

Beaufort West

MUNICIPALITY

[These financial statements have not been audited]

FINANCIAL STATEMENTS

30 JUNE 2012

BEAUFORT WEST LOCAL MUNICIPALITY

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BEAUFORT WEST LOCAL MUNICIPALITY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

GENERAL INFORMATION

NATURE OF BUSINESS

Beaufort West Municipality is a local municipality performing the functions as set out in the Constitution. (Act no 105 of 1996)

COUNTRY OF ORIGIN AND LEGAL FORM

South African Category B Municipality (Local Municipality) as defined by the Municipal Structures Act. (Act no 117 of 1998)

JURISDICTION

The Beaufort West Municipality includes the following areas:

Beaufort West
Nelspoort
Merweville
Murraysburg

MUNICIPAL MANAGER

Mr. J. Booysen

CHIEF FINANCIAL OFFICER

Mr. D. Louw

REGISTERED OFFICE

112 Donkin Street
BEAUFORT WEST
6970

AUDITORS

Office of the Auditor General (WC)

PRINCIPLE BANKERS

ABSA Bank, Beaufort West

ATTORNEYS

Crawford Attorneys, Beaufort West

RELEVANT LEGISLATION

Municipal Finance Management Act (Act no 56 of 2003)
Division of Revenue Act
The Income Tax Act
Value Added Tax Act
Municipal Structures Act (Act no 117 of 1998)
Municipal Systems Act (Act no 32 of 2000)
Municipal Planning and Performance Management Regulations
Water Services Act (Act no 108 of 1997)
Housing Act (Act no 107 of 1997)
Municipal Property Rates Act (Act no 6 of 2004)
Electricity Act (Act no 41 of 1987)
Skills Development Levies Act (Act no 9 of 1999)
Employment Equity Act (Act no 55 of 1998)
Unemployment Insurance Act (Act no 30 of 1966)
Basic Conditions of Employment Act (Act no 75 of 1997)
Supply Chain Management Regulations, 2005
Collective Agreements
Infrastructure Grants
SALBC Leave Regulations

BEAUFORT WEST LOCAL MUNICIPALITY

MEMBERS OF THE BEAUFORT WEST LOCAL MUNICIPALITY

WARD	COUNCILLOR
1	L Deyse
2	A.M. Slabbert
3	G. de Vos
4	S.M. Motsoane
5	M. Furmen
6	G.P. Adolph
7	J. Bostander
Proportional	P.A. Jacobs
Proportional	G.T. Murray
Proportional	T. Prince
Proportional	R. van der Linde
Proportional	D.E. Welgemoed
Proportional	A.D. Willemse

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements year ended 30 June 2012, which are set out on pages 1 to 65 in terms of Section 126 (1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality. The annual financial statements have been prepared in accordance with GRAP.

I acknowledge that I am ultimately responsible for the system of internal financial control and that the system of internal control provides reasonable assurance that the financial records can be relied on.

I have reviewed the Municipality's cash flow forecast for the year to 30 June 2012 and is satisfied that the Municipality can continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the Municipality's financial statements.

I certify that the remuneration of Councillors and in-kind benefits 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.

Mr. J. Booysen
Municipal Manager

31 August 2012
Date

BEAUFORT WEST LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2012

	Notes	2012 R (Actual)	2011 R (Restated)
NET ASSETS AND LIABILITIES			
Net Assets		296 393 372	228 696 333
Capital Replacement Reserve	2	1 885 760	2 798 227
Housing Development Fund	2	4 138 843	3 807 893
Self Insurance Reserve	2	765 284	522 627
Accumulated Surplus		289 603 485	221 567 586
Non-Current Liabilities		44 463 097	42 604 997
Long-term Liabilities	3	15 417 492	16 632 446
Employee benefits	4	23 792 028	19 244 396
Non-Current Provisions	5	5 253 577	6 728 155
Current Liabilities		50 518 323	38 533 892
Consumer Deposits	6	1 059 679	1 035 912
Current Employee benefits	7	4 744 493	4 462 726
Provisions	8	1 810 986	-
Payables From Exchange Transactions	9	22 128 344	17 145 311
Unspent Conditional Government Grants and Receipts	10	13 219 957	9 816 698
Unspent Public Contributions	11	376 303	477 624
Operating Lease Liability	22.1	547	2 439
Cash and Cash Equivalents	23	3 660 114	2 321 040
Current Portion of Long-term Liabilities	3	3 517 900	3 272 142
Total Net Assets and Liabilities		391 374 792	309 835 222
ASSETS			
Non-Current Assets		337 393 623	270 983 274
Property, Plant and Equipment	13	324 311 822	255 097 151
Investment Property	14	9 969 740	10 249 777
Non-current Assets Held For Sale	15	-	1 318 840
Intangible Assets	16	433 721	541 079
Capitalised Restoration Cost	17	1 345 217	1 442 243
Long-Term Receivables	18	1 333 123	2 334 184
Current Assets		53 981 169	38 851 948
Inventory	19	3 080 493	2 877 248
Trade Receivables from exchange transactions	20	14 516 211	9 877 885
Other Receivables from non-exchange transactions	21	16 654 035	5 807 979
Unpaid Conditional Government Grants and Receipts	10	97 044	863 618
Operating Lease Asset	22.2	11 537	9 069
Taxes	12	5 418 819	4 265 713
Cash and Cash Equivalents	23	14 203 030	15 150 436
Total Assets		391 374 792	309 835 222

BEAUFORT WEST LOCAL MUNICIPALITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 (Actual) R	2011 (Restated) R	Correction of error R	2011 (Previously reported) R
REVENUE					
Revenue from Non-exchange Transactions		158 004 748	113 827 487	-	113 827 487
Taxation Revenue		19 314 916	17 790 898	-	17 790 898
Property taxes	24	19 314 916	17 790 898	-	17 790 898
Transfer Revenue		125 203 492	89 599 177	-	89 599 177
Government Grants and Subsidies - Capital	25	31 864 995	34 321 328	(22 412 741)	56 734 069
Government Grants and Subsidies - Operating	25	48 362 618	55 277 849	22 412 741	32 865 108
Contributed PPE		324 000	-	-	-
Transfer DMA From District		44 651 879	-	-	-
Other Revenue		13 486 340	6 437 412	-	6 437 412
Actuarial Gains		187 559	-	-	-
Fines		13 298 781	6 437 412	-	6 437 412
Revenue from Exchange Transactions		80 756 403	64 027 308	-	64 027 308
Property Rates - penalties imposed and collection charges		516 940	734 441	-	734 441
Service Charges	26	71 821 058	57 586 617	-	57 586 617
Rental of Facilities and Equipment		583 341	571 668	-	571 668
Interest Earned - external investments		1 899 389	1 710 889	-	1 710 889
Interest Earned - outstanding debtors		619 357	741 006	-	741 006
Licences and Permits		619 638	655 756	-	655 756
Agency Services		469 217	419 767	-	419 767
Other Income	27	4 227 463	1 607 164	-	1 607 164
Total Revenue		238 761 151	177 854 795	-	177 854 795
EXPENDITURE					
Employee related costs	28	53 928 003	48 179 238	-	48 179 238
Remuneration of Councillors	29	3 715 493	3 343 715	-	3 343 715
Debt Impairment	30	7 966 544	19 496 310	-	19 496 310
Collection Cost		521 813	386 631	-	386 631
Depreciation and Amortisation		13 379 591	10 017 285	130 787	9 886 498
Impairments	31	253 256	35 487	-	35 487
Repairs and Maintenance		13 177 824	14 679 817	(15 116)	14 694 933
Actuarial losses	4	2 451 441	4 785 571	-	4 785 571
Finance Charges	32	4 206 166	3 624 626	315 960	3 308 666
Bulk Purchases	33	37 961 332	25 763 149	-	25 763 149
Contracted services		4 376 588	3 021 911	-	3 021 911
Grants and Subsidies Paid	34	34 521	45 850	-	45 850
Other Operating Grant Expenditure		16 148 768	26 715 253	-	26 715 253
Loss on disposal of PPE		69 695	-	-	-
General Expenses	35	12 873 079	14 313 939	150 169	14 163 770
Total Expenditure		171 064 114	174 408 782	581 800	173 826 982
NET SURPLUS/(DEFICIT) FOR THE YEAR		67 697 037	3 446 013	(581 800)	4 027 813

BEAUFORT WEST LOCAL MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2012

	Self Insurance Reserve	Housing Development Fund	Capital Replacement Reserve	Accumulated Surplus/ (Deficit)	Total
	R	R	R	R	R
Balance at 1 JULY 2010	424 668	3 710 453	2 138 834	221 638 213	227 912 168
Correction of error - See Note	-	-	-	(2 661 844)	(2 661 844)
Change in accounting policy - See Note 25.23	-	-	-	-	-
Restated Balance at 1 JULY 2010	424 668	3 710 453	2 138 834	218 976 369	225 250 324
Net Surplus/(Deficit) for the year	-	-	-	4 027 813	4 027 813
Correction of error - See Note 36.01	-	-	-	(581 801)	(581 801)
Contribution to Insurance Reserve	189 053	-	-	(189 053)	-
Insurance claims processed	(91 094)	-	-	91 094	-
Transfer to CRR	-	-	1 793 576	(1 793 576)	-
Property, Plant and Equipment purchased	-	-	(1 134 183)	1 134 183	-
Transfer to Housing Development Fund	-	97 440	-	(97 440)	-
Rounding	-	-	-	(3)	(3)
Restated Balance at 1 JULY 2011	522 627	3 807 893	2 798 227	221 567 586	228 696 333
Net Surplus/(Deficit) for the year	-	-	-	67 697 037	67 697 037
Transfer to CRR	-	-	1 515 848	(1 515 848)	-
Property, Plant and Equipment purchased	-	-	(2 428 315)	2 428 315	-
Contribution to Insurance Reserve	397 729	-	-	(397 729)	-
Insurance claims processed	(155 072)	-	-	155 072	-
Transfer to Housing Development Fund	-	330 950	-	(330 950)	-
Rounding	-	-	-	2	2
Balance at 30 JUNE 2012	765 284	4 138 843	1 885 760	289 603 485	296 393 372

BEAUFORT WEST LOCAL MUNICIPALITY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

	Notes	2012 R	2011 R
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Ratepayers and other		112 298 512	76 645 953
Government		57 414 115	89 599 177
Interest		2 518 746	2 451 895
Payments			
Suppliers and employees		(132 661 231)	(142 458 978)
Finance charges	32	(4 206 166)	(3 624 626)
Transfers and Grants		(34 521)	(45 850)
Net Cash from Operating Activities		35 329 455	22 567 571
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(36 683 024)	(45 720 551)
Proceeds on Disposal of Fixed Assets		43 696	1 732 876
Purchase of Intangible Assets		(7 411)	(23 657)
(Increase)/Decrease in Assets held for sale		-	(1 318 840)
Net Cash from Investing Activities		(36 646 739)	(45 330 172)
CASH FLOW FROM FINANCING ACTIVITIES			
New loans raised		2 497 782	10 073 436
New loans (repaid)		(3 466 978)	(3 120 918)
Rounding		-	(2)
Net Cash from Financing Activities		-969 196	6 952 516
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(2 286 480)	(15 810 085)
Cash and Cash Equivalents at the beginning of the year		12 829 396	28 639 481
Cash and Cash Equivalents at the end of the year	39	10 542 916	12 829 396
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(2 286 480)	(15 810 085)

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1. ACCOUNTING PRINCIPLES AND POLICIES APPLIED IN THE FINANCIAL STATEMENTS

1.1. BASIS OF PREPARATION

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

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

Accounting policies for material transactions, events or conditions not covered by the GRAP reporting framework, have been developed in accordance with paragraphs 8,10 and 11 of GRAP 3 (Revised – February 2010) and the hierarchy approved in Directive 5 issued by the Accounting Standards Board

The Municipality resolved to early adopt the following GRAP standards which have been issued but are not effective yet.

Standard	Description	Effective Date
GRAP 1 (Revised – Mar 2012)	Presentation of Financial Statements	1 April 2013
GRAP 3 (Revised – Mar 2012)	Accounting Policies, Changes in Accounting Estimates and Errors	1 April 2013
GRAP 9 (Revised – Mar 2012)	Revenue from Exchange Transactions	1 April 2013
GRAP 12 (Revised – Mar 2012)	Inventories	1 April 2013
GRAP 13 (Revised – Mar 2012)	Leases	1 April 2013
GRAP 16 (Revised – Mar 2012)	Investment Property	1 April 2013
GRAP 17 (Revised – Mar 2012)	Property, Plant and Equipment	1 April 2013
GRAP 21 (Original – Mar 2009)	Impairment of non-cash-generating assets	1 April 2012
GRAP 23 (Original – Feb 2008)	Revenue from Non-Exchange Transactions	1 April 2012
GRAP 26 (Original – Mar 2009)	Impairment of cash-generating assets	1 April 2012
GRAP 27 (Revised – Mar 2012)	Agriculture	1 April 2013
GRAP 31 (Revised – Mar 2012)	Intangible Assets	1 April 2013
GRAP 104 (Original – Oct 2009)	Financial Instruments	1 April 2012
IGRAP 16 (Issued – Mar 2012)	Intangible Assets – Website Costs	1 April 2013

The Municipality resolved to formulate an accounting policy based on the following GRAP standards which have been issued but are not effective yet.

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Standard	Description	Effective Date
GRAP 25	Employee Benefits	Unknown

A summary of the significant accounting policies, which have been consistently applied except where an exemption or transitional provision has been granted, are disclosed below.

Assets, liabilities, revenue and expenses have not been offset except when offsetting is permitted or required by a Standard of GRAP.

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

1.2. PRESENTATION CURRENCY

Amounts reflected in the financial statements are in South African Rand and at actual values. Financial values are rounded to the nearest one Rand. No foreign exchange transactions are included in the statements.

1.3. GOING CONCERN ASSUMPTION

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

1.4. COMPARATIVE INFORMATION

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated, unless a standard of GRAP does not require the restatements of comparative information. The nature and reason for the reclassification is disclosed. Where material accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.5. MATERIALITY

Material omissions or misstatements of items are material if they could, individually or collectively, influence the decision or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatements judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor. Materiality is determined as 1% of total expenditure.

1.6. PRESENTATION OF BUDGET INFORMATION

As presentation of budget information was prepared in accordance with the requirements of GRAP 1 as well as the formats contained in the Municipal Budget Reporting Regulations. The presentation of budget information is in line with the basis of accounting as per the GRAP Framework. GRAP 24: Presentation of Budget Information in Financial Statements is not yet effective. This standard will bring new rules in respect of presentation of budget information.

