

ILEMBE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2015

10. PROPERTY, PLANT AND EQUIPMENT

10.1 Reconciliation of Carrying Value

	Land R.	Buildings R	Infrastructure 'Water & Sewer' R	Assets Under Construction R	Other Assets R	Finance lease assets R	Total R
As at 1 July 2014	3 242 908	12 961 663	790 791 797	239 481 924	7 724 091	1 900 037	1 056 102 421
Cost/Revaluation	3 242 908	18 438 824	1 218 988 791	239 481 924	21 571 983	11 900 727	1 513 625 158
Correction of prior year error (note 31)	-	-	-	-	-	-77 243	(77 243)
Accumulated depreciation and impairment losses	-	(5 477 160)	(428 196 992)	-	(13 847 892)	(9 923 448)	(457 445 492)
Acquisitions	-	-	1 184 249	-	783 093	38 826 120	40 793 462
Capital under Construction	-	-	-	351 030 740	-	-	351 030 740
Depreciation	-	(685 854)	(39 805 968)	-	(2 250 190)	(12 962 449)	(55 704 460)
Carrying value of disposals	-	-	-	-	(181 212)	(114 767)	(295 979)
Cost/Revaluation	-	-	-	-	(4 189 391)	(8 193 628)	(12 383 019)
Accumulated depreciation and impairment losses	-	-	-	-	4 008 179	8 076 860	12 087 039
Impairment loss/Reversal of impairment loss	-	-	83 736 016	-	(34 555)	-	83 701 461
Transfers	-	-	187 932 972	(202 340 873)	-	-	(14 407 900)
Other movements (change in accounting estimates)	-	(704 397)	111 979 368	-	-	-	111 274 971
As at 30 June 2015	3 242 908	11 571 412	1 135 818 435	388 171 792	5 041 228	27 648 941	1 572 494 511
Cost/Revaluation	3 242 908	18 438 824	1 408 106 012	388 171 792	18 165 686	42 455 977	1 878 581 198
Accumulated depreciation and impairment losses	-	(6 867 411)	(272 287 576)	-	(12 124 458)	(14 807 036)	(306 086 481)

ILEMBEE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS
for year ended 30 June 2014

10.2 Reconciliation of Carrying Value

As at 1 July 2013
Cost/Revaluation
Correction of prior year error (note 31) - Cost
Correction of prior year error (note 31) -
Accumulated depreciation and impairment losses
Accumulated depreciation and impairment losses

Land	Buildings	Infrastructure Water & Sewer	Assets Under Construction	Other Assets	Finance lease assets	Total
R	R	R		R	R	R
3 242 908	13 688 275	895 014 329	330 809 045	9 996 753	5 726 132	1 308 477 442
3 242 908	18 544 081	793 116 041	400 692 034	21 449 976	21 926 035	1 258 971 075
-	-	194 243 982	-19 882 988.72	-	-	174 360 993
-	(4 855 806)	(9 438 554)	-	(11 453 223)	(16 199 903)	(9 438 554)
		(82 907 141)				(115 416 072)

Acquisitions
Capital under Construction
Depreciation
Carrying value of disposals
Cost/Revaluation
Accumulated depreciation and impairment losses
Impairment loss/Reversal of impairment loss
Transfers
Other movements

-	-	188 377 409	-	887 392	-	189 264 801
-	-	-	296 838 018	-	-	296 838 018
-	(628 079)	(31 834 416)	-	(2 890 357)	(3 605 736)	(38 958 588)
-	(98 532)	(576 144)	-	(182 044)	(143 117)	(999 837)
-	(105 257)	(655 177)	-	(765 385)	(10 025 308)	(11 551 127)
-	6 725	79 033	-	583 341	9 882 191	10 551 290
-	-	(299 655 005)	-	(67 653)	-	(299 742 658)
-	-	-	(428 847 055)	-	-	(428 847 055)
-	-	-	-	-	-	-

As at 30 June 2014
Cost/Revaluation
Correction of prior year error (note 31) - Cost
Correction of prior year error (note 31) -
Accumulated depreciation and impairment losses
Accumulated depreciation and impairment losses

3 242 908	12 961 663	790 791 797	239 481 924	7 724 091	1 977 280	1 060 620 572
3 242 908	18 438 824	1 175 082 254	248 800 009	21 571 983	11 900 727	1 479 036 706
-	-	43 906 537	-9 318 084.19	-	-	34 588 452
-	(5 477 160)	(4 440 909)	-	(13 847 892)	(9 923 448)	(453 004 583)
		(423 756 083)				

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

11 HERITAGE ASSETS

11.1 Reconciliation of carrying value

As at 1 July 2014
Cost
Accumulated impairment losses

As at 30 June 2015
Cost

Accumulated impairment losses

11.2 Reconciliation of carrying value

as at July 2013
Cost

Accumulated impairment losses

as at June 2014
Cost

Accumulated impairment losses

205 578	205 578
205 578	-

R

Moveable Objects
Total

205 578	205 578
205 578	-

Moveable Objects
Total
R

205 578	205 578
205 578	-

205 578	205 578
205 578	-

12 Reconciliation of carrying value

As at 30 June 2015
Cost
Accumulated amortisation and impairment losses

As at 1 July 2013
Cost
Accumulated amortisation and impairment losses

As at 30 June 2014.

LEMBE DISTRICT MUNICIPALITY NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015

2015
2014
R
R

13 TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS

Trade creditors	102 845 537	49 370 751
Consumer debtors with credit balances	4 299 669	5 680 841
Staff leave accrual	10 486 456	9 951 655
Outstanding Payments	345 279	757 097
Other creditors	139 688 896	109 021 749
13th Cheques	4 226 942	
Consumer water deposits	4 993 192	4 723 194
Vat payable	7 033 096	
Total creditors	266 886 973	181 338 385

The fair value of trade and other payables approximates their carrying amounts.

VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.

