	1 685 138	116%	95%
Bulk Purchases	48 844 262	(9)	48 844 253	44 870 810	-	(3 973 443)	92%	92%
Retirement & long services benefits	-	-	-	651 072	651 072	-	-	100%
General Expenses	106 773 815	(94 829)	106 678 986	94 609 248	-	(12 069 738)	89%	89%
Grant Expenses	12 195 956	3 464 211	15 660 167	31 882 727	16 222 560	16 222 560	204%	261%
Provision for bad debts	22 500 000	-	22 500 000	47 376 895	24 876 895	24 876 895	211%	211%
Loss on disposal of assets	-	-	-	-	-	-	100%	100%
Charge Outs	6 663 971	-	6 663 971	-	-	(6 663 971)	0%	0%
Less Charge outs	(6 663 972)	-	(6 663 972)	(6 663 971)	-	1	100%	100%
Total Expenditure	329 020 262	5 678 014	334 698 276	347 236 792	47 062 064	12 538 516	104%	106%
Surplus/(Deficit)	(1 313 745)	33 042 321	31 728 576	127 269 753		95 541 177	401%	-9688%
Capital : Transfers recognised	270 042 200	5 602 103	275 644 303	140 437 764	-	(135 206 539)	51%	52%
Capital : Transfers recognised from Operating	-	-	-	-	-	-	-	-
	270 042 200	5 602 103	275 644 303	140 437 764	-	(135 206 539)	51%	52%
Surplus/ (Deficit) after capital transfers & contributions	268 728 455	38 644 424	307 372 879	267 707 517	-	(39 665 362)	87%	100%

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
UNAUDITED SUPPLEMENTARY APPENDIX A: CONSOLIDATED SCHEDULE OF EXTERNAL LOANS FOR THE YEAR ENDED 30 JUNE 2011

DESCRIPTION	Loan Number	Interest Rate	Date Repayable	Balance at 30/06/2010	Received during the year	Redeemed / Write off / (Interest Capitalised) during this period	Balance at 30/06/2011
		%		R	R	R	R
Long Term Loans							
ABSA Bank	-	10.65%	2025	30 000 000	-	-	30 000 000
Development Bank of SA	-	10.80%	2025	69 404 395	-	2 188 798	67 215 597
Development Bank of SA	-	9.02%	2010	214 231	-	214 231	-
Total Long Term Loans				99 618 626	-	2 403 029	97 215 597
Capital Creditors							
Registered Stock							
FNB (CMB) Nominees	618	16.90%	30/06/2011	1 015 036	-	1 015 036	-
Long Term Loans							
Infrastructure Finance Corporation	00-0001	16.00%	30/06/2011	3 999 500	-	3 999 500	-
Annuity Loans							
Development Bank of SA	13527	16.50%	-	443 438	-	73 254	370 184
Development Bank of SA	11578	13.45%	12/2014	6 882	-	1 303	5 579
Total Capital Creditors				5 464 856	-	5 089 093	375 763
TOTAL EXTERNAL LOANS				105 083 482	-	7 492 122	97 591 360

The loans shown above as Capital Creditors were taken over from KwaDukuza Municipality as part of the transfer of the Water and Sanitation Services assets and liabilities. All these loans are still in the name of the KwaDukuza Municipality. However Ilembe District Municipality is responsible for paying the interest and redemption payable on these loans with effect from 1 July 2003. These loans are disclosed under Note 5 as KwaDukuza - water loans.

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
UNAUDITED SUPPLEMENTARY APPENDIX B : CONSOLIDATED ANALYSIS OF PROPERTY PLANT AND EQUIPMENT FOR THE YEAR ENDED 30 JUNE 2011