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

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

Standard	Description	Effective Date
GRAP 6 (Revised – Nov 2010)	<p>Consolidated and Separate Financial Statements</p> <p>The objective of this Standard is to prescribe the circumstances in which consolidated and separate financial statements are to be prepared and the information to be included in those financial statements so that the consolidated financial statements reflect the financial performance, financial position and cash flows of an economic entity as a single entity.</p> <p>No significant impact is expected as the Municipality does not have any entities at this stage to be consolidated.</p>	Unknown
GRAP 7 (Revised – Mar 2012)	<p>Investments in Associate</p> <p>This Standard prescribes the accounting treatment for investments in joint ventures where the investment in the associate leads to the holding of an ownership interest in the form of a shareholding or other form of interest in the net assets.</p> <p>No significant impact is expected as the Municipality does not participate in such business transactions.</p>	1 April 2013
GRAP 8 (Revised – Nov 2010)	<p>Interest in Joint Ventures</p> <p>The objective of this Standard is to prescribe the accounting treatment of jointly controlled operations, jointly controlled assets and jointly controlled entities and to provide alternatives for the recognition of interests in jointly controlled entities.</p> <p>No significant impact is expected as the Municipality is not involved in any joint ventures.</p>	Unknown
GRAP 18 (Original – Feb 2011)	<p>Segment Reporting</p> <p>The objective of this Standard is to establish principles for reporting financial information by segments.</p> <p>Information to a large extent is already included in the appendices to the annual financial statements</p>	Unknown

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	which do not form part of the audited financial statements.	
GRAP 24 (Original – Nov 2007)	<p>Presentation of Budget Information in Financial Statements</p> <p>This Standard requires a comparison of budget mounts and the actual amounts arising from execution of the budget to be included in the financial statements of entities that are required to, or elect to, make publicly available their approved budget(s) and for which they are, therefore, held publicly accountable. The Standard also requires disclosure of an explanation of the reasons for material differences between the budget and actual amounts.</p> <p>Information to a large extent is already included in the notes to the annual financial statements and the impact is assessed to not be significant.</p>	1 April 2012
GRAP 103 (Original – July 2008)	<p>Heritage Assets</p> <p>The objective of this Standard is to prescribe the accounting treatment for heritage assets and related disclosure requirements.</p> <p>No adjustments necessary as the Municipality has no significant heritage assets other than the assets currently accounted for in terms of GRAP 17.</p>	1 April 2012
GRAP 105 (Original – Nov 2010)	<p>Transfer of Functions Between Entities Under Common Control</p> <p>The objective of this Standard is to establish accounting principles for the acquirer and transferor in a transfer of functions between entities under common control.</p> <p>No significant impact is expected as the Municipality does not participate in such business transactions.</p>	Unknown
GRAP 106 (Original – Nov 2010)	<p>Transfer of Functions Between Entities Not Under Common Control</p> <p>The objective of this Standard is to establish accounting principles for the acquirer in a transfer of functions between entities not under common control.</p> <p>The only current impact on the Municipality is expected during 2012 when the DMA Murraysburg's functions are transferred.</p>	Unknown
GRAP 107	Mergers	Unknown

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

(Original – Nov 2010)	<p>The objective of this Standard is to establish accounting principles for the combined entity and combining entities in a merger.</p> <p>No significant impact is expected as the Municipality does not participate in such business transactions.</p>	
IGRAP 12	<p>Jointly Controlled Entities non-monetary contributions</p> <p>The objective of this Interpretation of the Standard is to prescribe the treatment of profit/loss when an asset is sold or contributed by the venturer to a Jointly Controlled Entity (JCE).</p> <p>No significant impact is expected as the Municipality does not have any JCE's at this stage.</p>	

These standards, amendments and interpretations will not have a significant impact on the Municipality once implemented.

1.8. RESERVES

1.8.1 Capital Replacement Reserve (CRR)

In order to finance the provision of infrastructure and other items of property, plant and equipment from internal sources, amounts are transferred from the accumulated surplus/(deficit) to the CRR. The cash in the CRR can only be utilized to finance items of property, plant and equipment. The CRR is reduced and the accumulated surplus/(deficit) are credited by a corresponding amount when the amounts in the CRR are utilized.

1.8.2 Self Insurance Reserve

A Self Insurance Reserve has been established and, subject to external insurance where deemed necessary, covers claims that may occur. Premiums are charged to the respective services taking into account claims history and replacement value of the insured assets.

- Contributions to the fund by Business Units are transferred via the Statement of Changes in Net Assets to the reserve in line with amounts budgeted for in the operating budget. The contributions to the reserve are charged to the Business Units based on the previous year's insured value of the assets under their control.
- The Council determines annually to contribute to the Self Insurance Reserve.
- The total amount of insurance premiums paid to external insurers are regarded as expenses and must be shown as such in the Statement of Financial Performance. These premiums do not affect the Self Insurance Reserve.
- Claims received from external insurers are recognised as revenue in the Statement of Financial Performance.
- Claims received to meet repairs of damages on assets are reflected as income in the statement of financial performance.

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

-
- Repair and replacement costs not fully covered by external insurance are financed from the insurance reserve. The repair and replacement cost is regarded as an expense and is reflected in the Statement of financial performance. An amount equal to the expense is transferred from the Insurance Reserve to the Accumulated Surplus via the Statement of changes in net assets.
 - Amounts paid on behalf of employees in respect of medical costs for injuries sustained whilst on duty are regarded as expenses and are recorded in the Statement of Financial Performance when incurred. An amount equal to these expenses is transferred from the Insurance Reserve to the Accumulated Surplus account via the Statement of Changes in Net Assets.

1.8.3 Housing Development Fund

The Housing Development Fund was established in terms of the Housing Act, (Act No. 107 of 1997). Loans from National and Provincial Government, used to finance housing selling schemes undertaken by the Municipality, were extinguished on 1 April 1998 and transferred to the Housing Development Fund. Housing selling schemes, both completed and in progress as at 1 April 1998, were also transferred to the Housing Development Fund. In terms of the Housing Act, all proceeds from housing developments, which include rental income and sale of houses, must be paid into the Housing Development Fund. Monies standing to the credit of the Housing Development Fund can be used only to finance housing developments within the municipal area subject to the approval of the Provincial MEC responsible for housing.

1.9. LEASES

1.9.1 Municipality as Lessee

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

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

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals are recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined expenses and actual payments made will give rise to a liability. The Municipality shall recognise the aggregate benefit of incentives as a reduction of rental expense over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1.9.2 Municipality as Lessor

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

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease revenue is recognised on a straight-line basis over the term of the relevant lease. The difference between the straight-lined revenue and actual payments received will give rise to an asset. The Municipality shall recognise the aggregate cost of incentives as a reduction of rental revenue over the lease term, on a straight-line basis unless another systematic basis is representative of the time pattern over which the benefit of the leased asset is diminished.

1.10. UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS

Conditional government grants are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

Unspent conditional grants are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent government grants, subsidies and contributions from the public.

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent conditional grants are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the Municipality until it is utilised.
- Interest earned on the investment is treated in accordance with grant conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the Municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.11. UNPAID CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS

Unpaid conditional grants are assets in terms of the Framework that are separately reflected on the Statement of Financial Position. The asset is recognised when the Municipality has an enforceable right to receive the grant or if it is virtually certain that it will be received based on that grant conditions have been met. They represent unpaid government grants, subsidies and contributions from the public.

The following provisions are set for the creation and utilisation of the grant is receivables:

- Unpaid conditional grants are recognised as an asset when the grant is receivable.

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1.12 UNSPENT PUBLIC CONTRIBUTIONS

Public contributions are subject to specific conditions. If these specific conditions are not met, the monies received are repayable.

Unspent public contributions are financial liabilities that are separately reflected on the Statement of Financial Position. They represent unspent contributions from the public.

This liability always has to be cash-backed. The following provisions are set for the creation and utilisation of this creditor:

- Unspent public contributions are recognised as a liability when the grant is received.
- When grant conditions are met an amount equal to the conditions met are transferred to revenue in the Statement of Financial Performance.
- The cash which backs up the creditor is invested as individual investment or part of the general investments of the municipality until it is utilised.
- Interest earned on the investment is treated in accordance with the public contribution conditions. If it is payable to the funder it is recorded as part of the creditor. If it is the municipality's interest it is recognised as interest earned in the Statement of Financial Performance.

1.13. PROVISIONS

Provisions are recognised when the Municipality has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resource embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate of future outflows of resources. Where the effect is material, non-current provisions are discounted to their present value using a discount rate that reflects the market's current assessment of the time value of money, adjusted for risks specific to the liability (for example in the case of obligations for the rehabilitation of land).

The Municipality does not recognise a contingent liability or contingent asset. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is disclosed where an inflow of economic benefits is possible.

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

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

- (a) The Municipality has a detailed formal plan for the restructuring identifying at least:
- the business or part of a business concerned;
 - the principal locations affected;
 - the location, function and approximate number of employees who will be compensated for terminating their services;

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

- the expenditures that will be undertaken; and
 - when the plan will be implemented.
- (b) The Municipality has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date.

If it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, the provision shall be de-recognised..

1.14. EMPLOYEE BENEFITS

(a) *Post Retirement Medical Obligations*

The Municipality provides post-retirement medical benefits by subsidizing the medical aid contributions of certain retired staff according to the rules of the medical aid funds. Council pays 70% as contribution and the remaining 30% are paid by the members. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The present value of the defined benefit liability is actuarially determined in accordance with GRAP 25 – Employee benefits (using a discount rate applicable to high quality government bonds). The plan is unfunded.

These contributions are charged to the Statement of Financial Performance when employees have rendered the service entitling them to the contribution. The liability was calculated by means of the projected unit credit actuarial valuation method. The liability in respect of current pensioners is regarded as fully accrued, and is therefore not split between a past (or accrued) and future in-service element. The liability is recognised at the fair value of the obligation. Payments made by the Municipality are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

(b) *Long Service Awards*

Long service awards are provided to employees who achieve certain pre-determined milestones of service within the Municipality. The Municipality's obligation under these plans is valued by independent qualified actuaries periodically and the corresponding liability is raised. Payments are set-off against the liability, including notional interest, resulting from the valuation by the actuaries and are charged against the Statement of Financial Performance as employee benefits upon valuation. Defined benefit plans are post-employment plans other than defined contribution plans.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions, is charged or credited to the Statement of Financial

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Performance in the period that it occurs. These obligations are valued periodically by independent qualified actuaries.

(c) Provision for Staff Leave

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

Accumulating leave is carried forward and can be used in future periods if the current period's entitlement is not used in full. All unused leave will be paid out to the specific employee at the end of that employee's employment term.

Accumulated leave is vesting.

(d) Staff Bonuses Accrued

Liabilities for staff bonuses are recognised as they accrue to employees. The liability at year end is based on bonus accrued at year end for each employee.

(e) Provision for Performance Bonuses

A provision, in respect of the liability relating to the anticipated costs of performance bonuses payable to Section 57 employees, is recognised as it accrue to Section 57 employees. Municipals' performance bonus provisions are based on the employment contract stipulations as well as previous performance bonus payment trends.

1.15. PROPERTY, PLANT AND EQUIPMENT

1.15.1 Initial Recognition

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits or service potential associated with the item will flow to the entity, and the cost or fair value of the item can be measured reliably. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

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

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

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary

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assets, the assets acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

1.15.2 Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

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

1.15.3 Depreciation and Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual depreciation rates are based on the following estimated useful lives:

	Years		Years
<u>Infrastructure</u>		<u>Other</u>	
Roads and Paving	5-100	Buildings	30-100
Pedestrian Malls	10-30	Specialist vehicles	3-60
Electricity	10-100	Other vehicles	3-30
Water	10-100	Office equipment	3-25
Sewerage	10-100	Furniture and fittings	2-30
Housing	30	Watercraft	15
		Bins and containers	5
<u>Community</u>		Specialised plant and	
Buildings	10-100	Equipment	3-40
Recreational Facilities	20-100	Other plant and	
Security	30	Equipment	3-40
Halls	30-100	Landfill sites	10-100
Libraries	100	Quarries	5-25
Parks and gardens	100	Emergency equipment	3-30
Other assets	10-100	Computer equipment	3-20
<u>Finance lease assets</u>			
Office equipment	3-5		
Other assets	3-5		

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Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

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

1.15.4 De-recognition

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

1.16. INTANGIBLE ASSETS

1.16.1 Initial Recognition

An intangible asset is an identifiable non-monetary asset without physical substance.

An asset meets the identifiability criterion in the definition of an intangible asset when it:

- is separable, i.e. is capable of being separated or divided from the entity and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, asset or liability; or
- arises from contractual rights (including rights arising from binding arrangements) or other legal rights (excluding rights granted by statute), regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The Municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the Municipality and the cost or fair value of the asset can be measured reliably.

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

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

Intangible assets are initially recognised at cost.

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

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1.16.2 Subsequent Measurement – Cost Model

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

1.16.3 Amortisation and Impairment

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. Amortisation of an asset begins when it is available for use, i.e. when it is in the condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are amortised separately. The estimated useful lives, residual values and amortisation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The annual amortisation rates are based on the following estimated useful lives:

Intangible Assets	Years
Computer Software	3-5
Computer Software Licenses	5-10

1.16.4 De-recognition

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

1.17. INVESTMENT PROPERTY

1.17.1 Initial Recognition

Investment property shall be recognised as an asset when, and only when:

- it is probable that the future economic benefits or service potential that are associated with the investment property will flow to the entity, and
- the cost or fair value of the investment property can be measured reliably.

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

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

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Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Municipality accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

1.17.2 Subsequent Measurement – Cost Model

Subsequent to initial recognition, items of investment property are measured at cost less accumulated depreciation and any accumulated impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

1.17.3 Depreciation and Impairment – Cost Model

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

<u>Investment Property</u>	<u>Years</u>
Buildings	30

1.17.4 De-recognition

Investment property is derecognised when it is disposed or when there are no further economic benefits expected from the use of the investment property. The gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

1.18. NON-CURRENT ASSETS HELD FOR SALE

1.18.1 Initial Recognition

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

1.18.2 Subsequent Measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

1.19. IMPAIRMENT OF NON-FINANCIAL ASSETS

1.19.1 Cash-generating assets

Cash-generating assets are assets held with the primary objective of generating a commercial return.

The Municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the municipality estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses are recognised in the Statement of Financial Performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Municipality estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Financial Performance.

1.19.2 Non-cash-generating assets

Non-cash-generating assets are assets other than cash-generating assets.

The Municipality assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Municipality estimates the asset's recoverable service amount.

An asset's recoverable service amount is the higher of a non-cash-generating asset's fair value less costs to sell and its value in use. If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss recorded in the Statement of Financial Performance.

The value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. The present value of the remaining service potential of the asset is determined using any one of the following approaches:

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- *depreciation replacement cost approach* - the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The replacement cost of an asset is the cost to replace the asset's gross service potential. This cost is depreciated to reflect the asset in its used condition. An asset may be replaced either through reproduction (replication) of the existing asset or through replacement of its gross service potential. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.
- *restoration cost approach* - the cost of restoring the service potential of an asset to its pre-impaired level. Under this approach, the present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment. The latter cost is usually determined as the depreciated reproduction or replacement cost of the asset, whichever is lower.
- *service unit approach* - the present value of the remaining service potential of the asset is determined by reducing the current cost of the remaining service potential of the asset before impairment, to conform with the reduced number of service units expected from the asset in its impaired state. As in the restoration cost approach, the current cost of replacing the remaining service potential of the asset before impairment is usually determined as the depreciated reproduction or replacement cost of the asset before impairment, whichever is lower.

Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

The Municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the Municipality estimates the recoverable service amount of that asset.

An impairment loss recognised in prior periods for an asset is reversed if there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset is increased to its recoverable service amount. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised for the asset in prior periods. Such a reversal of an impairment loss is recognised in the Statement of Financial Performance.

1.20. NON CURRENT INVESTMENTS

Financial instruments, which include, investments in municipal entities and fixed deposits invested in registered commercial banks, are stated at amortised cost.

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

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

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

1.21. INVENTORIES

1.21.1 Initial Recognition

Inventories comprise current assets held for sale, consumption or distribution during the ordinary course of business. Inventories shall be recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the entity, and the cost of the inventories can be measured reliably. Inventories are initially recognised at cost. Cost generally refers to the purchase price, plus non-recoverable taxes, transport costs and any other costs in bringing the inventories to their current location and condition. Where inventory is manufactured, constructed or produced, the cost includes the cost of labour, materials and overheads used during the manufacturing process.

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

1.21.2 Subsequent Measurement

Inventories, consisting of consumable stores, raw materials, work-in-progress and finished goods, are valued at the lower of cost and net realisable value unless they are to be distributed at no or nominal charge, in which case they are measured at the lower of cost and current replacement cost. Redundant and slow-moving inventories are identified and written down. Differences arising on the valuation of inventory are recognised in the Statement of Financial Performance in the year in which they arose. The amount of any reversal of any write-down of inventories arising from an increase in net realisable value or current replacement cost is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

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

In general, the basis of allocating cost to inventory items is the weighted average method.

Cost of land held for sale is assigned by using specific identification of their individual costs.

1.22. FINANCIAL INSTRUMENTS

Financial instruments recognised on the Statement of Financial Position include receivables (both from exchange transactions and non-exchange transactions), cash and cash equivalents, annuity loans and payables (both from exchange and non-exchange transactions).

1.22.1 Initial Recognition

Financial instruments are initially recognised when the Municipality becomes a party to the contractual provisions of the instrument at fair value plus, in the case of a financial

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asset or financial liability not at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability

1.22.2 Subsequent Measurement

Financial Assets are categorised according to their nature as either financial assets at fair value, financial assets at amortised cost or financial assets at cost. Financial Liabilities are categorised as either at fair value or financial liabilities carried at amortised cost ("other"). The subsequent measurement of financial assets and liabilities depends on this categorisation.

1.22.2.2 Receivables

Receivables are classified as financial assets at amortised cost, and are subsequently measured amortised cost using the effective interest rate method.

For amounts due from debtors carried at amortised cost, the Municipality first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. Objective evidence of impairment includes significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 90 days overdue). If the Municipality determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the Statement of Financial Performance. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the asset. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the municipality. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is recognised in the Statement of Financial Performance.

The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate, if material. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

1.22.2.3 Payables and Annuity Loans

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

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1.22.2.4 Cash and Cash Equivalents

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

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

1.22.3 De-recognition of Financial Instruments

1.22.3.1 Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Municipality has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Municipality has transferred substantially all the risks and rewards of the asset, or (b) the Municipality has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Municipality has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the old asset is derecognised and a new asset is recognised to the extent of the Municipality's continuing involvement in the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Municipality could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash settled option or similar provision) on the transferred asset, the extent of the Municipality's continuing involvement is the amount of the transferred asset that the Municipality may repurchase, except that in the case of a written put option (including a cash settled option or similar provision) on an asset measured at fair value, the extent of the Municipality's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

1.22.3.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Financial Performance.

1.22.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously

1.23. REVENUE

1.23.1 Revenue from Non-Exchange Transactions

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

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

Revenue from property rates is recognised when the legal entitlement to this revenue arises. At the time of initial recognition the full amount of revenue is recognised. If the Municipality does not enforce its obligation to collect the revenue, is a subsequent event. Collection charges are recognised when such amounts are legally enforceable. Penalty interest on unpaid rates is recognised on a time proportionate basis as an exchange transaction.

Fine Revenue constitutes both spot fines and summonses. Revenue from spot fines and summonses is recognised based on an estimation of future collections of fines issued based on prior period trends and collection percentages.

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

Revenue from third parties i.e. insurance payments for assets impaired, are recognised when it can be measured reliably and is not being offset against the related expenses of repairs or renewals of the impaired assets.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

All unclaimed deposits are initially recognised as a liability until 12 months expires, when all unclaimed deposits into the Municipality's bank account will be treated as revenue as historical patterns have indicated that minimal unidentified deposits are reclaimed after a period of twelve months. This assessment is performed annually at 30 June. Therefore the substance of these transactions indicate that even though the prescription period for unclaimed monies is legally three years, it is reasonable to recognise all unclaimed monies older than twelve months as revenue. Although unclaimed deposits are recognised as revenue after 12 months, the Municipality still keep record of these unclaimed deposits for three years in the event that a party should submit a claim after 12 months.

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

Revenue shall be measured at the fair value of the consideration received or receivable.

When, as a result of a non-exchange transaction, a Municipality recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability will be recognised as revenue.

1.23.2 Revenue from Exchange Transactions

Revenue from exchange transactions refers to revenue that accrued to the Municipality directly in return for services rendered/ goods sold, the value of which approximates the consideration received or receivable. At the time of initial recognition the full amount of revenue is recognised. If the Municipality does not enforce its obligation to collect the revenue, is a subsequent event.

Service charges relating to electricity and water are based on consumption and a basic charge as per Council resolution. Meters are read on a monthly basis and are recognised as revenue when invoiced. Where the Municipality was unable to take the actual month's reading of certain consumers, a provisional estimate of consumption for that month will be created. The provisional estimates of consumption are recognised as revenue when invoiced. Adjustments to provisional estimates of consumption are made in the invoicing period in which meters have been read. These adjustments are recognised as revenue in the invoicing period.

Revenue from the sale of electricity prepaid meter cards is recognised at the point of sale. It is estimated that pre-paid electricity is consumed within 5 to 7 days after date of purchase.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Service charges relating to sanitation (sewerage) are recognised on a monthly basis in arrears by applying the approved tariff to each property that has improvements. Tariffs are determined per category of property usage. In the case of residential property a fixed monthly tariff is levied and in the case of commercial property a tariff is levied based on the number of sewerage connection on the property. Service charges based on a basic charge as per Council resolution.

Interest revenue is recognised using the effective interest rate method.

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

Dividends are recognised on the date that the Municipality becomes entitled to receive the dividend.

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

Revenue from the sale of goods is recognised when substantially all the risks and rewards in those goods are passed to the consumer.

Revenue arising out of situations where the Municipality acts as an agent on behalf of another entity (the principal) is limited to the amount of any fee or commission payable to the municipality as compensation for executing the agreed services.

Revenue shall be measured at the fair value of the consideration received or receivable.

The amount of revenue arising on a transaction is usually determined by agreement between the entity and the purchaser or user of the asset or service. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity.

In most cases, the consideration is in the form of cash or cash equivalents and the amount of revenue is the amount of cash or cash equivalents received or receivable. However, when the inflow of cash or cash equivalents is deferred, the fair value of the consideration may be less than the nominal amount of cash received or receivable. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is the more clearly determinable of either:

- The prevailing rate for a similar instrument of an issuer with a similar credit rating; or
- A rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services.

The difference between the fair value and the nominal amount of the consideration is recognised as interest revenue.

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. When the fair value of the goods or services received cannot be measured reliably, the revenue is measured at the fair value

BEAUFORT WEST MUNICIPALITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

of the goods or services given up, adjusted by the amount of any cash or cash equivalents transferred.

1.24. RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions or if the related party entity and another entity are subject to common control.

Related parties include:

- Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the reporting entity;
- Individuals owning, directly or indirectly, an interest in the reporting entity that gives them significant influence over the entity, and close members of the family of any such individual;
- Key management personnel, and close members of the family of key management personnel; and
- Entities in which a substantial ownership interest is held, directly or indirectly, by any person described in the 2nd and 3rd bullet, or over which such a person is able to exercise significant influence.

Key management personnel include:

- All directors or members of the governing body of the entity, being the Executive Mayor, Deputy Mayor, Speaker and members of the Mayoral Committee.
- Other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity being the Municipal Manager, Chief Financial Officer and all other managers reporting directly to the Municipal Manager or as designated by the Municipal Manager.

1.25. UNAUTHORISED EXPENDITURE

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

1.25. IRREGULAR EXPENDITURE

Irregular expenditure is expenditure that is contrary to the Municipal Finance Management Act (Act No. 56 of 2003), the Municipal Systems Act (Act No. 32 of 2000), the Public Office Bearers Act, and (Act. No. 20 of 1998) or is in contravention of the Municipality's Supply Chain Management Policy. Irregular expenditure excludes unauthorised expenditure. Irregular expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

1.26. FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and could have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure (measured at actual cost incurred) in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

1.27. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent liability could also be a present obligation that arises from past events, but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Management judgement is required when disclosing and measuring contingent liabilities.

1.28. PRESENTATION OF BUDGET INFORMATION

The presentation of budget information was prepared in accordance with the best practice guidelines issued by National Treasury. The presentation of budget information is in line with the basis of accounting as per the GRAP Framework. GRAP 24: Presentation of Budget Information in Financial Statements is not yet effective. This standard brings new rules in respect of presentation of budget information.

1.29. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Post retirement medical obligations, Long service awards and Ex gratia gratuities

The cost of post retirement medical obligations, long service awards and ex-gratia gratuities are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Major assumptions used are disclosed in note 4 of the Annual Financial Statements. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

Impairment of Receivables

The calculation in respect of the impairment of debtors is based on an assessment of the extent to which debtors have defaulted on payments already due, and an assessment of their ability to make payments based on their creditworthiness. This was performed per service-identifiable categories across all classes of debtors.

Property, Plant and Equipment

The useful lives of property, plant and equipment are based on management's estimation. Infrastructure's useful lives are based on technical estimates of the practical useful lives for the different infrastructure types, given engineering technical knowledge of

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

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

Management referred to the following when making assumptions regarding useful lives and residual values of Property, Plant and Equipment.

- The useful life of movable assets was determined using the age of similar assets available for sale in the active market. Discussions with people within the specific industry were also held to determine useful lives.
- Local Government Industry Guides was used to assist with the deemed cost and useful life of infrastructure assets.
- The Municipality referred to buildings in other municipal areas to determine the useful life of buildings. The Municipality also consulted with engineers to support the useful life of buildings, with specific reference to the structural design of buildings.

Intangible Assets

The useful lives of intangible assets are based on management's estimation. Management considers the impact of technology, availability of capital funding, service requirements and required return on assets to determine the optimum useful life expectation, where appropriate.

Management referred to the following when making assumptions regarding useful lives of intangible assets:

- Reference was made to intangibles used within the Municipality and other municipalities to determine the useful life of the assets.

Investment Property

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

Management referred to the following when making assumptions regarding useful lives and valuation of investment property:

- The Municipality referred to buildings in other municipal areas to determine the useful life of buildings.
- The Municipality also consulted with professional engineers and qualified valuers to support the useful life of buildings.

Provisions and Contingent Liabilities

Management judgement is required when recognising and measuring provisions and when measuring contingent liabilities. Provisions are discounted where the time value effect is material.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Revenue Recognition

Accounting Policy 1.23.1 on Revenue from Non-Exchange Transactions and Accounting Policy 1.23.2 on Revenue from Exchange Transactions describes the conditions under which revenue will be recognised by management of the Municipality.

In making their judgement, management considered the detailed criteria for the recognition of revenue as set out in GRAP 9: Revenue from Exchange Transactions and GRAP 23: Revenue from Non-Exchange Transactions.). Specifically, whether the Municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services are rendered, whether the service has been performed. Revenue from the issuing of spot fines and summonses has been recognised on the accrual basis using estimates of future collections based on the actual results of prior periods. The management of the Municipality is satisfied that recognition of the revenue in the current year is appropriate.

Provision for Landfill Sites

The provision for rehabilitation of the landfill site is recognised as and when the environmental liability arises. The provision is calculated by a qualified environmental engineer. The provision represents the net present value of the expected future cash flows to rehabilitate the landfill site at year end. To the extent that the obligations relate to an asset, it is capitalised as part of the cost of those assets. Any subsequent changes to an obligation that did not relate to the initial related asset is charged to the Statement of Financial Performance.

Management referred to the following when making assumptions regarding provisions:

- Professional engineers were utilised to determine the cost of rehabilitation of landfill sites as well as the remaining useful life of each specific landfill site.
- Interest rates (investment rate) linked to prime was used to calculate the effect of time value of money.

Provision for Staff leave

Staff leave is accrued to employees according to collective agreements. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave or when employment is terminated.

Provision for Performance bonuses

The provision for performance bonuses represents the best estimate of the obligation at year end and is based on historic patterns of payment of performance bonuses. Performance bonuses are subject to an evaluation by Council.

Componentisation of Infrastructure assets

All infrastructure assets are unbundled into their significant components in order to depreciate all major components over the expected useful lives. The cost of each component is estimated based on the current market price of each component, depreciated for age and condition and recalculated to cost at the acquisition date if known or to the date of initially adopting the standards of GRAP.

1.30. TAXES – VALUE ADDED TAX

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Revenue, expenses and assets are recognised net of the amounts of value added tax. The net amount of Value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

1.31. CAPITAL COMMITMENTS

Capital commitments disclosed in the financial statements represents the balance committed to capital projects on reporting date that will be incurred in the period subsequent to the specific reporting date.

1.32. AMENDED DISCLOSURE POLICY

Amendments to accounting policies are reported as and when deemed necessary based on the relevance of any such amendment to the format and presentation of the financial statements. The principal amendments to matters disclosed in the current financial statements include fundamental errors, and the treatment of assets financed by external grants.

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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
2 NET ASSET RESERVES		
RESERVES	6 789 887	7 128 747
Capital Replacement Reserve	1 885 760	2 798 227
Housing Development Fund	4 138 843	3 807 893
Self Insurance Reserve	765 284	522 627
Total Net Asset Reserve and Liabilities	6 789 887	7 128 747

The above balances are represented by cash of R46 930 for the current year and R151 429 (2011) and is invested together with the other investments of the municipality (See Note 23)

	2012 R	2011 R
3 LONG TERM LIABILITIES		
Annuity Loans - At amortised cost	17 277 193	16 938 866
Capitalised Lease Liability - At amortised cost	1 658 199	2 965 722
	18 935 392	19 904 588
Less: Current Portion transferred to Current Liabilities	3 517 900	3 272 142
	2 236 256	1 738 844
Annuity Loans - At amortised cost	1 281 644	1 533 298
Capitalised Lease Liability - At amortised cost		
Total Long-term Liabilities - At amortised cost using the effective interest rate method	15 417 492	16 632 446

Annuity loans at amortised cost is calculated at 6.75%-15.00% interest rate, with last maturity date of 31 December 2029. Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.