14 TRADE AND OTHER PAYABLES FROM NON-EXCHANGE TRANSACTIONS

Unspent Conditional Grants and Receipts	1 166 610	1 319 805
Section 78	(0)	
MIG	(0)	
Rural Housing Grant	(0)	
Customer Satisfaction Survey	3 193 174	4 000 000
Water Services Operating Grant	-	26 958
COGTA INFRASTRUCTURE	-	8 035 287
IGR Grant	-	
Municipal Governance & Administration	-	108 015
Environmental Management	-	24 459
Financial Management Grant	-	141 332
Municipal Systems Improvement Grant	-	-
Operating Refurb Grant	-	517 772
LMWIG	-	607 707
Ndweni Town Development	-	636 864
Corridor Funding	-	165 477
Disaster Management - DBSA	-	2 349 000
EPWP	2 267 171	267 487
DRONGHT (NDMIG)	5 468 894	992 800
Rural Transport Service Grant	864 846	23 475 118
Grants - Other	9 767 621	
Total Unspent Conditional Grants and Receipts	9 767 621	23 475 118

See Note 21 for reconciliation of grants and receipts. These amounts are invested in ring-fenced investment until utilised.

15 BORROWINGS

Development Bank of South Africa	60 594 635	59 383 844
ABSA	30 787 808	30 000 000
Less : Current portion transferred to current liabilities	91 382 443	89 383 844
ABSA	1 516 041	3 115 127
Development Bank of South Africa	1 516 041	3 115 127
ABSA	89 886 402	88 268 717

Non-current portion of borrowings

Development Bank of South Africa
Best interest at rates between 8.02% and 11.04% per annum and are repayable every six months with the last repayment due on 30 September 2025.

ABSA Loan
Best interest at 10.8% per annum, interest is paid quarterly and the loan is repayable in 2025.

Refer to Appendix A for more detail on borrowings.

16 FINANCE LEASE LIABILITY

as at 30 June 2015	Minimum lease payment	Future finance charges	Present value of minimum lease payments
Within one year	10 814 535	2 388 165	8 426 370
Within two to five years	29 729 744	6 532 880	23 196 864
Less: Amount due for settlement within 12 months (current portion)	40 544 279	8 921 045	31 623 234
			8 426 370
			23 196 864

Year	2016	2014
R	10.1	10.1

441 046
1 452 292
1 893 339
441 046
1 452 292

17 SERVICE CHARGES

103 677 824	92 768 097
50 669 218	18 317 464
(9 266 144)	(6 180 802)
145 080 897	102 804 758

18 RENTAL OF FACILITIES AND EQUIPMENT

17756	17766
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19 INTEREST EARNED - BANK BALANCES

14 393 406	13 119 710
3 614 085	4 401 310

21 GOVERNMENT GRANTS AND SUBSIDIES

280 468 000	712 659 888
200 084 058	686 222 234
170 482 602	
141 353 632	
253 388 000	

21.1 Equitable Share

200 468 000	(296 468 000)
253 386 000	(253 386 000)

21.2 Municipal Infrastructure Grant

3 193 174	-0.00
11 805 884	(200 084 058)
184 905 000	177 501 000
53 182	(169 871 184)
	(4 489 525)

Adjustments and transfers relate to amounts owed by COGTA, for which a debtor has been created (see note 4)

21.3 Other Grants	2016	2014
	R	R
21.4 SECTION 76 GRANT		
Balance unspent at beginning of year	892 800	992 800
Current year receipts	-	-
Conditions met - transferred to revenue	(127 854)	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	864 846	992 800
21.5 WATER SERVICE OPERATING GRANT		
Balance unspent at beginning of year	200 000	200 000
Current year receipts	-	-
Conditions met - transferred to revenue	(200 000)	-
Conditions still to be met - remain liabilities (see note 14)	-	200 000
21.6 WATER SERVICE OPERATING GRANT - SUNDUMBILI		
Balance unspent at beginning of year	4 500 000	-
Current year receipts	-	-
Conditions met - transferred to revenue	(4 500 000)	-
Conditions still to be met - remain liabilities (see note 14)	-	-
21.7 REGIONAL BULK INFRASTRUCTURE GRANT - LTBWSS		
Balance unspent at beginning of year	57 160 362	89 880 813
Current year receipts	-	-
Conditions met - transferred to revenue	(75 351 400)	(76 293 239)
Adjustments and Transfers	18 171 038	(13 587 574)
Conditions met	-	-
Adjustments and transfers relate to amounts owed by the Department of Water Affairs, for which a debtor has been created (see note 4), amounts received pertaining to debtors for the previous financial year, as well as internally funded portion of the project.		
21.8 RURAL TRANSPORT SERVICE		
Balance unspent at beginning of year	267 488	768 926
Current year receipts	2 120 000	1 807 000
Conditions met - transferred to revenue	(2 307 488)	(2 308 438)
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	-	267 488
21.9 DISASTER MANAGEMENT GRANT (DBSA)		
Balance unspent at beginning of year	165 476	165 476
Current year receipts	-	-
Conditions met - transferred to revenue	(165 476)	-
Conditions still to be met - remain liabilities (see note 14)	-	165 476

2016
IDM
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21.10 SHARED SERVICES GRANT (DPS)

Balance unspent at beginning of year	1 000 000	-
Current year receipts	-	-
Conditions met - transferred to revenue	(1 000 000)	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	-	-

21.11 MWIG

Balance unspent at beginning of year	517 772	49 692 000
Current year receipts	-	-
Conditions met - transferred to revenue	(54 304 852)	(49 174 220)
Adjustments and Transfers	14 787 180	-
Conditions still to be met - remain liabilities (see note 14)	-	517 772

Adjustments and transfers relate to debtors owed by COGTA (see note 4)

21.12 PROVINCIAL TOWNSHIP ESTABLISHMENT

Balance unspent at beginning of year	1 319 805	1 881 915
Current year receipts	-	-
Conditions met - transferred to revenue	(163 195)	(493 079)
Adjustments and Transfers	-	(69 031)
Conditions still to be met - remain liabilities (see note 14)	1 156 610	1 319 805

21.13 Municipal Governance & Admin

Balance unspent at beginning of year	190 015	573 084
Current year receipts	-	-
Conditions met - transferred to revenue	(87 079)	(375 068)
Adjustments and Transfers	(110 936)	-
Conditions still to be met - remain liabilities (see note 14)	-	198 015

Adjustments and transfers relate to amounts realized as savings and transferred to other income

21.14 CORRIDOR FUNDING

Balance unspent at beginning of year	-	500 000
Current year receipts	-	-
Conditions met - transferred to revenue	-	(500 000)
Conditions met	-	-

21.15 CORRIDOR - NORTH URBAN DEVELOP PLAN PHASE 2

Balance unspent at beginning of year	535 864	535 864
Current year receipts	-	-
Conditions met - transferred to revenue	(535 864)	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	0	535 864

21.16 RURAL HOUSING GRANT

Balance unspent at beginning of year	4 000 000	-
Current year receipts	-	4 000 000
Conditions met - transferred to revenue	(3 998 000)	-
Adjustments and Transfers	(4 000)	-
Conditions still to be met	-	4 000 000

Adjustments and transfers relate to amounts realized as savings and transferred to other income

ILEMBE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2015

IDA
2015
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IDA
2014
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21.17 KDM MIG GRANT

Balance unpaid at beginning of year	19 839 656	7 337 566	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	(16 130 633)	(7 337 566)	-
Adjustments and Transfers	(3 008 942)	-	-
Conditions met	800 076	-	-

Adjustments and transfers relate to amounts received for the debtors amount pertaining to the previous financial year.