	Opening Balance	Additions	Cost / Revaluation		Transfers	Closing Balance	Accumulated Depreciation				Closing Balance	Carrying Value
			Disposals				Disposals	Impairment loss/ Reversal of impairment loss				
	R	R	R		R	R	R	R	R	R	R	
Land	1 296 718	27 159	-	-	-	1 323 877	-	-	-	-	-	1 323 877
Buildings	17 927 475	259 977	-	-	-	18 187 452	2 966 733	611 485	-	-	3 578 218	14 609 234
Infrastructure - Sewerage	79 838 195	12 692 388	-	-	-	92 530 583	9 603 227	1 631 412	-	-	11 234 639	81 295 944
Infrastructure - Water	483 082 792	84 678 712	-	-	-	567 761 504	30 596 686	11 079 697	-	-	41 676 383	526 085 121
Infrastructure - Under construction	50 335 336	38 178 793	-	(1 949 447)	-	86 564 682	-	-	-	-	-	86 564 682
Heritage Assets	205 578	-	-	-	-	205 578	-	-	-	-	-	205 578
Machinery & Equipment	1 752 527	196 139	-	-	-	1 948 666	273 699	257 830	-	-	531 529	1 417 137
Furniture & Equipment	2 978 619	475 882	-	-	-	3 454 501	733 449	403 175	-	-	1 136 624	2 317 877
Computer Equipment	5 660 137	311 608	-	-	-	5 971 745	958 957	1 043 103	-	-	2 002 060	3 969 685
Motor Vehicles	5 788 963	777 944	-	-	-	6 566 907	2 964 803	627 191	-	-	3 591 994	2 974 913
Improvement to leasehold Property	695 253	-	-	-	-	695 253	150 099	138 955	-	-	289 054	406 199
Finance lease Assets	18 271 989	2 839 162	-	-	-	21 111 151	3 850 361	3 651 896	-	-	7 502 257	13 608 894
	667 833 582	140 437 764	-	(1 949 447)	-	806 321 899	52 098 014	19 444 744	-	-	71 542 758	734 779 141

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
UNAUDITED SUPPLEMENTARY APPENDIX C : CONSOLIDATED SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 30 JUNE 2018

	Opening Balance	Cost / Revaluation			Closing Balance	Opening Balance	Accumulated Depreciation			Closing Balance	Carrying Value
		Additions	Disposals	Transfers			Additions	Disposals	Impairment loss/ Reversal of impairment loss		
	R	R	R	R	R	R	R	R	R	R	R
Municipal Manager	418 896	19 950	-	-	438 846	177 192	64 940	-	-	242 132	196 714
Technical Services	633 403 410	119 457 077	-	(1 949 447)	750 911 040	46 055 598	16 974 489	-	-	63 030 087	687 880 953
Corporate Services	18 890 786	216 421	-	-	19 107 207	3 803 325	996 459	-	-	4 799 784	14 307 423
Economic Development & Communication Services	2 559 271	40 825	-	-	2 600 096	746 441	408 489	-	-	1 154 930	1 445 166
Financial Services	4 384 937	501 395	-	-	4 886 332	1 097 285	782 005	-	-	1 879 290	3 007 042
Corporate Governance	968 093	4 987	-	-	973 080	192 106	135 601	-	-	327 707	645 373
Enterprise Ilembe	7 208 189	20 197 109	-	-	27 405 298	26 067	82 761	-	-	108 828	27 296 470
	667 833 582	140 437 764	-	(1 949 447)	806 321 899	52 098 014	19 444 744	-	-	71 542 758	734 779 141

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY

UNAUDITED SUPPLEMENTARY APPENDIX D: CONSOLIDATED SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2011

2010 Actual Revenue R	2010 Actual Expenditure R	2010 (Surplus)/ Deficit R		2011 Actual Revenue R	2011 Actual Expenditure R	2011 (Surplus)/ Deficit R
-	3 816	3 816	Organisational Development	373 381	1 087 456	(714 075)
-	218 257	218 257	Legal services	-	815 426	(815 426)
-	4 582 305	4 582 305	Municipal Manager	-	4 994 937	(4 994 937)
-	1 557 801	1 557 801	Administration	175 117	13 993 316	(13 818 199)
-	7 088 607	7 088 607	Council	-	5 956 905	(5 956 905)
(339 659)	11 481 122	11 141 463	Corporate governance	7 030 304	23 238 492	(16 208 188)
-	1 417 858	1 417 858	Support services	-	1 239 621	(1 239 621)
-	812 731	812 731	Marketing and communication	-	4 876 396	(4 876 396)
(180 556 606)	23 463 390	(157 093 216)	Finance	208 388 408	27 780 612	180 607 796
-	3 779 391	3 779 391	Information technology	-	3 443 757	(3 443 757)
(192 315)	41 532 056	41 339 741	Human resources	20 000	8 923 026	(8 903 026)
-	14 559 114	14 559 114	Local economic development	4 000 000	9 626 316	(5 626 316)
(1 589 495)	2 781 609	1 192 114	Planning	2 819 416	4 350 508	(1 531 092)
(292 853 926)	285 318 944	(7 534 982)	Technical services	227 473 520	231 200 409	(3 726 889)
(9 561 594)	6 730 243	(2 831 351)	Enterprise Ilembe	24 226 399	12 373 586	11 852 813
(485 093 595)	405 327 244	(79 766 351)	(Surplus) for the year	474 506 545	353 900 763	120 605 782
-	(6 304 610)	(6 304 610)	Less: Inter-Departmental Charges	-	(6 663 971)	6 663 971
(485 093 595)	399 022 634	(86 070 961)	Total	474 506 545	347 236 792	127 269 753