Finance Lease loans at amortised cost is calculated at 9.00%-12.14% interest rate, with last maturity date of 13 October 2014. Refer to Appendix A for descriptions, maturity dates and effective interest rates of structured loans and finance.

	2012 R	2011 R
The obligations under annuity loans are scheduled below:		
	Minimum annuity payments	
Amounts payable under annuity loans:		
Payable within one year	3 974 262	3 507 460
Payable within two to five years	11 219 495	10 728 109
Payable after five years	14 729 012	14 856 131
	29 922 769	29 091 700
Less: Future finance obligations	(12 645 581)	(12 152 834)
Present value of annuity obligations	17 277 188	16 938 866

	2012 R	2011 R
The obligations under finance leases are scheduled below:		
	Minimum lease payments	
Amounts payable under finance leases:		
Payable within one year	1 398 937	1 802 659
Payable within two to five years	383 110	1 499 810
Payable after five years	-	-
	1 782 047	3 302 469
Less: Future finance obligations	(131 189)	(371 860)
Present value of lease obligations	1 650 858	2 930 609

Leases are secured by property, plant and equipment - Note 13

The capitalised lease liability consist out of the following contracts:

Supplier	Description of leased item	Effective Interest rate	Annual Escalation	Lease Term	Maturity Date
FLEETAFRICA	CZ 16750 - Isuzu	12.00%	0%	3 Years	31/08/2011
Nashua	Nashua Ricoh MP6001	12.02%	0%	3 Years	30/11/2012
Sharp	AR1206 Multyfunction System	11.97%	0%	3 Years	31/07/2012
Ottery Toyota	CZ 1902 Toyota Corolla 1.4 Prof	12.14%	0%	3 Years	30/06/2012
Ottery Toyota	CZ 1863 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	0%	3 Years	30/06/2012
Ottery Toyota	CZ 1883 Toyota Corolla 1.4 Prof	12.14%	0%	3 Years	30/06/2012
Ottery Toyota	CZ 1873 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	0%	3 Years	30/06/2012
Ottery Toyota	CZ 1877 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	0%	3 Years	30/06/2012
Ottery Toyota	CZ 1876 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	0%	3 Years	30/06/2012
EQSTRA	CZ 3359 Toyota Yaris T3 A/C	11.94%	0%	3 Years	31/03/2013
EQSTRA	CZ 3363 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 3368 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 3370 Toyota Yaris T3 A/C	11.94%	0%	3 Years	31/03/2013
EQSTRA	CZ 3373 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 3439 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 3457 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 3465 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	0%	3 Years	31/03/2013
EQSTRA	CZ 4548 Toyota Corolla 1.3 Impact	11.98%	0%	3 Years	30/09/2013
EQSTRA	CZ 4557 Toyota Corolla 1.3 Impact	11.98%	0%	3 Years	30/09/2013
EQSTRA	CZ 4560 Toyota Corolla 1.3 Impact	12.01%	0%	3 Years	30/09/2013
EQSTRA	CZ 4561 Toyota Corolla 1.3 Impact	12.01%	0%	3 Years	30/09/2013
EQSTRA	CZ 4554 Toyota Corolla 1.3 Impact	12.01%	0%	3 Years	30/09/2013
EQSTRA	CZ 4741 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	0%	3 Years	30/09/2013
EQSTRA	CZ 4584 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	0%	3 Years	30/09/2013
EQSTRA	CZ 4567 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	0%	3 Years	30/09/2013

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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

EQSTRA	CZ 4577 Toyota Hilux 2.5 D-4D P/U S/C	12.04%	0%	3 Years	30/09/2013
EQSTRA	CZ 4566 Toyota Hilux 2.5 D-4D P/U S/C	12.04%	0%	3 Years	30/09/2013
EQSTRA	CZ 4754 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	0%	3 Years	30/09/2013
EQSTRA	CZ 4746 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	0%	3 Years	30/09/2013
EQSTRA	CZ 4336 Toyota Hilux 2.5 D-4D P/U S/C	12.13%	0%	3 Years	31/10/2013
EQSTRA	CZ 4738 Toyota Hilux 2.5 D-4D P/U S/C	12.06%	0%	3 Years	30/11/2013
EQSTRA	CZ 4730 Toyota Hilux 2.5 D-4D P/U S/C	12.06%	0%	3 Years	30/11/2013
EQSTRA	CZ 2543 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	0%	3 Years	31/08/2012
EQSTRA	CZ 2533 Toyota Corolla 1.3 Impact	12.03%	0%	3 Years	31/08/2012
EQSTRA	CZ 3947 HILUX 2.5 D-4D SRX 4X4 P/U S/C	11.99%	0%	3 Years	30/06/2013
EQSTRA	CZ 6725 LDV TOYOTA	9.00%	0%	3 Years	13/10/2014
Nashua	MP4001	9.00%	0%	3 Years	30/09/2014
Nashua	MPC5501	9.00%	0%	3 Years	31/08/2014

	2012 R	2011 R
4 EMPLOYEE BENEFITS		
Post Retirement Benefits - Refer to Note 4.1	20 739 895	16 842 028
Long Service Awards - Refer to Note 4.2	3 024 209	2 402 368
Pension Murraysburg	27 924	-
Total Non-current Employee Benefit Liabilities	23 792 028	19 244 396
<u>Post Retirement Benefits</u>		
Balance 1 July	17 583 976	13 061 300
Transfer from DMA (Murraysburg) - Note 37	197 399	-
Contribution for the year	(717 149)	(654 541)
Expenditure for the year	2 009 040	1 497 239
Actuarial Loss	2 451 441	3 679 978
Total post retirement benefits 30 June	21 524 707	17 583 976
Less: Transfer of Current Portion - Note 7	(784 812)	(741 948)
Balance 30 June	20 739 895	16 842 028
<u>Long Service Awards</u>		
Balance 1 July	2 902 880	1 740 386
Transfer from DMA (Murraysburg) - Note 37	225 312	-
Contribution for the year	(333 955)	(284 165)
Expenditure for the year	639 869	341 066
Actuarial Loss/(Gain)	(187 559)	1 105 593
Total long service 30 June	3 246 547	2 902 880
Less: Transfer of Current Portion - Note 7	(222 338)	(500 512)
Balance 30 June	3 024 209	2 402 368
<u>Pension Murraysburg</u>		
Balance 1 July	-	-
Transfer from DMA (Murraysburg) - Note 37	27 431	-
Expenditure for the year	493	-
Balance 30 June	27 924	-
<u>TOTAL NON-CURRENT EMPLOYEE BENEFITS</u>		
Balance 1 July	20 486 856	14 801 686
Transfer from DMA (Murraysburg) - Note 37	450 142	-
Contribution for the year	(1 051 104)	(938 706)
Expenditure for the year	2 649 402	1 838 305
Actuarial Loss/(Gain)	2 263 882	4 785 571
Total employee benefits 30 June	24 799 178	20 486 856
Less: Transfer of Current Portion - Note 7	(1 007 150)	(1 242 460)
Balance 30 June	23 792 028	19 244 396

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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

4	EMPLOYEE BENEFITS (CONTINUE)	2012 R	2011 R
4.1	Post Retirement Benefits		
	The Post Retirement Benefit Plan is a defined benefit plan, of which the members are made up as follows:		
	In-service (employee) members	65	52
	In-service (employee) non-members	299	318
	Continuation members (e.g. Retirees, widows, orphans)	26	26
	Total Members	<u>390</u>	<u>396</u>
		2012 R	2011 R
	The liability in respect of past service has been estimated to be as follows:		
	In-service members	10 263 312	7 277 383
	Continuation members	11 261 395	10 306 593
	Total Liability	<u>21 524 707</u>	<u>17 583 976</u>
	The municipality makes monthly contributions for health care arrangements to the following medical aid schemes:		
	Bonitas; Discovery; LA Health; Hosmed; Samwumed; and Keyhealth.		
	The Municipality's Accrued Unfunded Liability at 30 June 2012 is estimated at R21 524 707. The Current-service Cost for the year ending 30 June 2012 is estimated at R524 774. It is estimated to be R815 290 for the ensuing year.		
	Key actuarial assumptions used:	2012 %	2011 %
	i) Rate of interest		
	Discount rate	7.85%	8.62%
	Health Care Cost Inflation Rate	6.84%	7.27%
	Net Effective Discount Rate	0.94%	1.26%
	ii) Mortality rates		
	The PA 90 ultimate table, rated down by 1 year of age was used by the actuaries.		
	iii) Normal retirement age		
	It has been assumed that in-service members will retire at age 65 for males and 60 for females, which then implicitly allows for expected rates of early and ill-health retirement.		
	The amounts recognised in the Statement of Financial Position are as follows:	2012 R	2011 R
	Present value of fund obligations	21 524 707	17 583 976
	Total Liability	<u>21 524 707</u>	<u>17 583 976</u>
	The fund is wholly unfunded.		

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NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
4 EMPLOYEE BENEFITS (CONTINUE)		
Reconciliation of present value of fund obligation:		
Present value of fund obligation at the beginning of the year	17 583 976	13 061 300
Transfer from DMA (Murraysburg) - Note 37	197 399	-
Total expenses	1 291 891	842 698
Current service cost	524 774	321 811
Interest Cost	1 484 266	1 175 428
Benefits Paid	(717 149)	(654 541)
Actuarial losses	2 451 441	3 679 978
Present value of fund obligation at the end of the year	21 524 707	17 583 976
Less: Transfer of Current Portion - Note 7	(784 812)	(741 948)
Balance 30 June	20 739 895	16 842 028

The liability in respect of periods commencing prior to the comparative year has been estimated as follows:

	2009 R	2008 R	2007 R
In-service members	4 234 313	3 977 271	2 589 761
Continuation members	8 826 987	8 291 149	7 206 934
Total Liability	13 061 300	12 268 420	9 796 695

Sensitivity Analysis on the Accrued Liability

Assumption	In-service members liability (R'000)	Continuation members liability (R'000)	Total liability (R'000)	% change
Central Assumptions	10.263	11.261	21.525	

The effect of movements in the assumptions are as follows:

Assumption	Change	In-service members liability (R'000)	Continuation members liability (R'000)	Total liability (R'000)	% change
Health care inflation	1%	12.345	12.632	24.976	16%
Health care inflation	-1%	8.612	10.105	18.717	-13%
Post-retirement mortality	-1 year	10.621	11.693	22.314	4%
Average retirement age	-1 year	11.060	11.261	22.321	4%
Withdrawal Rate	-50%	11.117	11.261	22.378	4%

4.2 Long Service Bonuses

The Long Service Bonus plans are defined benefit plans. As at year end, 346 employees were eligible for Long Service Bonuses.

The Employer's Unfunded Accrued Liability at 30 June 2012 is estimated at R3 246 547. The Current-service Cost for the year ending 30 June 2012 is estimated at R434 110. It is estimated to be R354 221 for the ensuing year.

Key actuarial assumptions used:

	2012 %	2011 %
i) Rate of interest		
Discount rate	6.57%	7.74%
General Salary Inflation (long-term)	5.97%	6.26%
Net Effective Discount Rate applied to salary-related Long Service Bonuses	0.57%	1.40%

The amounts recognised in the Statement of Financial Position are as follows:

	2012 R	2011 R
Present value of fund obligations	3 246 547	2 902 880
Net liability/(asset)	3 246 547	2 902 880

Reconciliation of present value of fund obligation:

	2012 R	2011 R
Present value of fund obligation at the beginning of the year	2 902 880	1 740 386
Transfer from DMA (Murraysburg) - Note 37	225 312	-
Total expenses	305 914	56 901
Current service cost	434 110	194 818
Interest Cost	205 759	146 248
Benefits Paid	(333 955)	(284 165)
Actuarial (gains)/losses	(187 559)	1 105 593
Present value of fund obligation at the end of the year	3 246 547	2 902 880
Less: Transfer of Current Portion - Note 7	(222 338)	(500 512)
Balance 30 June	3 024 209	2 402 368

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

4 EMPLOYEE BENEFITS (CONTINUE)

Sensitivity Analysis on the Unfunded Accrued Liability

Assumption	Change	Liability (Rm)	% change
Central assumptions		3.247	
General salary inflation	1%	3.493	8%
General salary inflation	-1%	3.025	-7%
Average retirement age	-2 yrs	2.805	-14%
Average retirement age	2 yrs	3.845	18%
Withdrawal rates	-50%	3.875	19%

4.3 Retirement funds

The Municipality requested detailed employee and pensioner information as well as information on the Municipality's share of the Pension and Retirement Funds' assets from the fund administrator. The fund administrator confirmed that assets of the Pension and Retirement Funds are not split per participating employer. Therefore, the Municipality is unable to determine the value of the plan assets as defined in GRAP 25.

As part of the Municipality's process to value the defined benefit liabilities, the Municipality requested pensioner data from the fund administrator. The fund administrator claim that the pensioner data to be confidential and were not willing to share the information with the Municipality. Without detailed pensioner data the Municipality was unable to calculate a reliable estimate of the accrued liability in respect of pensioners who qualify for a defined benefit pension.

Therefore, although the Cape Joint Retirement Fund is a Multi Employer fund defined as defined benefit plan, it will be accounted for as defined contribution plan. All the required disclosure has been made as defined in GRAP 25.31.

CAPE RETIREMENT FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 100.3% (30 June 2010 - 103.3%).

CAPE JOINT PENSION FUND

The contribution rate payable is 9% by members and 18% by Council. The last actuarial valuation performed for the year ended 30 June 2011 revealed that the fund is in a sound financial position with a funding level of 98.10% (30 June 2010 - 100%). Whilst this has decreased since the previous actuarial valuations it is still within the Registrar's normally acceptable range of at least a 95% funding level, provided that the previous statutory valuation reflected at least a 100% funding level.

5 NON-CURRENT PROVISIONS

Provision for Rehabilitation of Landfill-sites

Total Non-current Provisions

	2012 R	2011 R
Provision for Rehabilitation of Landfill-sites	5 253 577	6 728 155
Total Non-current Provisions	5 253 577	6 728 155

Landfill Sites

Balance 1 July

Balance previously reported
Derecognition of previous calculation on Landfill sites- Note 36.07
First time recognition of Capitalised Restoration Cost - At Cost- Note 36.07

Balance 1 July	6 728 155	6 401 920
Balance previously reported	-	2 190 600
Derecognition of previous calculation on Landfill sites- Note 36.07	-	(2 190 600)
First time recognition of Capitalised Restoration Cost - At Cost- Note 36.07	-	6 401 920

Contribution for the year - Note 36.07

Contribution for the year - Note 36.07	336 408	326 235
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Total provision 30 June

Total provision 30 June	7 064 563	6 728 155
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Less: Transfer of Current Portion to Provisions

Less: Transfer of Current Portion to Provisions	(1 810 986)	-
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Balance 30 June

Balance 30 June	5 253 577	6 728 155
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The estimated rehabilitation costs for each of the existing sites are based on the current rates for

	Beaufort West	Nelspoort	Murraysburg	Merweville
Earthworks - Shape Landfill (m ²)	58920	9 850	15 920	6300
Topsoil (m ²)	58920	680	15 920	6300
Stormwater Cut off drain (m)	460	200	330	180

The municipality has an obligation to rehabilitate landfill sites at the end of the expected useful life of the asset. Total cost and estimated date of decommission of the sites are as follows:

Location	Estimated decommission date	Cost of rehabilitation
		2012 R
Beaufort West	2037	3 067 300
Nelspoort	2050	1 017 199
Murraysburg	2012	1 810 986
Merweville	2050	1 169 078
		7 064 563

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
6 CONSUMER DEPOSITS		
Water & Electricity	1 059 679	1 035 912
Total Consumer Deposits	1 059 679	1 035 912

The fair value of consumer deposits approximate their carrying value. Interest is not paid on these amounts.