21.18 FMG

Balance unpaid at beginning of year	141 332	1 250 000	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	(1 391 332)	(1 080 015)	-
Adjustments and Transfers	-	(28 653)	-
Conditions still to be met	-	141 332	-

21.19 MSIS

Balance unpaid at beginning of year	894 000	890 000	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	(934 000)	(890 000)	-
Conditions met	0	-	-

21.20 EPWP

Balance unpaid at beginning of year	2 349 000	1 000 000	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	(2 289 828)	-	-
Adjustments and Transfers	-	-	-
Conditions still to be met - remain liabilities (see note 14)	2 287 171	2 349 000	-

21.21 LGSETA

Balance unpaid at beginning of year	250 042	77 800	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	-	-	-
Adjustments and Transfers	-	-	-
Conditions still to be met - remain liabilities (see note 14)	-	(90 156)	-

21.21 IGR GRANT

Balance unpaid at beginning of year	-	73 800	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	-	(64 737)	-
Adjustments and Transfers	-	-	-
Conditions still to be met - remain liabilities (see note 14)	-	(9 063)	-

21.22 ENVIRONMENTAL MANAGEMENT FRAMEWORK

Balance unpaid at beginning of year	24 459	307 639	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	-	-	-
Adjustments and Transfers	(24 459)	(34 777)	-
Conditions still to be met - remain liabilities (see note 14)	0.00	24 459	-

21.23 NDWEDWE TOWN DEVELOPMENT

Balance unpaid at beginning of year	507 707	507 707	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	5 383 726	-	-
Adjustments and Transfers	(5 358 499)	-	-
Conditions still to be met - remain liabilities (see note 14)	-	(532 934)	-

Adjustments and transfers relate to amounts owed by Ndwedwe Municipality, for which a debtor has been created, as well as amounts declared as output VAT.

21.24 Customer Satisfaction Survey

Balance unpaid at beginning of year	28 958	680 000	-
Current year receipts	-	-	-
Conditions met - transferred to revenue	-	-	-
Adjustments and Transfers	(28 958)	-	-
Conditions still to be met - remain liabilities (see note 14)	-	(87 917)	-

Adjustments and transfers relate to amounts realized as savings and transferred to other income

LEMBE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2016

	2015	2014
	R	R
21.25 Melville Package Plant		

Balance unpaid at beginning of year	611 118	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	-	-

Balance unpaid at beginning of year	10 693 210	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	-	-

21.27 EMERGENCY DROUGHT RELIEF - DWS
has been created. (see note 4)
Adjustments and Transfers relate to amounts owed by the Department of Water Affairs, for which a debtor

Balance unpaid at beginning of year	9 931 000	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 15)	-	-

Balance unpaid at beginning of year	9 250 000	-
Current year receipts	-	-
Conditions met - transferred to revenue	-	-
Adjustments and Transfers	-	-
Conditions still to be met - remain liabilities (see note 14)	-	-

22 OTHER INCOME, PUBLIC CONTRIBUTIONS AND DONATIONS

22.1 Other Income	148 071	456 039
Tender Documents	173 390	173 390
Telephone recovered	228 809	228 809
Clearance certificates	925 297	572 931
Private developers	1 001 244	1 001 244
Site Water Concession	1 464 166	1 436 000
Insurance proceeds	2 708	94 559
Developers Capital Contribution	-	22 108 970
Shared Service	1 633 251	1 644 332
Enterprise Ilombu	1 289 112	177 002
New connections	-	4 837 924
Val Refunds	1 323 453	881 060
Other income	7 212 866	33 483 961

Employee related costs - Salaries and Wages	107 184 213	94 568 559
Employee related costs - Contributions for UIF, pensions and medical	20 654 893	17 075 150
Travel, motor car, accommodation, subsistence and other allowances	3 977 579	3 112 692
Housing benefits and allowances	758 426	612 857
Overriding payments	6 283 919	4 437 846
Performance and other bonuses	8 251 511	6 147 753
Long-service awards	1 592 129	2 775 714
Other employee related costs	4 710 840	5 605 025
There were no advances to employees.	163 413 213	134 335 596

Remuneration of the Municipal Manager	82 474	877 021
Annual Remuneration	11 246	-
Travel, motor car, accommodation, subsistence and other allowance	149	92 897
13th Cheque Provision	7 810	-
Total	101 679	970 518

The Municipal Manager position was filled in June 2015

Remuneration of the Chief Financial Officer	699 274	845 970
Annual Remuneration	-	-
Travel, motor car, accommodation, subsistence and other allowance	198 401	185 702
Contributions to UIF, Medical and Pension Funds and other allowance	1 785	1 784
Total	1 099 459	1 033 484

Remuneration of Individual Executive Director	Technical Services	Corporate Services	Corporate Governance
Annual Remuneration	274 169	725 498	1 016 113
Travel, motor car, accommodation, subsistence and other allowance	-	240 192	20 313
Contributions to UIF, Medical and Pension Funds	446	72 521	1 785
Total	274 615	1 038 210	1 038 210

The position for Director: Technical Services was filled in April 2015

LEMADE DISTRICT MUNICIPALITY NOTES TO THE FINANCIAL STATEMENTS As at 30 June 2015

June 2014			
Annual Remuneration	621 242	853 125	R
Travel, motor car, accommodation, subsistence	205 675	121 875	R
Contributions to UIF, Medical and Pension Funds	62 207	1 785	R
Total	889 124	976 785	R

The position for Director, Technical Services is currently vacant.