ILEMBE DISTRICT MUNICIPALITY
UNAUDITED SUPPLEMENTARY APPENDIX E(1): ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2011

Description	2010/11 Original Budget	Budget Adjustments	Final Budget	Actual Outcome	Unauthorised Expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Variance %	Explanation of significant Variance greater than 10% versus Final Budget
	R	R	R	R	R	R	%	%		
Financial Performance										
Interest on debtors	16 200 000	3 750 000	19 950 000	18 485 605	-	(1 464 395)	93%	114%	-8%	
Service charges	103 515 992	(6 918 999)	96 596 993	97 375 214	-	778 221	101%	94%	1%	
Interest on investment	4 550 000	2 750 000	7 300 000	6 876 417	-	(423 583)	94%	151%	-6%	
Government grants and subsidies	190 750 356	31 260 044	222 010 400	343 888 444	-	121 878 044	155%	180%	35%	Capital grants spent included in actual income figure.
Public donations	-	-	-	-	-	-	100%	100%	100%	
Other income	12 690 169	7 879 290	20 569 459	7 880 865	-	(12 688 594)	38%	62%	-161%	VAT recovery from previous years erroneously included in the current year budget.
Total Revenue (excluding capital transfers & contributions)	327 706 517	38 720 335	366 426 852	474 506 545	-	108 079 693	129%	145%		
Employee related costs	92 274 405	(3 779 975)	88 494 430	82 296 216	(6 198 214)	(6 198 214)	93%	89%	-8%	
Remuneration to Councillors	5 997 862	(543 853)	5 454 009	5 346 785	(107 224)	(107 224)	98%	89%	-2%	
Directors attendance fees	580 000	-	580 000	418 240	(161 760)	(161 760)	72%	72%	-39%	
Amortisation	-	-	-	181 654	181 654	181 654	100%	100%	100%	
Depreciation	-	16 000 000	16 000 000	19 444 745	3 444 745	3 444 745	122%	100%	18%	
Impairment	-	-	-	-	-	-	0%	0%	0%	
Repairs and Maintenance	26 880 000	(7 071 528)	19 808 472	14 459 273	(5 349 199)	(5 349 199)	73%	54%	-37%	Condition of infrastructure such that repairs and maintenance was not required as budgeted for.
Finance charges	12 973 963	(2 296 003)	10 677 960	12 363 098	1 685 138	1 685 138	116%	95%	14%	
Bulk Purchases	48 844 262	(9)	48 844 253	44 870 810	(3 973 443)	(3 973 443)	92%	92%	-9%	
Retirement & long services benefits	-	-	-	651 072	651 072	651 072	100%	100%	100%	
General Expenses	106 773 815	(94 829)	106 678 986	94 609 248	(12 069 738)	(12 069 738)	89%	89%	-13%	
Grant Expenses	12 195 956	3 464 211	15 660 167	31 882 727	16 222 560	16 222 560	204%	261%	51%	Sanitation projects in terms of GRAP 17 are operating expenditure. These projects were budgeted for under capital.
Adjustments to Provisions	22 500 000	-	22 500 000	47 376 895	24 876 895	24 876 895	211%	211%	53%	
Loss on disposal of assets	-	-	-	-	-	-	0%	0%	0%	
Charge Outs	6 663 971	-	6 663 971	-	-	(6 663 971)	0%	0%	0%	
Less Charge outs	(6 663 972)	-	(6 663 972)	(6 663 971)	-	1	100%	100%	0%	
Total Expenditure	329 020 262	5 678 014	334 698 276	347 236 792	19 202 486	12 538 516	104%	106%		
Surplus/(Deficit)	(1 313 745)	33 042 321	31 728 576	127 269 753	(19 202 486)	95 541 177	401%	-9688%		
Capital : Transfers recognised	270 042 200	5 602 103	275 644 303	140 437 764	(135 206 539)	(135 206 539)	51%	52%		
Capital : Transfers recognised from Operating	-	-	-	-	-	-	-	0.00%		
	270 042 200	5 602 103	275 644 303	140 437 764	(135 206 539)	(135 206 539)	51%	52%		
Surplus/ (Deficit) after capital transfers & contributions	268 728 455	38 644 424	307 372 879	267 707 517	(154 409 025)	(39 665 362)	87%	100%		
Capital expenditure & funds sources										
Transfers recognised - capital	259 672 600	24 127 000	283 799 600	140 437 764	-	(143 361 836)	49%	54%		
Transfers recognised - Operating	-	-	-	-	-	-	0%	0%		
Transfers recognised - capital (from Equitable Share)	-	-	-	-	-	-	0%	0%		
Public contributions & donations	-	-	-	-	-	-	0%	0%		
Borrowing	-	-	-	-	-	-	0%	0%		
Internally generated funds	10 369 600	10 291 103	20 660 703	-	-	(20 660 703)	0%	0%		
Total sources of capital funds	270 042 200	34 418 103	304 460 303	140 437 764	-	(164 022 539)	46%	52%		