	2012 R	2011 R
7 CURRENT EMPLOYEE BENEFITS		
Current Portion of Post Retirement Benefits - Note 4	784 812	741 948
Current Portion of Long-Service Provisions - Note 4	222 338	500 512
Performance Bonuses	486 961	345 405
Staff Leave	3 250 382	2 874 861
Total Current Employee Benefits	4 744 493	4 462 726

The movement in current employee benefits are reconciled as follows:

Provision for Performance Bonuses

Balance at beginning of year	345 405	357 679
Contribution to current portion	388 367	407 264
Expenditure incurred	(246 811)	(419 538)
Balance at end of year	486 961	345 405

Performance bonuses are being paid to Municipal Manager and Directors after an evaluation of performance by an executive performance committee.

Provision for Staff Leave

Balance at beginning of year	2 874 861	2 670 362
Contribution to current portion	786 399	454 603
Expenditure incurred	(410 878)	(250 104)
Balance at end of year	3 250 382	2 874 861

Staff leave accrued to employees according to collective agreement. Provision is made for the full cost of accrued leave at reporting date. This provision will be realised as employees take leave.

	2012 R	2011 R
8 PROVISIONS		
Current Portion of Rehabilitation of Landfill-sites - Note 5	1 810 986	-
Total Provisions	1 810 986	-

	2012 R	2011 R
9 PAYABLES FROM EXCHANGE TRANSACTIONS		
Trade Payables	19 134 491	14 951 504
Balance previously reported	-	14 830 729
Correction of error. Refer to note	-	120 775
Unspent External Loans	443 032	-
Deposits: Other	1 162 726	874 752
Payments received in advance	158 665	293 345
Receivable accounts with credit balances	1 229 430	1 025 710
Total Trade Payables	22 128 344	17 145 311

Payables are being paid within 30 days as prescribed by the MFMA. Payables are being recognised net of any discounts.

All payments are unsecured.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

10 UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS	2012 R	2011 R
Unspent Grants	13 219 957	9 816 698
National and Provincial Government Grants	13 219 957	9 816 698
Less: Unpaid Grants	97 044	863 618
National and Provincial Government Grants	97 044	863 618
Total Conditional Grants and Receipts	13 122 913	8 953 080

The Unspent Grants are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.

10.01 Equitable share

Opening balance	-	-
Grants received	28 956 000	22 401 162
Conditions met - Operating	(28 956 000)	(22 401 162)
Conditions met - Capital	-	-
Conditions still to be met	-	-

The Equitable Share is the unconditional share of the revenue raised nationally and is being allocated in terms of Section 214 of the Constitution (Act 108 of 1996) to the municipality by the National Treasury.

10.02 National Grants

Opening balance	1 713 208	10 598 292
Grants received	29 733 000	42 372 891
Interest on investment (Only if condition)	70 589	-
Nett Transfers	-	-
Conditions met - Own Income	(2 656 969)	-
Conditions met - Operating	(10 151 223)	(22 538 216)
Conditions met - Capital	(10 978 578)	(28 719 759)
Conditions still to be met	7 730 027	1 713 208

National Grants received with conditions to be met.

10.03 Provincial Grants

Opening balance	6 966 166	7 047 683
Grants received	8 425 414	7 154 304
Interest on investment (Only if condition)	135 078	-
Nett Transfers	56 676	-
Conditions met - Own Income	-	-
Conditions met - Operating	(7 843 163)	(4 081 198)
Conditions met - Capital	(2 883 158)	(3 154 676)
Conditions still to be met	4 857 013	6 966 113

Provincial Grants received with conditions to be met.

10.04 Municipal Infrastructure Grant

Opening balance	88 554	1 119 638
Grants received	17 672 999	4 010 443
Interest on investment (Only if condition)	276 231	-
Nett Transfers	-	-
Conditions met - Own Income	(1 180)	-
Conditions met - Operating	(201 731)	(2 692 124)
Conditions met - Capital	(17 703 838)	(2 349 402)
Conditions still to be met	131 035	88 555

Municipal Infrastructure Grant received with conditions to be met.

10.05 Local Economic Development

Opening balance	168 919	329 578
Grants received	-	12 425
Interest on investment (Only if condition)	3 648	-
Nett Transfers	-	-
Conditions met - Own Income	-	-
Conditions met - Operating	(142 705)	(157 955)
Conditions met - Capital	-	(15 129)
Conditions still to be met	29 862	168 919

Local Economic Development received with conditions to be met.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

10	UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS	2012	2011
		R	R
	10.06 ESKOM		
	Opening balance	-	930 056
	Grants received	488 033	222 211
	Interest on investment (Only if condition)	-	-
	Nett Transfers	-	-
	Conditions met - Own Income	-	-
	Conditions met - Operating	(488 033)	(1 095 508)
	Conditions met - Capital	-	(56 759)
	Conditions still to be met	<u>-</u>	<u>-</u>
	ESKOM received with conditions to be met.		
	10.07 LOTTERY		
	Opening balance	8 795	11 761
	Grants received	-	614
	Interest on investment (Only if condition)	-	-
	Nett Transfers	-	-
	Conditions met - Own Income	-	-
	Conditions met - Operating	-	(925)
	Conditions met - Capital	(8 795)	(2 655)
	Conditions still to be met	<u>-</u>	<u>8 795</u>
	LOTTERY received with conditions to be met.		
	10.08 Central Karoo District Municipality Funds		
	Opening balance	7 438	7 063
	Grants received	554 249	75 375
	Interest on investment (Only if condition)	4 235	-
	Nett Transfers	-	-
	Conditions met - Own Income	-	-
	Conditions met - Operating	(183 428)	(75 000)
	Conditions met - Capital	(7 517)	-
	Conditions still to be met	<u>374 977</u>	<u>7 438</u>
	Central Karoo District Municipality Funds received with conditions to be met.		
	10.09 Public Contributions		
	Opening balance	477 624	1 315 255
	Grants received	540 420	1 421 077
	Interest on investment (Only if condition)	37 703	-
	Nett Transfers	-	-
	Conditions met - Own Income	-	-
	Conditions met - Operating	(396 335)	(2 235 760)
	Conditions met - Capital	(283 109)	(22 948)
	Conditions still to be met	<u>376 303</u>	<u>477 624</u>
	Public Contributions received with conditions to be met.		
	10.10 Total Conditional Grants and Receipts		
	Opening balance	9 430 704	21 359 326
	Grants received	57 414 115	55 269 340
	Interest on investment (Only if condition)	527 484	22 401 162
	Nett Transfers	56 676	-
	Conditions met - Own Income	(2 658 149)	-
	Conditions met - Operating	(48 362 618)	(55 277 848)
	Conditions met - Capital	(31 864 995)	(34 321 328)
	Conditions still to be met	<u>(15 456 783)</u>	<u>9 430 652</u>
	Total Conditional Grants and Receipts received with conditions to be met.		
	11 UNSPENT PUBLIC CONTRIBUTIONS		
	Unspent Public Contribution	376 303	477 624
	Public Contributions and Receipts	<u>376 303</u>	<u>477 624</u>
	The Unspent Public Contributions are cash-backed by term deposits. The municipality complied with the conditions attached to all grants received to the extent of revenue recognised. No grants were withheld.		
	12 TAXES	2012	2011
		R	R
	VAT	1 987 882	1 769 878
	Balance previously reported	-	1 755 364
	Correction of error. Refer to note	-	14 514
	Provision for Debt Impairment of trade receivables from exchange transactions	<u>3 430 937</u>	<u>2 495 835</u>
		<u>5 418 819</u>	<u>4 265 713</u>
	VAT is payable on the payments basis. Only once payment is received from debtors is VAT paid over to SARS.		

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012	2011
		R	R
13	PROPERTY, PLANT AND EQUIPMENT		
	<u>See attached sheet.</u>		

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Carrying value of assets retired from active use and held for disposal:		
Cost	-	1 335 600
Land and Buildings	-	1 335 600
Accumulated depreciation	-	(16 760)
Land and Buildings	-	(16 760)
Carrying value	-	1 318 840
Impairment of property plant and equipment		
Impairment charges on Property, plant and equipment recognised in statement of financial performance		
Lease Assets	-	17 202
Other	253 257	18 285
	<u>253 257</u>	<u>35 487</u>
 The effect of a change in accounting estimate will have on the current period and subsequent periods:		
		2012 R
Effect on Property, plant and equipment		<u>(1 798 467)</u>
Assessment of impairment of assets was performed on other assets.		
Details of property plant and equipment carried at fair value		
No property, plant and equipment are carried at fair value.		

	2012 R	2011 R
14 INVESTMENT PROPERTY		
Net Carrying amount at 1 July	10 249 777	10 529 049
Cost	11 609 924	11 609 924
Balance previously reported	11 609 924	11 609 924
Correction of error. Refer to note	-	-
Accumulated Depreciation	(1 360 147)	(1 080 875)
Balance previously reported	-	(1 080 875)
Correction of error. Refer to note	-	-
Depreciation for the year	(280 037)	(279 272)
Balance previously reported	-	(279 272)
Correction of error. Refer to note	-	-
Net Carrying amount at 30 June	9 969 740	10 249 777
Cost	11 609 924	11 609 924
Accumulated Depreciation	(1 640 184)	(1 360 147)
Revenue derived from the rental of investment property:		
Sanlam Building	182 633	182 904
Operating expenditure incurred on properties generating revenue	14 010	30 755
 There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.		
The cost model in terms of GRAP 16 is being applied on Investment Property.		
Cost at implementation of GRAP 16 and fair value was determined by valuation roll of 1 July 2009.		

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

15 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale at beginning of year - at book value	1 318 840	-
Transfer from Property Plant & Equipment		1 318 840
Transfer to Property Plant & Equipment	(1 205 795)	-
	<hr/>	<hr/>
	113 045	1 318 840
Non-current assets sold/written off during the year	(113 045)	-
	<hr/>	<hr/>
Non-current assets held for sale at end of year - at book value	-	1 318 840

Disposal group:

Non-Current Asset - Property Plant & Equipment - Land & Buildings	-	1 318 840
	<hr/>	<hr/>
	-	1 318 840

Land and buildings on demand was identified by management and approved by Council to be disposed within the next 12 months during the 2011/12 financial year in accordance with Section 14 of the MFMA, Asset Transfer Regulations and the Supply Chain Management Regulations.

Due to the poor property market, management decided not to sell all these properties and transferred it back to PPE in 2012.

16 INTANGIBLE ASSETS

Computer System & Software

Net Carrying amount at 1 July

	541 079	625 008
Cost	1 034 434	1 010 777
Balance previously reported	1 034 434	1 010 777
Correction of error. Refer to note	-	-
Accumulated Amortisation	(493 355)	(385 769)
Balance previously reported	(493 355)	(385 769)
Correction of error. Refer to note	-	-
Acquisitions	7 411	23 657
Amortisation for the year	(114 769)	(107 586)
Balance previously reported	-	-
Correction of error. Refer to note	-	-
Net Carrying amount at 30 June	433 721	541 079
Cost	1 041 845	1 034 434
Accumulated Amortisation	(608 124)	(493 355)

The following material intangible assets are included in the carrying value above

Description	Carrying Value	
	2012 R	2011 R
Sebata System	398 530	478 542

No intangible asset were assessed as having an indefinite useful life.
There are no intangible assets whose title is restricted.
There are no intangible assets pledged as security for liabilities

17 CAPITALISED RESTORATION COST

Net Carrying amount at 1 July

	1 442 243	1 546 924
Cost	2 505 396	2 505 396
Balance previously reported		-
First time recognition of Capitalised Restoration Cost - At Cost- Note 36.06		2 505 396
Accumulated Depreciation	(1 031 872)	(958 473)
Balance previously reported		-
First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 36.06		(958 473)
Accumulated Impairments	(31 281)	-
Depreciation for the year	(57 012)	(73 399)
Balance previously reported		-
Recognition of Depreciation for 2010/2011 - Note 36.06		(73 399)
Impairment - Note 36.06	(40 013)	(31 281)
Net Carrying amount at 30 June	1 345 217	1 442 243
Cost	2 505 396	2 505 396
Accumulated Depreciation	(1 088 885)	(1 031 872)
Accumulated Impairments	(71 295)	(31 281)

The municipality did not measure the rehabilitation costs of the refuse sites in the past in terms of

Since the previous reporting period the municipality recognised all rehabilitation cost in line with GRAP

Refuse tip-sites financed by way of a provision recognised previously not recognised - Refer to note 5

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
18 LONG-TERM RECEIVABLES		
Housing Loans	609 668	723 287
Receivables with arrangements	985 316	2 118 321
Less: Current portion transferred to Trade and other receivables from exchange transactions	<u>(261 861)</u>	<u>(507 424)</u>
	1 333 123	2 334 184
Less: Provision for Debt Impairment	<u>-</u>	<u>-</u>
Total Long Term Receivables	<u>1 333 123</u>	<u>2 334 184</u>
ARRANGEMENTS		
Municipal account holders can make arrangements with the municipality, agreeing to pay the outstanding accounts over a predetermined period at a fixed monthly instalment. When a monthly instalment is not paid, the account is transferred back to Trade receivables where it will be included in the calculation of Provision for Impairment.		
HOUSING LOANS		
The outstanding amount relates to prior years and is still collectable. General public were entitled to housing loans which attract interest at 13.5% per annum and which are repayable over a maximum period of 30 years. These loans are repayable in the year 2026.		
19 INVENTORY		
Consumable Stores - Stationery and materials - At cost	3 029 275	2 796 834
Water – at cost	<u>51 218</u>	<u>80 414</u>
Total Inventory	<u>3 080 493</u>	<u>2 877 248</u>
Consumable stores materials written down due to losses as identified during the annual stores counts.	<u>21 167</u>	<u>49 412</u>
Consumable stores materials surpluses identified during the annual stores counts.	<u>100 988</u>	<u>20 307</u>
No inventory assets were pledged as security for liabilities.		
20 TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Service Receivables		
Water	2 544 883	2 484 275
Electricity	5 572 715	3 833 535
Housing Rentals	110 026	80 778
Refuse	4 062 150	2 636 935
Sewerage	<u>5 653 642</u>	<u>5 047 301</u>
Total Service Receivables	<u>17 943 416</u>	<u>14 082 824</u>
Less: Provision for Debt Impairment	<u>(11 663 220)</u>	<u>(11 271 067)</u>
Net Service Receivables	<u>6 280 196</u>	<u>2 811 757</u>
Other Receivables		
Other Arrears	24 510 427	16 162 203
Trade Receivables (Skills development training) incorrectly disclosed 2011, corrected through training account - Note 36.02	<u>-</u>	<u>(43 908)</u>
Total Other Receivables	<u>24 510 427</u>	<u>16 118 295</u>
Less: Provision for Debt Impairment	<u>(16 274 412)</u>	<u>(9 052 167)</u>
Net Other Receivables	<u>8 236 015</u>	<u>7 066 128</u>
Total Net Receivables from Exchange Transactions	<u>14 516 211</u>	<u>9 877 885</u>
Ageing of Receivables from Exchange Transactions		
(Electricity): Ageing		
Current (0 - 30 days)	3 670 895	2 934 094
31 - 60 Days	98 216	54 307
61 - 90 Days	59 639	34 506
+ 90 Days	<u>1 743 965</u>	<u>810 628</u>
Total	<u>5 572 715</u>	<u>3 833 535</u>
(Water): Ageing		
Current (0 - 30 days)	735 594	437 331
31 - 60 Days	115 549	75 248
61 - 90 Days	76 482	58 412
+ 90 Days	<u>1 617 258</u>	<u>1 913 284</u>
Total	<u>2 544 883</u>	<u>2 484 275</u>