24 REMUNERATION OF COUNCILLORS

Mayor	791 402	638 271
Deputy Mayor	700 142	584 766
Speaker	413 360	307 213
Executive Committee Members	1 658 603	1 333 349
Councillors' Allowances	4 458 769	3 314 287
Councillors' pension and medical aid contributions	569 310	471 648
Total Councillors' Remuneration	8 689 688	6 629 634

In-kind Benefits

The Mayor, Deputy Mayor, Speaker and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.

The Mayor, Deputy Mayor and Speaker has use of the Council owned vehicle for official duties. The Mayor has 2 full-time bodyguards.

25 DEPRECIATION, IMPAIRMENT AND AMORTISATION EXPENSE

Depreciation	(65 570 510)	38 958 584
Impairment of Assets	(83 655 289)	299 742 658
Intangible assets	1 704 782	1 349 661
Total Depreciation, Impairment and Amortisation	(137 621 017)	340 050 903

The impairment reversal recognized mainly relates to impairment of infrastructure assets due to significant changes in the remaining useful lives of these assets.

26 FINANCE COSTS

Borrowings	8 524 798	9 034 822
Losses	2 222 135	232 123
Total Finance Costs	11 248 933	9 266 946

27 BULK PURCHASES

Electricity	74 440 680	72 288 235
Water	74 440 680	72 288 235
Total Bulk Purchases	148 881 360	144 576 470

28 CONTRACTED SERVICES

Contracted services for:		
Management Contract WSSA	11 859 226	
Lease of Machinery & Equipment	380 201	
Reconnections/Disconnections	31	
Plant Hire	11 180 392	
Security	24 121 634	
Safes/garages	4 598 163	
LEASE OF MVV - MAINT CHARGES	4 660 313	
Smart Boxes	20 693	
Mobile reading contracts	149 835	
Fax & Copier rentals	2 530 358	
Lease of Vehicles	219 347	
Rental of Buildings	1 966 602	
Vehicle Hire	5 411 232	
Insurance	1 169 627	
	68 718 671	65 637 666

29 GRANT EXPENSES

Grant Expenditure	34 217 638	35 317 924
LED Projects	1 359 053	1 060 015
Size Water Concession Monitoring	2 220 349	
Tourism		
PROVINCIAL TOWNSHIP ESTABLISHMENT	134 381	493 079
Corridor Grant Expenditure		
MUNICIPAL GOV & ADMINISTRATION	67 079	500 000
SPATIAL DEVELOPMENT PLAN	377 990	
IGR Grant Expenditure		
RURAL HOUSEHOLD GRANT	3 505 263	68 204
EMF		
Maphumulo HH Sanitation	9 753 554	248 403
MIG PMU		
Ndwedwe Ward 16 HH Sanitation		
Ndwedwe HH Sanitation	6 913 678	8 614 232
Urban Satisfaction Survey	9 868 321	12 991 167
		485 125

ILEMBE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS
As at 30 June 2015

30 GENERAL EXPENSES	IDM 2015	IDM 2014
R	R	R

Included in general expenses are the following:-

Advertising	1 574 394	1 855 989
Admin fees	2 272 672	1 913 681
Audit fees	163 492	195 170
Bank charges	1 081 490	1 170 855
Bureaux	253 897	58 150
Cleaning	-	-
Conferences and delegations	-	-
Connection charges	-	-
Consulting fees	-	-
Consumables	1 264 687	-
Debt collection commission	-	-
Departmental consumption	-	-
Entertainment	-	-
Financial management grant	959 677	1 133 584
Fuel and oil	6 469 711	10 809 561
Insurance	-	1 745
Legal expenses	471 031	350 231
Levies paid	-	-
LG Seta Expenditure	669 704	1 284 055
Licence fees - vehicles	14 051	29 923
Licence fees - computers	1 055 550	280 908
Membership fees	-	1 768 521
Parking	-	-
Postage	1 442 008	1 590 160
Printing and stationery	946 959	889 342
Professional fees	1 742 777	3 057 144
Disaster Management	-	1 600 301
Rent of buildings	-	-
Rent of machinery and equipment	-	-
Lease of computer equipment	205 041	-
ITP & Planning	-	721 767
Security costs	-	-
Property rates	-	658 649
Commission: Agency	1 069 618	330 864
Special Projects - Youth, Gender, HIV	8 502	948 705
Subsistence & publication	-	-
Sports Development	-	623 056
Telephone cost	3 052 335	3 169 200
Training	-	-
Transport claims	2 313 511	2 036 943
Travel and subsistence	-	-
Uniforms & overalls	1 791 448	2 887 777
Water and Sanitation	1 029 735	1 813 480
Electricity & Water	5 727 273	1 776 976
LED Projects	16 657 438	18 518 142
Shared Services	15 800 000	16 708 146
Public Participation	3 006 152	2 138 121
Siza Water	2 068 231	2 498 468
Other	1 575 735	442 369
	77 217 478	88 821 612

31 CORRECTION OF PRIOR YEAR ERRORS AND CHANGE IN ACCOUNTING POLICY

Property, plant and equipment 1 434 393

An error was discovered in the calculation of the 2013 accumulated depreciation which resulted in the overstatement of the net book value of property, plant & equipment. It was further discovered that assets under construction which were completed in the prior years were not transferred to completed assets as a result of depreciation and accumulated depreciation was understated.