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY

UNAUDITED SUPPLEMENTARY APPENDIX E(2): CONSOLIDATED ACTUAL VERSUS BUDGET BY DEPARTMENT (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 201

	Actual 2011	Budget 2011	Variance 2011	Variance 2010
	R	R	R	%
REVENUE				
Interest on debtors	18 485 605	19 950 000	(1464 395)	-8%
Service charges	97 375 214	96 596 993	778 221	1%
Interest on investment	6 876 417	7 300 000	(423 583)	-6%
Government grants and subsidies	343 888 444	222 010 400	121 878 044	35%
Public donations	-	-	-	0%
Other income	7 880 865	20 569 459	(12688 594)	-161%
Total Revenue	474 506 545	366 426 852	108 079 693	
EXPENDITURE				
Organisational Development	1 087 456	1 288 936	(201 480)	-19%
Legal services	815 426	1 026 500	(211 074)	-26%
Municipal Manager	4 994 937	5 737 437	(742 500)	-15%
Administration	13 993 316	22 564 884	(8 571 568)	-61%
Council	5 956 905	6 107 065	(150 160)	-3%
Corporate governance	23 238 492	16 321 983	6 916 509	30%
Support services	1 239 621	1 610 384	(370 763)	-30%
Marketing and communication	4 876 396	5 198 064	(321 668)	-7%
Finance	27 780 612	31 317 198	(3 536 586)	-13%
Information technology	3 443 757	4 630 573	(1 186 816)	-34%
Human resources	8 923 026	8 790 950	132 076	1%
Local economic development	9 626 316	13 979 758	(4 353 442)	-45%
Planning	4 350 508	5 604 464	(1 253 956)	-29%
Technical services	231 200 410	206 636 052	24 564 358	11%
Enterprise Ilembe	12 373 586	10 548 000	1 825 586	15%
Recharges to Departments				
Less Charge outs	(6 663 972)	(6 663 972)	-	0%
Total Expenditure	347 236 792	334 698 276	12 538 516	
NET SURPLUS FOR THE YEAR	127 269 753	31 728 576	95 541 178	

**ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
UNAUDITED SUPPLEMENTARY APPENDIX E (3): CONSOLIDATED ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPME**

	2011 Actual R	2011 Budget R	2011 Variance R	2011 Variance %	Explanation of Significant Variances
Municipal Manager	19 950	45 000	(25 050)	-56%	
Technical Services	119 457 077	248 712 600	(129 255 523)	-52%	
Corporate Services	216 421	1 601 771	(1 385 350)	-86%	
Economic Development & Communication Services	40 825	99 600	(58 775)	-59%	
Financial Services	501 395	1 999 332	(1 497 937)	-75%	
Corporate Governance	4 987	10 475 000	(10 470 013)	-100%	
Enterprise Ilembe	20 197 109	38 507 198	(18 310 089)	-48%	
	<u>140 437 764</u>	<u>301 440 501</u>	<u>(161 002 737)</u>	<u>-53%</u>	

IT) FOR THE YEAR ENDED 30 JUNE 2011

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
 UNAUDITED SUPPLEMENTARY APPENDIX F - CONSOLIDATED GRANTS AND SUBSIDIES RECEIVED - 2010/2011