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R	2011 R
20	TRADE AND OTHER RECEIVABLES FROM EXCHANGE TRANSACTIONS (CONTINUE)		
	<u>(Refuse): Ageing</u>		
	Current (0 - 30 days)	424 729	329 024
	31 - 60 Days	166 898	102 386
	61 - 90 Days	157 205	89 597
	+ 90 Days	3 313 318	2 115 928
	Total	4 062 150	2 636 935
	<u>(Sewerage): Ageing</u>		
	Current (0 - 30 days)	761 887	659 773
	31 - 60 Days	239 339	197 965
	61 - 90 Days	219 984	172 103
	+ 90 Days	4 432 432	4 017 460
	Total	5 653 642	5 047 301
	<u>(Housing Rentals Debtors): Ageing</u>		
	Current (0 - 30 days)	5 803	5 879
	31 - 60 Days	1 149	1 422
	61 - 90 Days	1 295	1 422
	+ 90 Days	101 779	72 055
	Total	110 026	80 778
	<u>(Other Debtors): Ageing</u>		
	Current (0 - 30 days)	257 239	1 152 597.00
	31 - 60 Days	556 126	334 962.00
	61 - 90 Days	2 168 553	733 382.00
	+ 90 Days	21 528 509	13 941 262.02
	Total	24 510 427	16 162 203
21	TRADE AND OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS:		
		2012 R	2011 R
	Service Receivables		
	Taxes - Rates	6 688 332	8 791 114
	Other Receivables	14 313 119	2 736 834
	Total Service Receivables	21 001 451	11 527 948
	Less: Provision for Debt Impairment	(4 347 416)	(5 719 969)
	Net Service Receivables	16 654 035	5 807 979
	Total Net Receivables from Non-Exchange Transactions	16 654 035	5 807 979
	Ageing of Receivables from Non-Exchange Transactions		
	<u>(Rates): Ageing</u>		
	Current (0 - 30 days)	994 062	898 125
	31 - 60 Days	162 462	217 128
	61 - 90 Days	182 265	175 737
	+ 90 Days	5 349 543	7 500 124
	Total	6 688 332	8 791 114
	<u>(Other Receivables): Ageing</u>		
	Current (0 - 30 days)	-	-
	31 - 60 Days	-	-
	61 - 90 Days	-	-
	+ 90 Days	14 313 119	2 736 834
	Total	14 313 119	2 736 834

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

21

TRADE AND OTHER RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS (CONTINUE)

			2012 R	2011 R
<u>Summary of Receivables by Customer Classification</u>	Residential, Industrial & Commercial R's	Other Debtors R's	National and Provincial Government R's	Total R's
2012				
Total Receivables	62 835 951	-	619 343	63 455 294
Less: Provision for doubtful debts	(32 285 048)	-	-	(32 285 048)
Total Recoverable debtors by customer classification	30 550 903	-	619 343	31 170 246

<u>Summary of Receivables by Customer Classification</u>	Residential, Industrial & Commercial R's	Other Debtors R's	National and Provincial Government R's	Total R's
2011				
Total Receivables	40 686 761	-	1 042 306	41 729 067
Less: Provision for doubtful debts	(26 043 203)	-	-	(26 043 203)
Total Recoverable debtors by customer classification	14 643 558	-	1 042 306	15 685 864

Trade and other receivables impaired

	Exchange Transactions R's	Non-Exchange Transactions R's	Total R's
2012			
Total	(27 937 632)	(4 347 416)	(32 285 048)
2011			
Total	(20 323 234)	(5 719 969)	(26 043 203)

Debts are required to be settled after 30 days, interest is charged after this date at prime +1%.
The fair value of trade and other receivables approximates their carrying amounts.

Reconciliation of the Total Provision for Debt Impairment

	2012 R	2011 R
Balance at beginning of the year	26 043 203	6 947 041
Contributions to provision	7 966 543	19 496 311
VAT Contributions to provision	935 102	1 839 357
Additional interest/corrections transferred to/from provision	(1 777 943)	42 702
Transfer from DMA (Murraysburg)	925 079	-
Doubtful debts written off against provision	(3 406 936)	(2 282 208)
Balance at end of year	32 285 048	26 043 203

In determining the recoverability of a trade receivable, the Municipality considers any change in the credit quality of the trade receivable from the date the credit was initially granted, up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes no further credit provisions are required in excess of the present allowance for doubtful debts.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R	2011 R
22	OPERATING LEASE ARRANGEMENTS		
22.1	The Municipality as Lessee		
	Balance on 1 July	2 439	3 167
	Operating Lease Liability for the current year	(1 892)	(728)
	Balance on 30 June	547	2 439

Beaufort West Municipality is leasing land from Transnet Limited for periods of 60 months with escalations of 9% per year.

At the Statement of Financial Position date, where the municipality acts as a lessee under operating leases, it will pay operating lease expenditure as follows:

Up to 1 Year	3 600	14 101
1 to 5 Years	-	3 600
More than 5 Years	-	-
Total Operating Lease Arrangements	3 600	17 701

22.2 **The Municipality as Lessor**

Balance on 1 July	9 069	8 320
Operating Lease Asset for the current year	2 468	749
Balance on 30 June	11 537	9 069

Beaufort West Municipality is leasing land to rate payers for periods of 36 to 119 months with escalations of 10% per year.

	2012 R	2011 R
At the Statement of Financial Position date, where the municipality acts as a lessor under operating leases, it will receive operating lease income as follows:		
Up to 1 Year	223 384	34 321
1 to 5 Years	350 455	69 984
More than 5 Years	161 992	5 263
Total Operating Lease Arrangements	735 832	109 568

This lease income was determined from contracts that have a specific conditional income and does not include lease income which has a undetermined conditional income.

The leases are in respect of land being leased out for a period until 2109

		2012 R	2011 R
23	CASH AND CASH EQUIVALENTS		
	Assets		
	Call Investments Deposits	14 190 660	15 138 266
	Cash Floats	12 370	12 170
	Total Cash and Cash Equivalents - Assets	14 203 030	15 150 436
	Liabilities		
	Primary Bank Account	(3 660 114)	(2 321 040)
	Total Cash and Cash Equivalents - Liabilities	(3 660 114)	(2 321 040)

Call Investments Deposits to an amount of R13 596 260 are held to fund the Unspent Conditional Grants (2010: R10 294 322).

Bank overdraft of R4 500 000 exists at ABSA Bank and ABSA Bank also has a credit card overdraft facility of R20 000 and fuel overdraft facility of R400 000.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

		2012 R	2011 R
23	CASH AND CASH EQUIVALENTS (CONTINUE)		
	The municipality has the following bank account:		
	<u>Current Account</u>		
	<i>Beaufort West ABSA - Account Number 40 5053 8936 (Primary Account):</i>		
	Cash book balance at beginning of year	(2 321 040)	(2 193 884)
	Cash book balance at end of year	<u>(3 660 114)</u>	<u>(2 321 040)</u>
	Bank statement balance at beginning of year	480 106	(238 451)
	Bank statement balance at end of year	<u>575 400</u>	<u>480 106</u>
	<u>Call Investment Deposits</u>		
	Call investment deposits consist out of the following accounts:		
	Investec	6 422 329	4 536 143
	First National Bank	-	-
	ABSA	5 371 821	10 306 213
	Standard Bank	818 575	295 910
	Nedbank	<u>1 577 935</u>	<u>-</u>
		<u>14 190 660</u>	<u>15 138 266</u>

24	PROPERTY RATES		
	<u>Actual</u>		
	Rateable Land and Buildings	21 301 936	19 440 024
	Residential, Commercial Property, State	<u>21 301 936</u>	<u>19 440 024</u>
	Less: Rebates	(1 987 020)	(715 997)
	Total Assessment Rates	<u>19 314 916</u>	<u>18 724 027</u>

Valuations on 30 JUNE 2012:

	2012 R	2011 R
Residential	1 197 095 184	1 133 309 255
Commercial	232 069 880	223 533 680
Governments	36 866 885	36 585 385
Schools	49 333 350	36 650 650
PSI	55 952 386	47 377 422
Farms	1 604 304 306	1 094 490 970
Vacant Erven	4 372 720	701 015
Building Clause	8 843 928	5 547 973
Total Property Valuations	<u>3 188 838 639</u>	<u>2 578 196 350</u>

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2009. Rebates were granted on land with buildings used solely for dwellings purposes as follows: Residential - The first R19 000 on the valuation is exempted.

Rates are levied monthly and payable by the 12th of the following month. Interest is levied at the prime rate plus 1% on outstanding monthly rates.

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

25	GOVERNMENT GRANTS AND SUBSIDIES	2012 R	2011 R
	Unconditional Grants	28 956 000	22 401 162
	Equitable Share - Refer to Note 25.1	28 956 000	22 401 162
	Conditional Grants	51 271 613	67 198 015
	Municipal Infrastructure Grant	17 703 839	4 920 566
	Finance Management Grant	1 232 296	1 081 736
	Department of Water Affairs and Forestry	354 319	52 073
	Department of Mineral and Energy	16 899 585	20 940 324
	ESKOM	488 033	1 152 267
	Municipal System Improvement Grant	886 658	653 342
	Public Transport Infrastructure Program (PTIP)	2 655 198	3 007 278
	Provincial Administration Western Cape (PAWC)	7 535 189	3 889 714
	Government Grants	40 398	2 339
	National Lottery	8 795	3 580
	Development Bank of South Africa	234 808	115 758
	Neighbourhood Development Programme (NDP)	201 731	120 961
	Donations and Public Contributions	440 100	2 140 450
	Local Economic Development	142 705	173 084
	Disaster Fund	4 536	2 500
	National Transformation Fund	-	16 396
	Drought Relief	88 236	28 511 764
	Job Creation	183 428	75 000
	Expended Public Works Program National (EPWP)	396 765	-
	Neighbourhood Development Program Capital (NDP)	429 102	-
	Regional Bulk Infrastructure Grant : Capital (RBIG)	802 442	-
	Water Learner ship LGSETA	91 821	-
	Central Karoo District Municipality	7 517	-
	Community Development Workers	444 112	338 883
	Total Government Grants and Subsidies	80 227 613	89 599 177
	Government Grants and Subsidies - Capital	31 864 995	34 321 328
	Government Grants and Subsidies - Operating	48 362 618	55 277 849
		80 227 613	89 599 177
	Revenue recognised per vote as required by Section 123 (c) of the MFMA		
	Executive & Council	30 606 490	22 792 649
	Budget & Treasury	1 496 081	1 993 738
	Corporate Services	-	122 962
	Planning & Development	527 124	723 671
	Community & Social Services	2 239 484	343 360
	Housing	4 360 701	3 544 751
	Sport & Recreation	368 167	11 366
	Waste Management	402 354	407 811
	Waste Water Management	106 700	-
	Road Transport	17 504 176	7 257 154
	Water	4 315 448	29 098 432
	Electricity	18 300 888	23 303 283
		80 227 613	89 599 177

The municipality does not expect any significant changes to the level of grants.

Equitable share to the amount of R8 636 000 was not paid to Beaufort West Municipality during the year under review. National treasury however gave their commitment to pay this amount, thus a debtor was created.

25.1 Equitable share

In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All registered indigents receive 6kl free water and 50kwh free electricity per month, which is funded from this grant.

All registered indigents receive a monthly subsidy as per approved budget, funded from this grant. Indigent subsidies is based on the cost of free basic services for the geographical area concerned. See Appendix F & note 10 for a reconciliation of all grants.

26 SERVICE CHARGES

Electricity	49 774 361	40 771 769
Service Charges - Electricity	51 956 782	40 847 774
Less: Rebates	(2 182 421)	(76 005)
Water	8 334 127	9 937 594
Service Charges - Water	13 432 584	9 937 594
Less: Rebates	(5 098 457)	-
Refuse removal	4 684 946	4 328 186
Service Charges - Refuse	5 234 361	4 333 181
Less: Rebates	(549 415)	(4 995)
Sewerage and Sanitation Charges	9 027 624	10 016 591
Service Charges - Sewerage	10 917 537	10 029 101
Less: Rebates	(1 889 913)	(12 510)
Other Service Charges	-	-
Total Service Charges	71 821 058	65 054 140

Rebates can be defined as any income that the Municipality is entitled by law to levy, but which has subsequently been forgone by way of rebate or remission.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