Items categorised as capital assets in nature which have been now under construction in the prior year which have been now expensed

Foreign Loss (250 042)

Unspent Grants Liabilities 77 243

LG Seta funding has previously been disclosed as grants and only was received from Treasury to say it is not a grant but rather

Foreign Liability (4 784)

Credit Note not accounted for at 30 June 2013 resulting in Foreign Liability being overstated

Finance Lease Liability - Reversal of operational lease liability 340 325

Revenue Receipts not raised in prior year 2013/14 (1 458 820)

Stock Adjustments 1 579 024

Bank and Cash (1 023 893)

Intangible Assets (6 102)

Provision 1 327

adjustment to the 13th Cheque provision for December 2013 to June (3 137 970)

Consumer Debtors 243 191

Adjustments to consumer transactions relating to prior years 416 498

Trade Creditors (135 157)

Rebates adjustments in prior year (2 045 688)

2013/14 (94 660)

Reversal of charges (269 803)

Correction of cash book balance (3 416 352)

Other Debtors (19 911)

Claim in respect of RBC funded capital project expenditure raised erroneously (170 850)

Rent amounts owed to enterprise Ilembe (9 453)

Amounts owing to the entity 14 220

Staff Debtors (61 859)

Orders erroneously raised as accruals in the 2013/14 financial year (445 899)

Other 39 695 276

32 CASH GENERATED BY OPERATIONS

	2015	2014
Surplus/(deficit) for the year	498 751 099	(74 223 627)
Adjustment for:-		
Depreciation and amortisation	(137 521 017)	340 050 903
Foreign Loss	6 245	999 030
Loss on disposal of PPE	(15 392)	81 899
Contribution to provisions - non-current	40 409 410	10 647 232
Contribution to provisions - current	1 582 129	2 775 714
Finance costs	11 246 933	9 266 946
Prior Year Adjustments	(445 699)	39 595 275
Investment income	(3 614 086)	(4 401 310)
Bad debts written off	(23 800 126)	(21 028 720)
Operating surplus before working capital changes:	370 276 189	310 864 149
Increases in inventories	(7 882 852)	(2 018 256)
Increases/(decreases) in trade receivables	(26 784 966)	(25 784 966)
(Increase)/decrease in other receivables	(54 739 498)	20 595 185
Increase in conditional grants and receipts	(13 707 597)	14 624 564
(Decrease) increase in trade payables	85 548 587	40 759 089
Other assets	11 818 022	-
Cash generated by/(utilised in) operations	359 390 224	376 960 666

Cash and cash equivalents included in the cash flow statement comprise the following:

Bank balances and cash	31 863 098	13 242 232
Net cash and cash equivalents (net of bank overdrafts)	31 863 098	13 242 232

34 FRUITLESS AND WASTEFUL UNAUTHORISED EXPENDITURE DISALLOWED

34.1 Unauthorised expenditure		
Reconciliation of unauthorised expenditure	12 971 211	9 251 872
Unauthorised expenditure current year	(12 971 211)	(9 251 872)
Approved by Council/Board or condoned	-	-
Unauthorised expenditure awaiting authorisation	-	-

Incident
Unauthorised expenditure was as a result of expenditure on municipal water infrastructure grant that exceeded the 2014/2015 allocation

Action taken
Council has certified the unauthorised expenditure as irrecoverable and written it off in terms of section 32(2) of the MFMA

34.2 Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure	02 148	88 712
Opening balance -	02 148	259 160
Fruitless and wasteful expenditure current year	(327 072)	(327 072)
Fruitless and wasteful expenditure awaiting condonement	92 148	-

Incident
The fruitless and wasteful expenditure relates to late cancellation of the hotel booking at Hampshire Hotel.
Action taken
The amount has been referred to MPAC.

LEMBE DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS

As at 30 June 2015

	2015	2014
R		R

34.3 Irregular expenditure		
Reconciliation of irregular expenditure		
Opening balance	3 081 319	-
Irregular expenditure current year	2 590 940	9 129 167
Irregular expenditure awaiting condonement	2 590 940	(12 210 485)
Carried by council as irrecoverable and written off	-	-
Incident		
The irregular expenditure is a result of certain instances of non-compliance with the SCM policy and processes.		
Action taken		

The irregular expenditure has been referred to MPA.

34.4 Deviations

Deviations were approved in terms of regulation 36 of the Supply Chain Management Policy:

Total value	19 928 776
12 264 957	
19 928 776	

ADDITIONAL DISCLOSURES IN
TERMS OF MUNICIPAL FINANCE
MANAGEMENT ACT

35.1 Contributions to organised local government

Opening balance	1 714 403
Council subscriptions	1 030 726
Amount paid - current	(1 030 726)
Balance unpaid (included in payables)	486 283

35.2 Audit fees

Opening balance	2 272 672
Current year audit fee	1 913 681
Amount paid - current year	(1 913 681)
Balance unpaid (included in payables)	(2 272 672)

35.3 VAT

VAT input recoverables and VAT output payables are shown in note 13. All VAT returns have been submitted by the due date throughout the year.

35.4 PAYE and UIF

Opening balance	1 588 164
Current year payroll deductions	23 284 210
Amount paid - current year	(21 457 597)
Amount paid - previous years	(1 269 943)
Balance unpaid (included in payables)	1 688 164

The balance represents PAYE and UIF deducted in June 2015 payroll. These amounts were paid in July 2015

35.5 Pension and Medical Aid Deductions

Opening balance	1 278 308
Current year payroll deductions and Council Contributions	32 592 204
Amount paid - current year	(28 798 115)
Amount paid - previous years	(1 278 308)
Balance unpaid (included in payables)	2 784 089

The balance represents Pension & Medical aid deducted in July 2015 payroll. These amounts were paid in June 2015 except for medical and RA which were paid within the month of deduction which is June 2015.

35.6 Councilor's arrears consumer accounts

Total	Outstanding less	Outstanding more than 90 days
R		R

as at 30 June 2015	976	613	363
Councilor A Badal	710	409	300
Councilor MIP Ntuli	790	682	108
Councilor RN Paddas	8 392	3 987	5 395
Councilor MSC Motlala	1 847	1 847	-
Councilor LR Mbonambi	938	455	484
Councilor JIM Mkhize	14 551	8 002	6 549
Total Councilor Arrear Consumer Accounts	-	-	-

as at 30 June 2014

Total Councilor Arrear Consumer Accounts	-
--	---

ID#	R
2016	R
2014	R

35.0.1 Asset Impairment (Losses)

the prior year due to significant deterioration in the remaining useful lives and recoverable amounts of these assets. However, the current financial year assessment resulted in the reversal of impairment losses.

35.6.2 Debt impairment losses

Altogether, the above-mentioned provisions of the law are intended to ensure that the provisions of the law are applied in a manner that is consistent with the provisions of the law. The provisions of the law are intended to ensure that the provisions of the law are applied in a manner that is consistent with the provisions of the law.