CONSOLIDATED DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003

Name of Grants	Unspent portion 2009/2010 financial statements	Adjustments and Transfers	Quarterly Receipts				Total Receipts	Quarterly Expenditure				Total Expenditure	Unspent portion 2010/2011 financial statements	Grants and Subsidies delayed / withheld	Reason for delay withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	reason for non-compliance
			July to Sept	Oct to Dec	Jan to Mar	April to June		July to Sept	Oct to Dec	Jan to Mar	April to June						
			1	2	3	4		1	2	3	4						
Water Grants Mandeni	891	(891)	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
MIG Funding	(1 530 422)	(9 461 613)	29 450 000	29 250 000	33 090 000	-	91 790 000	14 136 447	27 184 901	12 205 155	27 271 462	80 797 965	-	NO	N/A	YES	N/A
Equitable Share	-	-	-	-	-	178 693 910	178 693 910	-	-	-	178 693 910	178 693 910	-	NO	N/A	YES	N/A
Drought Relief	58 161	(6 967)	-	-	-	-	-	-	-	-	51 194	51 194	-	NO	N/A	YES	N/A
Shared Services (Financial Services)	416 687	554 708	-	-	-	-	-	-	-	-	-	-	971 395	NO	N/A	YES	N/A
Section 78	200 000	-	-	-	-	-	-	-	-	-	-	-	200 000	NO	N/A	YES	N/A
Provincial Management Assistance	1 376 774	(554 708)	-	-	-	-	-	-	-	-	-	-	822 066	NO	N/A	YES	N/A
Beach Restoration Grant	7 748 007	-	-	-	-	-	-	-	-	-	2 951 935	2 951 935	4 796 072	NO	N/A	YES	N/A
Ngcobo/Low Thukela Bulk Water Scheme	4 468 220	-	-	-	12 730 400	5 854 200	18 584 600	-	1 350 672	6 666 532	13 574 947	21 592 151	1 460 669	NO	N/A	YES	N/A
Rehabilitation of Infrastructure	2 792 535	-	-	-	-	-	-	1 767 152	1 025 383	-	-	2 792 535	-	NO	N/A	YES	N/A
Maphumulo Waterworks	1 156 800	-	-	-	-	-	-	-	-	-	96 047	96 047	1 060 753	NO	N/A	YES	N/A
Refurbishment of Waste Water Works	221 336	(123 118)	-	-	-	-	-	-	225 336	15 066	(142 184)	98 218	-	NO	N/A	YES	N/A
Shared Services (DPSS)	2 201 817	-	230 328	705 980	64 000	-	1 000 308	440 018	469 614	448 573	1 385 259	2 743 464	458 661	NO	N/A	YES	N/A
Disaster Management Grant	-	-	2 500 000	-	-	-	2 500 000	-	-	-	-	-	2 500 000	NO	N/A	YES	N/A
Corridor Development Grant	16 416 000	(12 416 000)	-	-	-	-	-	-	-	4 000 000	-	4 000 000	-	NO	N/A	YES	N/A
Desludging	1 350 877	(1 350 877)	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
Financial Management	10 519	-	1 000 000	-	-	-	1 000 000	153 614	134 882	110 005	166 703	565 204	445 315	NO	N/A	YES	N/A
Municipal Systems Improvement Grant	106 950	-	750 000	-	-	-	750 000	-	97 480	-	696 835	794 315	62 635	NO	N/A	YES	N/A
EPWP	44 938	(44 938)	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
LG SETA	281 141	-	29 166	180 673	40 523	-	250 362	265 094	10 807	-	-	275 901	255 602	NO	N/A	YES	N/A
Replacement of water mains in Kwadukuza	10 811 947	873 325	-	-	-	-	-	3 018 277	6 027 649	3 248 494	(609 148)	11 685 272	-	NO	N/A	YES	N/A
Sanitation - VIP toilets	1 473 829	(1 473 829)	-	-	-	-	-	-	-	-	-	-	-	NO	N/A	YES	N/A
2010 World Cup	-	(491 172)	-	-	4 000 000	-	4 000 000	-	-	3 508 369	-	3 508 369	459	NO	N/A	YES	N/A
Water Conservation Management	-	-	-	-	1 492 675	-	1 492 675	-	-	-	1 444 055	1 444 055	48 620	NO	N/A	YES	N/A
Massafication Grant	-	-	-	-	5 231 000	-	5 231 000	-	-	-	166 566	166 566	5 064 434	NO	N/A	YES	N/A
Environmental Management	-	-	-	-	-	1 500 000	1 500 000	-	-	-	-	-	1 500 000	NO	N/A	YES	N/A
IGR Grant	-	-	-	417 000	-	-	417 000	-	-	-	-	-	417 000	NO	N/A	YES	N/A
Provincial Township Establishment	-	-	-	800 000	-	-	800 000	-	39 905	-	36 047	75 952	724 048	NO	N/A	YES	N/A
VAT Refunds	-	12 079 188	-	-	-	-	-	-	-	-	7 328 992	7 328 992	4 750 196	NO	N/A	YES	N/A
Salaries IDC Grant	809 746	-	-	1 310 513	-	-	1 310 513	530 065	530 065	530 065	530 064	2 120 259	-	NO	N/A	YES	N/A
Agriculture Hub IDC Grant	-	-	-	622 079	-	-	622 079	-	-	622 079	-	622 079	-	NO	N/A	YES	N/A
Industrial Development Strategy IDC Grant	-	-	-	186 624	-	-	186 624	-	-	186 624	-	186 624	-	NO	N/A	YES	N/A
Broadband Project IDC Grant	-	-	-	186 623	-	-	186 623	-	-	186 623	-	186 623	-	NO	N/A	YES	N/A
North Coast Wine Project IDC Grant	-	-	-	182 477	-	-	182 477	-	-	182 477	-	182 477	-	NO	N/A	YES	N/A
Agri Processing	4 018 213	4 500 000	-	6 500 000	-	-	6 500 000	-	-	-	9 663 286	9 663 286	5 354 927	NO	N/A	YES	N/A
Disaster Management	292 932	-	-	-	-	-	-	-	-	237 614	-	237 614	55 318	NO	N/A	YES	N/A
Broadband Project	2 961 896	-	-	2 500 000	-	-	2 500 000	-	-	-	3 092 696	3 092 696	2 369 200	NO	N/A	YES	N/A
Biodiesel Production Facility	1 568 780	3 916 000	-	-	-	-	-	-	-	3 299 980	-	3 299 980	2 184 800	NO	N/A	YES	N/A
North Coast Wine Project	2 671 449	4 000 000	-	5 000 000	-	-	5 000 000	-	-	3 055 679	174 114	3 229 793	8 441 656	NO	N/A	YES	N/A