27	OTHER REVENUE	2012 R	2011 R
	Insurance excess revenue	337 615	126 953
	VAT portion of Grants that the Municipality may recognized as own income	2 443 144	-
	Selling of burial sites	148 211	155 498
	Subsidies	452 281	41 604
	Fees: swimming pool	33 866	3 577
	Commission on insurances	64 375	64 987
	Re-connections	57 722	62 859
	Building plans	63 229	35 237
	Other income represents sundry income such as administration income, sale of sand and photocopies.	627 020	1 116 449
	Total Other Income	4 227 463	1 607 164
28	EMPLOYEE RELATED COSTS		
	Standby Allowances	608 040	1 435 996
	Housing Subsidy	256 105	211 088
	Bonus	3 032 062	2 619 417
	Essential Users	665 758	556 831
	Overtime	2 079 775	3 184 669
	Long Service Awards	17 500	14 500
	Salaries	37 135 565	32 214 087
	Acting Allowance	723 568	-
	Uniform Allowance	44 933	43 027
	Leave Reserve Fund	578 623	454 603
	Transport Allowance	530 162	442 057
	Group Insurance	61 941	57 395
	Medical Aid Contribution	1 004 860	872 172
	Provident Fund SAMWU	649 527	472 198
	Pension Fund Contribution	5 245 985	4 641 812
	Occupational Health/Safety	-	141 000
	Unemployment Fund	334 715	301 757
	Long Service Bonus	434 110	194 818
	Post Retirement Medical	524 774	321 811
	Total Employee Related Costs	53 928 003	48 179 238
	KEY MANAGEMENT PERSONNEL		
	Municipal Manger is appointed on a 6-year fixed contract and the Director Community Services, Director Corporate Services and Director Finance on a 5-year fixed contract. There are no post-employment or termination benefits payable to them at the end of the contract period.		
	REMUNERATION OF KEY MANAGEMENT PERSONNEL		
	Remuneration of the Municipal Manager: J Booysen		
	Annual Remuneration	683 739	634 109
	Performance Bonuses	70 081	96 904
	Car Allowance	118 480	117 496
	Contributions, Medical and Pension Funds	132 410	136 412
	Total	1 004 710	984 921
	Remuneration of the Director Financial Services: D Louw		
	Annual Remuneration	508 850	273 368
	Performance Bonuses	25 982	67 531
	Car Allowance	105 374	43 288
	Contributions, Medical and Pension Funds	135 197	136 644
	Total	775 403	520 831
	Remuneration of the Director Electrical Services: RE van Staden		
	Annual Remuneration	558 167	522 205
	Performance Bonuses	48 401	66 926
	Car Allowance	72 000	72 000
	Contributions, Medical and Pension Funds	85 983	87 307
	Total	764 550	748 438
	Remuneration of the Director Community Services: AC Makendlana		
	Annual Remuneration	472 487	490 404
	Performance Bonuses	-	68 342
	Car Allowance	47 500	60 000
	Contributions, Medical and Pension Funds	75 959	96 913
	Total	595 946	715 659
	Remuneration of the Director Engineering Services: JCL Smit		
	Annual Remuneration	522 060	486 341
	Performance Bonuses	45 212	71 447
	Car Allowance	72 000	72 000
	Contributions, Medical and Pension Funds	163 054	93 541
	Total	802 326	723 329
	Remuneration of the Director Corporate Services: NE Mfundisi		
	Annual Remuneration	393 854	367 201
	Performance Bonuses	26 245	48 386
	Car Allowance	71 132	71 450
	Contributions, Medical and Pension Funds	106 829	91 242
	Total	598 060	578 279

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
29 REMUNERATION OF COUNCILLORS		
Executive Mayor	388 259	404 491
Deputy Executive Mayor	306 747	323 634
Speaker	301 756	308 846
Mayoral Committee Members	316 879	302 637
Councillors	1 171 212	1 197 844
Councillors' pension contribution	185 941	74 972
Councillors' medical aid	3 847	3 076
Councillors' car allowance	741 682	548 174
Telephone Allowance	299 170	180 041
Total Councillors' Remuneration	3 715 493	3 343 715
<i>In-kind Benefits</i>		
The Executive Mayor, Deputy Executive Mayor, Speaker and one other councillor are full-time. Each is provided with an office and secretarial support at the cost of the Council. The Executive Mayor has the use of a Council owned vehicle for official duties.		
30 DEBT IMPAIRMENT		
Long term Receivables - Note 18	-	-
Trade Receivables from exchange transactions - Note 20	6 893 791	15 214 260
Trade Receivables from non-exchange transactions - Note 20	1 072 753	4 282 050
Total Contribution to Impairment Provision	7 966 544	19 496 310
31 IMPAIRMENTS		
Property Plant & Equipment - Leased Assets	-	17 202
Property Plant & Equipment - Other Assets	253 257	18 285
Total Impairments	253 257	35 487
32 FINANCE CHARGES		
Long-term Liabilities	2 147 272	2 094 058
Finance leases	294 960	189 272
Post Retirement Charges	1 690 025	1 321 676
Overdraft Facilities	73 909	19 620
Total finance charges	4 206 166	3 624 626
33 BULK PURCHASES		
Electricity	34 588 525	25 158 962
Water	3 372 807	604 187
Total Bulk Purchases	37 961 332	25 763 149
34 GRANTS AND SUBSIDIES		
Donations	34 521	45 850
Total Grants and Subsidies	34 521	45 850
35 GENERAL EXPENSES		
Advertisement Costs	354 640	316 702
Banking Charges	437 555	281 395
Bursaries	303 522	293 139
Community Development Workers	425 530	201 287
Organisations	671 766	647 003
Insurance	322 563	261 884
Asset Management Plan	216 647	-
Licences/ Agreements	1 225 755	907 358
Printing & Stationary	626 292	538 398
Property Rates Act	-	5 367
Soup Kitchen	38 956	445 223
Subsistence & Travel	851 289	693 005
Audit fees	1 290 576	2 069 128
Telephone Costs	1 183 753	931 156
Training Costs	589 726	211 820
Water service development program	72 820	85 154
Ward Committee	180 909	161 297
Transfer existing housing	25 412	2 700 124
Vehicle Cost	6 961	411 105
Postage	336 131	279 992
Digging of graves	178 815	162 545
Job Creation	540 191	225 283
Legal expenses	182 166	129 659
Rental Fees	167 382	182 891
Customer Care	234 808	-
Deeds Registrations	98 245	67 994
Mayoral Golf Tourmnt	97 780	71 190
Public Functions	97 050	50 559
Publicity	108 017	20 852
Tracking Device	330 526	162 439
Defecit Rental Mun. Dwelling	108 784	11 503
Licences Vehicles	163 018	102 182
Consulting Fees	242 950	112 695
Other expenditure	1 162 544	1 573 610
General Expenses	12 873 079	14 313 939

General expenses contains administrative and technical expenses otherwise not provided for in the line-items of the Statement of Financial performance. This include items such as telecommunications, travelling, legal fees and auditing fees.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2011 R
36 CORRECTION OF ERROR IN TERMS OF GRAP 3	
36.01 Changes to Statement of Financial Performance	
Balance previously reported	4 027 813
Trade Payables (Audit cost) incorrectly disclosed 2011, corrected through audit cost account - Note 36.03	(106 261)
Trade Receivables (Skills development training) incorrectly disclosed 2011, corrected through training account - Note 36.02	(43 908)
Recognition of Depreciation for 2010/2011 - Note 36.06	(73 399)
Recognition of impairments for 2010/2011 - Note 36.06	(31 281)
Finance Lease Assets previously not disclosed at depreciation for 2011, transferred to PPE - Note 36.05	(26 107)
Finance Lease Assets previously not disclosed at cost, redemption transferred from Long term Liabilities - Note 36.09	25 390
Recognition of Interest Cost on Non-current Provisions for 2010/2011 - Note 36.07	(326 235)
Total	3 446 012
36.02 Trade And Other Receivables From Exchange Transactions	
Balance Previously Reported	9 921 793
Trade Receivables (Skills development training) incorrectly disclosed 2011, corrected through training account - Note 36.01	(43 908)
Total	9 877 885
36.03 Payables From Exchange Transactions	
Balance Previously Reported	17 024 536
Trade Payables (Audit cost) incorrectly disclosed 2011, corrected through audit cost account - Notes 36.01 & 36.04	120 775
Total	17 145 311
36.04 Taxes	
Balance Previously Reported	(4 251 199)
Trade Payables (Audit cost) incorrectly disclosed 2011, corrected through audit cost account - Note 36.03	(14 514)
Total	(4 265 713)
36.05 Property Plant & Equipment	
Balance Previously Reported	255 060 202
Trade Payables (Audit cost) incorrectly disclosed 2011, corrected through audit cost account - Note 36.07	(10 200)
Finance Lease Assets previously not disclosed at cost, transferred from accumulated surplus and non current liabilities - Notes 36.09 and 36.08	78 107
Finance Lease Assets previously not disclosed at accumulated depreciation, transferred from accumulated surplus - Note 36.08	(4 850)
Finance Lease Assets previously not disclosed at depreciation for 2011, transferred from St. of Financial Performance - Note 36.01	(26 107)
Total	255 097 151
36.06 Capitalised Restoration Cost	
Disclosure as required by GRAP 1.	
Balance previously reported	-
Opening balance GRAP movements 2009	-
Implementation of GRAP	
First time recognition of Capitalised Restoration Cost - At Cost- Note 36.07	2 505 396
First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 36.08	(958 473)
Recognition of depreciation for 2010/2011 - Note 36.01	(73 399)
Recognition of impairments for 2010/2011 - Note 36.01	(31 281)
Total	1 442 243
36.07 Non-current Provisions	
Balance previously reported	2 190 600
Incorrect calculation previous year on not all Landfill Sites - Recognised Assets - Note 36.08	(2 180 400)
Incorrect calculation previous year on not all Landfill Sites - Recognition of Interest Cost - Note 36.05	(10 200)
First time recognition of Landfill Site Provision - Recognised Assets - Note 36.06	2 505 396
Recognition of Interest Cost on Non-current Provisions up to 30 June 2010 - Note 36.08	3 896 524
Recognition of Interest Cost on Non-current Provisions for 2010/2011 - Note 36.01	326 235
Total	6 728 155
36.08 Accumulated Surplus/(Deficit)	
Balance previously reported	-
First time recognition of Capitalised Restoration Cost - Backlog Depreciation - Note 36.06	(958 473)
Finance Lease Assets previously not disclosed at cost, transferred to PPE - Note 36.05	17 603
Finance Lease Assets previously not disclosed at accumulated depreciation, transferred to PPE - Note 36.05	(4 850)
Incorrect calculation previous year on not all Landfill Sites - Recognised Assets - Note 36.07	2 180 400
Recognition of Interest Cost on Non-current Provisions up to 30 June 2010 - Note 36.07	(3 896 524)
Total	(2 661 844)

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

36.09 Long-term Liabilities	
Balance previously reported	19 869 475
Finance Lease Assets previously not disclosed at cost, transferred to PPE - Note 36.05	60 503
Finance Lease Assets previously not disclosed at cost, redemption transferred to St. of Financial Performance - Note 36.01	(25 390)
Total	19 904 588
37 TRANSFER OF DMA (MURRAYSBURG) FROM CENTRAL KAROO DISTRICT MUNICIPALIT'	1 July 2011
37.01 NET ASSETS AND LIABILITIES	R
Net Assets	44 478 305
Housing Development Fund	348 691
Accumulated Surplus / (Deficit)	44 129 614
Non - Current Liabilities	408 803
Employee Benefits	
Provision for Post Retirement Benefits	197 399
Provision for Ex-Gratia Pension Benefits	18 387
Provision for Long Service Awards	193 017
Total Non-current Provision Liabilities	408 803
Current Liabilities	891 118
Provisions	157 300
Rehabilitation of Landfill Sites	157 300
Short Term Employee Benefits	240 070
Staff Leave	207 775
Current Portion of Short Term Employee Benefits	32 295
Trade and Other Payables	216 834
Payments in Advance	209 460
Other Deposits	7 374
Unspent Conditional Government Grants and Receipts	136 249
Taxes	140 665
Transferred Liabilities to Liabilities Associated with Assets Held for Sale	45 778 226
37.02 ASSETS	1 July 2011
	R
Non-Current Assets	43 796 286
Property, Plant and Equipment - Note 14 & 15	43 796 286
Current Assets	1 981 940
Inventory	1 492
Trade Receivables from exchange transactions	451 052
Water	28 423
Electricity	233 514
Housing Rentals	-
Refuse	681 849
Sewerage	213 222
Other Arrears	62 697
Total: Trade receivables from exchange transactions (before provision)	1 219 705
Provision for Impairments	(768 654)
Total: Trade receivables from exchange transactions (after provision)	451 052
Other Receivables from non-exchange transactions	666 678
Taxes - Rates	613 642
Other Debtors	209 460
	823 102
Less: Provision for Debt Impairment	(156 424)
Total Other Receivables from non-exchange transactions	666 678
Cash and Cash Equivalents	862 719
Housing Development Fund	348 691
Provision Landfill Site	157 300
Provision Leave Fund	207 775
Other Deposits	7 374
Unspent Conditional Grants	136 249
Cash Floats	5 330
Transferred Assets Related to Assets Held for Sale	45 778 226

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

37.03	STATEMENT OF FINANCIAL PERFORMANCE	1 July 2011 R	
	REVENUE		
	Revenue from Non-exchange Transactions		4 300 898
	Taxation Revenue		1 087 287
	Property Rates		1 087 287
	Transfer Revenue		3 192 466
	Government Grants and Subsidies		2 247 469
	Public Contributions and Donations		944 997
	Other Revenue		21 145
	Fines		11 338
	Actuarial Gains		9 807
	Revenue from Exchange Transactions		3 194 110
	Property Rates- penalties imposed and collection charges		2 340
	Service Charges		2 883 468
	Rental of Facilities and Equipment		32 962
	Licenses and Permits		255 135
	Other Income		20 205
	Total Revenue		7 495 008
	EXPENDITURE		
	Employee related costs		3 099 842
	Debt Impairment		257 240
	Depreciation and Amortisation		2 037 927
	Repairs and Maintenance		285 609
	Actuarial losses		129 850
	Finance Charges		24 194
	Bulk Purchases		1 936 596
	Contracted services		4 648
	General Expenses		1 471 850
	Total Expenditure		9 247 756
	NET SURPLUS / (DEFECIT) FOR THE YEAR		(1 752 748)

38 **RECONCILIATION BETWEEN NET SURPLUS/(DEFICIT) FOR THE YEAR AND CASH GENERATED/(ABSORBED) BY OPERATIONS**

Surplus/(Deficit) for the year	67 697 037	3 446 013	
Adjustments for:			
Depreciation	13 264 822	9 909 699	
Amortisation of Intangible Assets	114 769	107 586	
(Gain)/Loss on disposal of property, plant and equipment	69 695	-	
Contributed PPE	(324 000)	-	
Transfer DMA From District	(45 064 179)	-	
Impairments	253 256	35 487	
Contribution from/to employee benefits - non-current	(1 051 104)	(938 706)	
Contribution from/to employee benefits - non-current - expenditure incurred	2 649 402	1 838 305	
Contribution from/to employee benefits - non-current - actuarial losses	2 263 882	4 785 571	
Contribution from/to provisions - non-current	336 408	326 235	
Contribution to employee benefits – current	1 174 766	861 867	
Contribution to employee benefits – current - expenditure incurred	(657 689)	(669 642)	
Contribution to provisions – Debt Impairment	8 901 645	21 335 667	
Impairment written off	(3 406 936)	(2 239 506)	
Additional debt Impairment transactions	747 136	-	
Increase/(Decrease) in Unspent Conditional Government Grants and Receipts	3 403 259	(10 615 755)	
Increase/(Decrease) in Unspent Conditional Public Contributions and Receipts	(101 321)	(837 631)	
(Increase)/Decrease in Unpaid Conditional Government Grants and Receipts	766 574	(475 236)	
Operating lease income accrued	(2 468)	(749)	
Operating lease expenses accrued	(1 892)	(728)	
Operating Surplus/(Deficit) before changes in working capital	51 033 062	26 868 477	
Changes in working capital	(15 703 607)	(4 300 906)	
Increase/(Decrease) in Trade and Other Payables	4 983 033	4 749 772	
Increase/(Decrease) in Taxes	218 004	(2 967 675)	
(Increase)/Decrease in Inventory	(203 245)	(705 590)	
(Increase)/Decrease in Long-term Receivables	1 001 061	2 598 782	
Increase/(Decrease) in Consumer Deposits	23 767	36 808	
(Increase)/Decrease in Trade Receivables from exchange transactions	(12 252 724)	(5 731 580)	
(Increase)/Decrease in Other Receivables from non-exchange transactions	(9 473 503)	(2 281 423)	
Cash generated/(absorbed) by operations	35 329 455	22 567 571	

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
39 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following:		
Call Investments Deposits - Note 23	14 190 660	15 138 266
Cash Floats - Note 23	12 370	12 170
Bank - Note 23	-	-
Bank overdraft - Note 23	(3 660 114)	(2 321 040)
Total cash and cash equivalents	10 542 916	12 829 396
40 RECONCILIATION OF AVAILABLE CASH AND INVESTMENT RESOURCE:		
Cash and Cash Equivalents - Note 39	10 542 916	12 829 396
Less:	10 542 916	12 829 396
Unspent Committed Conditional Grants - Note 10	13 122 913	8 953 080
Unspent Public Contribution - Note 11	376 303	477 624
Unpaid Committed Conditional Grants - Note 10	(97 044)	(863 618)
Staff Leave - Note 7	3 250 382	2 874 861
VAT - Note 12	(5 418 819)	(4 265 713)
Cash Portion of Housing Development Fund - Note 2	151 429	151 429
Net cash resources available for internal distribution	(842 248)	5 501 733
Allocated to:		
Capital Replacement Reserve	1 885 760	2 798 227
Resources available for working capital requirements	(2 728 008)	2 703 506
41 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION		
Long-term Liabilities - Note 3	18 935 392	19 904 588
Used to finance property, plant and equipment - at cost	(18 492 360)	(19 904 588)
	443 032	-
Cash set aside for the repayment of long-term liabilities	(443 032)	-
Cash invested for repayment of long-term liabilities	443 032	-
Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Annuity loans at amortised cost is calculated at 6.75%-15.00% interest rate, with last maturity date of 31 December 2029.		