35.7

Distribution Losses		Percentage Distribution	
Units lost (kilolitres)			
Illegal connections and other	40%	5 359 290	3 192 268
Main leaks	37%	4 091 162	5 600 745
Reservoir overflows	0%	28 223	40 005
Service connection leaks	15%	1 724 132	2 360 314
Units lost (kilolitres)	100%	11 203 807	11 193 352
Units lost (sales price per kilolitre - rands)		77 824 205	76 314 609
Units lost (purchase price per kilolitre - rands)		32 672 380	34 882 814
Units lost (percentage)		44%	48%

The distribution losses are mainly due to illegal connections, main leaks (aging infrastructure), reservoir overflows and service connection leaks. A five year strategic master plan for the reduction of non revenue water has been adopted by the municipality to address this problem.

35.9 losses

It was noted that there were inconsistencies between the sewer revenue charged to individual consumers and charges per the approved tariff policy. The reason for the differences is that old consumers were charged based on the 2007/2008 valuation roll instead of the 2011 valuation roll from the Local Municipality. This has resulted in a total loss of revenue of R12,2million. It has proved very expensive to use the valuation roll as basis of charging sewer finance council. The change the basis from valuation roll to water consumption basis in the 2014/2015 budget year, included in the amount written off is an amount of R1,1 million in respect of 2012/2013 sewer increase of 0,3% that was not billed to the individual consumers. This has resulted in debtors and provision for bad debts.

36 CAPITAL COMMITMENTS

36.1 Commitments in respect of capital expenditure

- Approved and contracted for

Community

- Approved but not yet contracted for
Infrastructure

Total

This expenditure will be financed from

* Government Grants

- Funding still to be

37 EMPLOYEE BENEFITS INFORMATION

The following are defined contribution plans: Nat'l Joint Municipal Pension Fund, National Treasury, Government Employees Pension Fund, SALA Pension Fund and Municipal Councilors Pension Fund. These contributions have been expensed.

ILIMBE DISTRICT MUNICIPALITY NOTES TO THE FINANCIAL STATEMENTS As at 30 June 2015

10M
2015
R
10M
2014
R

37.2 Oliver Long-term benefit plan

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the municipality.

The municipality's net obligation in respect of long service awards is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value and the fair value of any related assets is deducted to determine the net obligation.

The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the municipality's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in surplus or deficit in the period in which the independent valuers carried out a statutory valuation as at 30 June 2015.

The principal actuarial assumptions used were as follows:

Discount rate per annum	8%
Inflation rate	7%
Net effective discount rate	1%
Benchmark inflation (equal to salary inflation)	7%
Average retirement age	63
Portability during employment	SA 65-90 ultimate
Percentage of in-service members withdrawing before retirement	SA 65-90 ultimate
Age 20	40%
Age 30	25%
Age 40	12%
Age 50	4%
Age 55+	2%

Statement of Financial Position were determined as being the present value of the obligation:

EMPLOYEE BENEFITS

(continued)

Movement in the defined benefit obligation is as follows:

Balance at beginning of the year	4 221 000
Current service cost	771 000
Interest cost	550 000
Benefit payments	(1 909 502)
Actuarial (gains)/losses	271 129
Balance at end of year	7 271 627
	6 685 000

The timing of the employee benefits is as follows:

Current portion of employee benefits

801 472
6 114 000
6 470 155
6 685 000

The amounts recognised in the Statement of Financial Performance were as follows:

Current service cost	510 000
Interest cost	320 000
Actuarial (gains)/losses	1 945 714
	271 129
	1 592 129
	2 776 714

38 RELATED PARTIES

Members of key management

Controlled Municipal Entity

Section 57 managers
Ilime District Municipality has a 100% holding in Ilime Development Enterprise (Pty) Ltd.
Refer to note 23 & 24

Compensation to councillors and other key management

Related party balances

Amount owed by Ilime Enterprise included in other payables

(12 697 884)

Related party transactions

Transactions with Enterprise Development Agency

16 708 146

Grant funding from the parent for LED projects

300 433

Rental of offices

10M1
2016
R

39 RISK MANAGEMENT

39.1 Maximum credit risk exposure

Credit risk is the risk that a counter party to a financial instrument will fail to discharge an obligation and cause the municipality to incur a financial loss.
Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The municipality only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.
Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

Financial assets exposed to credit risk at year end were as follows:

Consumer debtors	209 575 679	168 710 220
Other debtors	74 186 007	19 449 509
	<u>283 761 686</u>	<u>188 159 728</u>
Ageing of consumers		
Current (0 - 30 days)	13 001 169	16 420 207
31 - 60 Days	12 783 500	17 640 266
61 - 90 Days	8 854 057	6 609 142
91 - 120 Days	7 568 493	4 341 352
121 - 365 Days	7 916 699	5 787 472
+ 365 Days	159 451 561	116 911 791
Total	209 575 679	168 710 220
Less: Provision for bad debts	(88 862 177)	(75 655 325)
Net consumer debtors	<u>120 713 502</u>	<u>91 132 770</u>
Cash and cash equivalents	31 663 095	44 638 379
Other investments	22 982 423	21 549 083
	<u>54 645 519</u>	<u>66 387 442</u>

These balances represent the maximum exposure to credit risk.

2016
IDM
R
2014
R

39.2 Liquidity risk

Liquidity risk is the risk that the municipality will not be able to meet its obligations as they fall due. The municipality's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the municipality's reputation. The municipality's risk to liquidity is a result of the funds available to cover future commitments and credit facilities. The municipality manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored. The municipality's liability are backed by appropriate assets and it has significant liquid resources. The table below analyses the municipality's financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2015	2016
Gross finance lease obligations	8 426 370	23 196 664
Borrowings	1 516 041	89 866 402
Trade and other payables	276 654 494	276 654 494
Other	801 472	6 470 155
Total	287 398 376	119 633 421
Within a year	287 398 376	119 633 421
Between 2 to 5 years	-	-
Total	287 398 376	119 633 421
Gross finance lease obligations	1 452 292	86 266 717
Borrowings	3 115 127	441 048
Trade and other payables	204 813 503	89 383 844
Other	671 000	6 685 000
Total	209 861 923	302 776 688
Within a year	209 861 923	302 776 688
Between 2 to 5 years	-	-
Total	209 861 923	302 776 688