ILEMBE DISTRICT MUNICIPALITY AND ITS CONTROLLED ENTITY
 UNAUDITED SUPPLEMENTARY APPENDIX F - CONSOLIDATED GRANTS AND SUBSIDIES RECEIVED - 2010/2011

CONSOLIDATED DISCLOSURE OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF THE MUNICIPAL FINANCE MANAGEMENT ACT, 56 OF 2003

Name of Grants	Unspent portion 2009/2010 financial statements	Adjustments and Transfers	Quarterly Receipts				Total Receipts	Quarterly Expenditure				Total Expenditure	Unspent portion 2010/2011 financial statements	Grants and Subsidies delayed / withheld	Reason for delay withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	reason for non-compliance	
			July to Sept	Oct to Dec	Jan to Mar	April to June		July to Sept	Oct to Dec	Jan to Mar	April to June							
			1	2	3	4		1	2	3	4							
Amacambini Development Project	955 921	-	-	-	-	-	-	-	198 255	-	-	-	198 255	757 666	NO	N/A	YES	N/A
Integrated Craft Hub	327 148	-	-	-	-	-	-	-	5 484	-	-	-	5 484	321 664	NO	N/A	YES	N/A
Nonoti Beach Resort	-	-	-	400 000	-	-	400 000	-	-	-	350 877	350 877	49 123	NO	N/A	YES	N/A	
Maphumulo Small Town Regeneration	-	-	-	700 000	-	-	700 000	-	-	-	614 035	614 035	85 965	NO	N/A	YES	N/A	
Moringa Tree Plantations	-	-	-	3 500 000	-	-	3 500 000	-	-	-	38 053	38 053	3 461 947	NO	N/A	YES	N/A	
Ndwedwe Town Development	-	-	-	-	-	3 410 000	3 410 000	-	-	-	-	-	3 410 000	NO	N/A	YES	N/A	
	63 213 092	(892)	33 959 494	52 441 969	56 648 598	189 458 110	332 508 171	20 310 667	37 300 433	38 503 335	247 575 745	343 690 180	52 030 191					

Reflected as other debtors - Note 14 1 530 422
 Unspent grants at 30 June 2009 - Note 6 64 743 514

Reflected as other debtors - claims submitted awaiting settlement - Note 14
 Unspent grants at 30 June 2010 - Note 6

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52 030 191