39.3 Interest rate risk

The Municipality is not exposed to interest rate risk on its financial liabilities. All of the Municipality's interest bearing external loan liabilities are fixed interest loans. The municipality's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the group to cash flow/interest rate risk. Borrowings issued at fixed rates expose the municipality to fair value interest rate risk. The Municipality is exposed to fair value interest rate risk on its external loan liabilities, which are all fixed. At year end, financial instruments exposed to interest rate risk were as follows:

Cash and cash equivalents	31 863 096	44 838 379
Other investments	22 882 423	21 549 063
Gross finance lease obligations	31 382 443	1 893 839
Borrowings	91 382 443	89 383 844
Consumer debtors	209 876 679	168 718 220

39.4 Foreign Currency Risk

Municipality had a three year contract for the deployment of Microsoft share point with Microsoft, which has since expired, therefore no foreign currency risk exists during the 2014/15 financial year. At year end Foreign exchange liability was: 6 245 81 889

The Spot rate at 30 June 2015 was 12.2934, should the spot rate increase by 10% the foreign liability will be R 158 813.13 and the foreign loss will increase to R 6 869.37. Should the spot rate decrease by 10% the foreign liability will be R 129 938.01 and the Foreign loss will decrease to R 5 620.39.

ILEMBE DISTRICT MUNICIPALITY
APPENDIX A
UNAUDITED SCHEDULE OF EXTERNAL LOANS
as at 30 June 2015

EXTERNAL LOANS	Loan number	Redeemable Date	Balance at 1 July 2014		Received during the period	Interest Paid during the period		Loans Raised During the period		Redeemed / written off during the period		Balance at 30 June 2015	
			R			R		R		R		R	
LONG-TERM LOANS													
ABSA Bank @10.65%		2025	30 000 000		-	1 610 630		787 808				30 787 808	
Development Bank of SA @10.80%		2025/09/30	59 383 844		-	2 606 237		2 608 459		1 516 041		60 476 262	
Total long-term loans			89 383 844		-	4 216 867		3 396 267		1 516 041		91 264 070	
ANNUITY LOAN													
Development Bank of SA @16.50%	13527		75 963			5 483				66 284		9 679	
Development Bank of SA @13.45%	11578	2014	238							-		238	
Total capital creditors			76 201		-	5 483		-		66 284		9 917	
TOTAL EXTERNAL LOANS													
			89 460 045		-	4 222 350		3 396 267		1 582 325		91 273 987	

LEMBE DISTRICT MUNICIPALITY
APPENDIX B
UNAUDITED ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2015

Cost/Revaluation	Additions	Change in policy/prior errors	Disposals	Transfers	Under Construction	Closing Balance	Accumulated Depreciation		Change in policy/prior errors	Reversal of impairment loss	Impairment loss	Closing Balance	Carrying Value
	R	R	R	R	R	R	Opening Balance	R			R	R	R
Land	3 242 205	-	-	-	-	3 242 205	-	-	-	-	-	-	3 242 205
	3 242 205	-	-	-	-	3 242 205	-	-	-	-	-	-	3 242 205
Buildings	13 438 325	-	-	-	-	13 438 325	(5 277 169)	(685 854)	(704 397)	-	-	(6 981 411)	11 571 411
Infrastructure	81 122 101	76 465 53	38 619 183.00	-	2 851 455	122 899 216	(37 662 049)	(4 261 408)	(4 276 841)	11 323 101	(1 869 135)	(36 749 128)	85 920 087
Water Main & Purification	1 137 806 020	1 107 732.36	-38 619 183.00	-	185 081 878	1 285 496 787	(350 534 946)	(35 544 580)	116 259 069	105 237 452	(30 555 402)	(235 538 448)	1 049 958 349
Under construction	238 481 024	-	-	-	(202 540 873)	355 940 151	-	-	-	-	-	-	355 940 151
	1 458 479 715	1 184 249	-	-	(14 407 993)	1 736 277 894	(433 106 992)	(53 205 965)	111 979 268	116 560 553	(32 624 537)	(272 267 576)	1 538 990 529
	1 458 479 715	1 184 249	-	-	(14 407 993)	1 736 277 894	(433 106 992)	(53 205 965)	111 979 268	116 560 553	(32 624 537)	(272 267 576)	1 538 990 529
Total carried forward	1 430 152 445	1 184 249	-	-	-	1 617 599 537	(433 674 151)	(60 491 822)	111 274 971	116 560 553	(32 624 537)	(279 154 387)	1 538 990 529

LEMBE DISTRICT MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2015

Cost/Revaluation	Additions	Change in policy/prior errors	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Accumulated Depreciation Changes in policy/prior errors	Impairment loss/Reversal of impairment loss	Closing Balance	Carrying Value
	R	R	R	R	R	R	R	R			R	R
Total Brought forward	1 430 152 445	1 184 249	-	351 130 740	1 617 599 537	(433 674 151)	(60 491 822)	-	111 274 971	116 560 553	(32 624 537)	1 538 990 529
Other Assets	2 079 580	622 362	-	-	3 541 352.76	(2 050 284)	(348 852)	148 630	-	-	(2 304 773)	1 236 579
Office Equipment	2 389 300	104 713	-	-	2 192 859	(1 584 212)	(364 567)	282 310	-	(11 257)	(1 904 977)	1 298 807
Machinery & Equipment	8 404 007	-	-	-	5 087 809.07	(4 810 578)	(760 153)	3 188 484	-	(9 449)	(1 581 543)	3 588 411
Transport Assets	7 718 195	55 019	-	-	7 243 624	(5 360 021)	(879 105)	400 756	-	(12 806)	(5 851 161)	2 713 559
Computer Equipment	21 571 982	763 093	-	-	18 165 585	(13 842 035)	(2 250 130)	4 004 173	-	(34 555)	(12 124 661)	5 041 025
Finance Lease Assets	11 800 727	38 828 126	(754 119)	-	41 775 103	(9 803 249)	(12 962 249)	8 078 880	676 877	-	(14 130 159)	27 648 541
Other Assets	11 000 727	38 828 126	(754 119)	-	41 775 103	(9 803 249)	(12 962 249)	8 078 880	676 877	-	(14 130 159)	27 648 541
	1 513 625 158	40 793 462	(754 119)	351 130 740	1 877 904 322	(457 445 695)	(65 704 460)	12 087 023	676 877	116 560 553	(32 659 062)	1 672 484 512.67

LEMBE DISTRICT MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2014

	Opening Balance R	Additions R	Change in policy/prior errors	Cost / Revolution Disposals R	Under- Construction R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Accumulated Depreciation Change in policy/prior errors	Impairment loss/Reversal of impairment loss R	Closing Balance R	Carrying Value R
Land	3 242 908	-	-	-	-	3 242 908	-	-	-	-	-	-	3 242 908
Buildings	3 242 908	-	-	(105 257)	-	3 242 908	-	-	-	-	-	-	3 242 908
Infrastructure	18 544 051	-	-	-	-	18 544 051	(4 552 806)	(628 079)	6 755	-	-	(5 377 160)	12 961 651
Water Works & Purification	79 702 891	1 430 386	-	(12 276)	-	81 122 101	(12 699 048)	(2 720 076)	1 550	(128 103)	(29 116 365)	(27 662 046)	43 460 055
Water Works & Purification	713 212 043	180 947 023	238 150 519	(642 801)	-	1 127 896 690	(70 208 093)	(29 114 340)	77 483	(19 751 358)	(277 538 840)	(300 534 945)	747 351 742
Under construction	400 002 034	-	-20 201 072 81	-	208 326 018	239 431 924	-	-	-	-	-	-	239 431 924
	1 193 205 074	188 377 409	208 949 446	(655 177)	208 326 018	1 458 170 715	(82 907 141)	(31 834 416)	79 033	(13 879 463)	(209 655 805)	(428 195 922)	1 029 273 725
Total carried forward	1 215 905 063	188 377 409	208 949 446	(760 434)	208 326 018	1 480 152 447	(87 762 946)	(32 462 495)	85 758	(13 879 462)	(209 655 805)	(433 874 151)	1 046 478 235

LEMBE DISTRICT MUNICIPALITY
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2014

	Opening Balance R	Additions R	Change in policy/prior errors	Cost / Revolution Disposals R	Under- Construction R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Accumulated Depreciation Change in policy/prior errors	Impairment loss/Reversal of impairment loss R	Closing Balance R	Carrying Value R
Total brought forward	1 215 905 063	188 377 409	208 949 446	(760 434)	208 326 018	1 480 152 447	(87 762 946)	(32 462 495)	85 758	(13 879 462)	(209 655 805)	(433 874 151)	1 046 478 235
Other Assets	3 167 009	78 206	-	(105 475)	-	3 139 740	(1 813 432)	(560 284)	104 783	-	(24 391)	(2 093 284)	946 456
Office Equipment	2 427 013	46 228	-	(103 041)	-	2 369 999	(1 222 464)	(272 945)	50 943	-	(9 543)	(1 554 069)	785 202
Machinery & Equipment	8 037 206	634 211	-	(288 810)	-	8 382 607	(4 135 120)	(331 415)	205 227	-	(40 263)	(4 810 578)	3 504 029
Transport Assets	7 016 688	128 867	-	(228 150)	-	7 716 196	(4 222 207)	(1 325 730)	192 378	-	(4 452)	(5 350 021)	2 358 175
Computer Equipment	21 449 976	307 393	-	(765 325)	-	21 991 963	(11 453 223)	(2 590 357)	533 341	-	(87 453)	(13 847 893)	7 724 093
Finance Lease Assets	21 928 035	-	-	(10 025 208)	-	11 902 827	(16 100 800)	(3 652 720)	9 889 181	-	-	(3 923 448)	1 977 279
Other Assets	21 930 035	-	-	(10 025 208)	-	11 904 827	(16 139 305)	(3 652 736)	9 892 197	-	-	(3 923 448)	1 977 279
Total	1 258 371 075	189 264 801	208 949 446	(11 551 127)	208 326 018	1 513 625 158	(115 416 072)	(38 938 583)	10 451 290	(13 879 462)	(209 742 658)	(447 442 492)	1 036 179 664

ILEMBE DISTRICT MUNICIPALITY
APPENDIX C
UNAUDITED SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
as at 30 June 2015

	Cost / Revaluation				Accumulated Depreciation						
	Opening Balance R	Additions R	Under Construction R	Disposals R	Closing Balance R	Opening Balance R	Additions R	Disposal R	& Impairment Loss/Reversal R	Closing Balance R	Carrying value R
Executive & Council	16 122 802	56 019		(3 747 387)	12 431 433	(10 170 600)	(1 639 262)	3 597 239	(12 809)	(8 225 430)	4 206 003
Finance & Admin	27 130 914	727 075		(442 004)	27 415 984	(9 154 655)	(1 296 782)	410 940	(726 143)	(10 766 841)	16 649 343
Waste Management	81 122 101	76 467		-	81 198 568	(37 662 046)	(4 261 408)		5 174 325	(36 749 128)	44 449 439
Water	1 137 866 690	1 107 782	-	-	1 138 974 472	(390 534 946)	(35 544 560)	-	190 541 059	(235 538 446)	903 436 024
Under Construction	239 481 924	-	336 522 840	-	576 104 764			-			576 104 764
Other	11 900 727	38 072 000		(8 193 628)	41 779 100	(9 923 448)	(12 962 449)	8 078 860	676 377	(14 130 159)	27 648 941
Total	1 513 625 158	40 039 343	336 622 840	(12 383 019)	1 877 904 322	(457 445 695)	(55 704 460)	12 087 039	195 653 308	(305 409 807)	1 572 494 513

ILENBE DISTRICT MUNICIPALITY
APPENDIX D

	2014	2014 Actual	2014 Surplus / (Deficit)	2015	2015 Actual	2015 Surplus / (Deficit)
	Actual Income R	Expenditure R	R	Actual Income R	Expenditure R	R
Executive & Council	41 432 243	60 614 515	(19 182 272)	47 594 950	56 764 456	(9 169 506)
Finance & Admin	136 186 000	106 284 503	29 901 497	162 573 667	115 082 431	47 491 236
Planning & Development	8 371 809	20 692 246	(12 320 437)	12 781 417	20 103 619	(7 322 202)
Community & Social Services	1 924 930	4 186 504	(2 260 574)	-	5 284 325	(5 284 325)
Waste Management	66 506 993	46 323 143	20 183 750	121 490 445	50 576 566	70 913 880
Water	484 710 089	555 242 203	(90 532 115)	548 218 179	137 941 422	410 276 758
Total	719 131 963	793 342 113	(74 210 152)	892 658 659	385 752 818	506 905 839