	2012 R	2012 R	2012 R	2012 (%)
42 BUDGET COMPARISONS	(Actual)	(Budget)	(Variance)	(%)
42.1 Operational				
Revenue by source				
Property Rates	19 314 916	20 138 780	(823 864)	-4%
Government Grants and Subsidies - Capital	31 864 995	23 000 000	8 864 995	39%
Government Grants and Subsidies - Operating	48 362 618	74 803 400	(26 440 782)	-35%
Public Contributions and Donations	-	-	-	0%
Actuarial Gains	187 559	-	187 559	100%
Fines	13 298 781	8 303 000	4 995 781	60%
Property Rates - penalties imposed and collection charges	516 940	730 000	(213 060)	-29%
Service Charges	71 821 058	81 092 600	(9 271 542)	-11%
Rental of Facilities and Equipment	583 341	536 375	46 966	9%
Interest Earned - external investments	1 899 389	995 000	904 389	91%
Interest Earned - outstanding debtors	619 357	775 471	(156 114)	-20%
Licences and Permits	619 638	656 870	(37 232)	-6%
Agency Services	469 217	705 000	(235 783)	-33%
Unamortised Discount - Interest	-	-	-	0%
Transfer DMA From District	44 651 879	-	44 651 879	100%
Gain on disposal of PPE	-	-	-	0%
Contributed PPE	324 000	-	324 000	100%
Other Revenue	4 227 463	1 212 071	3 015 392	249%
	238 761 151	212 948 567	25 812 584	12%

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Expenditure by nature

Employee Related Costs	(53 928 003)	(56 073 656)	2 145 653	-4%
Remuneration of Councillors	(3 715 493)	(3 798 365)	82 872	-2%
Debt Impairment	(7 966 544)	(6 277 400)	(1 689 144)	27%
Collection Cost	(521 813)	(400 000)	(121 813)	30%
Depreciation and Amortisation	(13 379 591)	(11 507 080)	(1 872 511)	16%
Impairments	(253 256)	-	(253 256)	100%
Repairs and Maintenance	(13 177 824)	(13 326 640)	148 816	-1%
Unamortised Discount - Inreresst	-	-	-	0%
Actuarial losses	(2 451 441)	-	(2 451 441)	100%
Finance Charges	(4 206 166)	(1 967 505)	(2 238 661)	114%
Bulk Purchases	(37 961 332)	(38 531 000)	569 668	-1%
Contracted services	(4 376 588)	(3 185 500)	(1 191 088)	37%
Grants and Subsidies	(34 521)	(56 000)	21 479	-38%
Operating Grant Expenditure	(16 148 768)	(22 112 800)	5 964 032	-27%
Loss on Disposal of PPE	(69 695)	-	(69 695)	100%
General Expenses	(12 873 079)	(17 281 115)	4 408 036	-26%
Contributions to/from Reserves	-	-	-	0%
	(171 064 114)	(174 517 061)	3 452 947	-2%
Net Surplus for the year	67 697 037	38 431 506	29 265 531	

Details of material variances

Depreciation and Amortisation - Change in Accounting Estimate
 Contracted services - Increase in Traffic Fines
 Debt Impairment - Change in calculation of Allowance for Doubtful Debts
 Actuarial losses - Not budgeted for Actuarial losses.
 Finance Charges - Not budgeted for Post Retirement Finance Charges

	2012 R (Actual)	2012 R (Budget)	2012 R (Variance)	2012 (%)
42.2 Expenditure by Vote				
Executive & Council	(20 971 368)	(14 917 382)	(6 053 986)	41%
Budget & Treasury	(13 686 129)	(14 713 881)	1 027 752	-7%
Corporate Services	(3 513 833)	(3 234 872)	(278 961)	9%
Planning & Development	(4 061 566)	(3 981 098)	(80 468)	2%
Health	-	-	-	0%
Community & Social Services	(4 628 414)	(4 782 606)	154 192	-3%
Housing	(5 380 300)	(7 399 494)	2 019 194	-27%
Public Safety	(10 229 482)	(8 821 933)	(1 407 549)	16%
Sport & Recreation	(5 893 452)	(6 301 727)	408 275	-6%
Environmental Protection	-	-	-	0%
Waste Management	(8 110 480)	(6 241 077)	(1 869 403)	30%
Waste Water Management	(5 350 843)	(4 884 588)	(466 255)	10%
Road Transport	(17 729 321)	(17 506 247)	(223 074)	1%
Water	(19 679 510)	(17 092 461)	(2 587 049)	15%
Electricity	(62 097 080)	(64 639 695)	2 542 615	-4%
Less: Interdepartmental Charges	10 267 664	-	10 267 664	100%
	(171 064 114)	(174 517 061)	3 452 947	-2%

Details of material variances

Public Safety - Increase in Traffic Fines
 Waste Management - Recognition of Landfill sites
 Water & Electricity - Change in calculation of Allowance for Doubtful Debts
 Executive & Council - Not budgeted for Actuarial losses and Post Retirement Finance Charges

42.3 Capital expenditure by vote

Executive & Council	(188 560)	(144 500)	(44 060)	30%
Budget & Treasury	(370 571)	(3 389 700)	3 019 129	-89%
Corporate Services	(161 261)	-	(161 261)	100%
Planning & Development	(69 478)	-	(69 478)	100%
Health	-	-	-	0%
Community & Social Services	(28 074)	(29 800)	1 726	-6%
Housing	-	(48 000)	48 000	-100%
Public Safety	(136 303)	(76 000)	(60 303)	79%
Sport & Recreation	(1 225 383)	(880 000)	(345 383)	39%
Environmental Protection	-	-	-	0%
Waste Management	(196 397)	(109 000)	(87 397)	80%
Waste Water Management	(258 590)	(865 610)	607 020	-70%
Road Transport	(18 550 847)	(17 799 029)	(751 818)	4%
Water	(4 013 860)	(19 705 761)	15 691 901	-80%
Electricity	(11 807 699)	(10 395 600)	(1 412 099)	14%
	(37 007 023)	(53 443 000)	16 435 977	-31%

Details of material variances

Sport & Recreation - Stormwater Rustdene sport fields not budgeted for. Financed out of MIG Grant.
 Electricity - Murraysburg infrastructure capitalised.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

43	UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED	2012 R	2011 R										
43.1	Unauthorised expenditure												
	Reconciliation of unauthorised expenditure:												
	Opening balance	-	-										
	Unauthorised operating expenditure current year	12 966 745	30 546 704										
	Unauthorised capital expenditure current year	2 931 799	26 053 887										
	Approved by Council or condoned	-	(56 600 591)										
	Transfer to receivables for recovery	-	-										
	Unauthorised expenditure awaiting authorisation	<u>15 898 544</u>	<u>-</u>										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">Incident</th> <th style="width: 50%; text-align: left;">Disciplinary steps/criminal proceedings</th> </tr> </thead> <tbody> <tr> <td><i>Actual vs Budgeted spending</i></td> <td><i>None</i></td> </tr> </tbody> </table>	Incident	Disciplinary steps/criminal proceedings	<i>Actual vs Budgeted spending</i>	<i>None</i>								
Incident	Disciplinary steps/criminal proceedings												
<i>Actual vs Budgeted spending</i>	<i>None</i>												
43.2	Fruitless and wasteful expenditure												
	Reconciliation of fruitless and wasteful expenditure:												
	Opening balance	-	-										
	Fruitless and wasteful expenditure current year	-	-										
	Condoned or written off by Council	-	-										
	Transfer to receivables for recovery - not condoned	-	-										
	Fruitless and wasteful expenditure awaiting condonement	<u>-</u>	<u>-</u>										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">Incident</th> <th style="width: 50%; text-align: left;">Disciplinary steps/criminal proceedings</th> </tr> </thead> <tbody> <tr> <td><i>None</i></td> <td><i>None</i></td> </tr> </tbody> </table>	Incident	Disciplinary steps/criminal proceedings	<i>None</i>	<i>None</i>								
Incident	Disciplinary steps/criminal proceedings												
<i>None</i>	<i>None</i>												
43.3	Irregular expenditure												
	Reconciliation of irregular expenditure:												
	Opening balance	-	-										
	Irregular expenditure current year	16 264	41 070										
	Condonement supported by Council	-	(41 070)										
	Transfer to receivables for recovery - not condoned	-	-										
	Irregular expenditure awaiting condonement	<u>16 264</u>	<u>-</u>										
	Irregular expenditure awaiting condonement from National Treasury	<u>16 264</u>	<u>-</u>										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; text-align: left;">Incident</th> <th style="width: 50%; text-align: left;">Disciplinary steps/criminal proceedings</th> </tr> </thead> <tbody> <tr> <td><i>2011 - Purchases made from suppliers where no quotations were obtained. R25 535</i></td> <td><i>None</i></td> </tr> <tr> <td><i>2011 - Deviations that were not reported to council. R15 535</i></td> <td><i>None</i></td> </tr> <tr> <td><i>2012 - Suppliers identified as having members/directors/owners who are in the service of the state with no evidence of this disclosed to the municipality. R6 170</i></td> <td><i>None</i></td> </tr> <tr> <td><i>2012 - Awards made to close family members of persons in the service of the state. (declaration has been signed) R10 094</i></td> <td><i>None</i></td> </tr> </tbody> </table>	Incident	Disciplinary steps/criminal proceedings	<i>2011 - Purchases made from suppliers where no quotations were obtained. R25 535</i>	<i>None</i>	<i>2011 - Deviations that were not reported to council. R15 535</i>	<i>None</i>	<i>2012 - Suppliers identified as having members/directors/owners who are in the service of the state with no evidence of this disclosed to the municipality. R6 170</i>	<i>None</i>	<i>2012 - Awards made to close family members of persons in the service of the state. (declaration has been signed) R10 094</i>	<i>None</i>		
Incident	Disciplinary steps/criminal proceedings												
<i>2011 - Purchases made from suppliers where no quotations were obtained. R25 535</i>	<i>None</i>												
<i>2011 - Deviations that were not reported to council. R15 535</i>	<i>None</i>												
<i>2012 - Suppliers identified as having members/directors/owners who are in the service of the state with no evidence of this disclosed to the municipality. R6 170</i>	<i>None</i>												
<i>2012 - Awards made to close family members of persons in the service of the state. (declaration has been signed) R10 094</i>	<i>None</i>												
43.4	Material Losses												
	Electricity distribution losses												
	Units purchased (Kwh)	55 829 987	55 161 365										
	- Units lost during distribution (Kwh)	9 798 249	8 597 093										
	- Percentage lost during distribution	17.55%	15.59%										
	Water distribution losses												
	Kilolitres purified	2 167 967	1 428 007										
	- Kilolitres lost during distribution	946 075	336 009										
	- Percentage lost during distribution	43.64%	23.53%										

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

44	ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT AC	2012 R	2011 R
44.1	<u>Contributions to organised local government - [MFMA 125 (1)(b)] - SALGA CONTRIBUTIONS</u>		
	Opening balance	-	-
	Council subscriptions	251 948	226 745
	Amount paid - current year	(251 948)	(226 745)
	Balance unpaid (included in creditors)	-	-
44.2	<u>Audit fees - [MFMA 125 (1)(b)]</u>		
	Opening balance	-	-
	Current year audit fee	1 290 576	1 962 867
	External Audit - Auditor-General	1 290 576	1 962 867
	Amount paid - current year	(1 290 576)	(1 962 867)
	Balance unpaid (included in creditors)	-	-
44.3	<u>VAT - [MFMA 125 (1)(b)]</u>		
	VAT	(5 418 819)	(4 265 713)
	VAT is payable on the payments basis. Only once payment is received from debtors is VAT paid over to SARS.		
44.4	<u>PAYE, SDL and UIF - [MFMA 125 (1)(b)]</u>		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	5 929 510	5 765 405
	Amount paid - current year	(5 929 510)	(5 765 405)
	Balance unpaid (included in creditors)	-	-
44.5	<u>Pension and Medical Aid Deductions - [MFMA 125 (1)(b)]</u>		
	Opening balance	-	-
	Current year payroll deductions and Council Contributions	10 695 235	9 184 097
	Amount paid - current year	(10 695 235)	(9 184 097)
	Balance unpaid (included in creditors)	-	-
44.6	<u>Councillor's arrear consumer accounts - [MFMA 125 (1)(b)]</u>		
	The following Councillors had arrear accounts for more than 90 days as at 30 JUNE 2012:		
		2012 R	2011 R
		Outstanding more than 90 days	Outstanding more than 90 days
	Councillor L Deyse (510271/000768)	5 490	-
	Councillor G Adolph (021180/032194)	3 885	8 772
	Councillor HT Prince(012333/010957)	-	3 521
	Councillor M Furmen (023379/023380)	4 918	7 019
	Councillor R van der Linde (020002/020003)	-	484
	Total Councillor Arrear Consumer Accounts	14 293	19 796
44.7	<u>Quotations awarded - Supply Chain Management</u>		
	Refer to Supply Chain Management Implementation Report for the year ended 30 June 2012: Appendix G		
44.8	<u>Other non-compliance</u>		
	MFMA Section 65(2) e The municipality had experienced cash flow problems during the year as a result of which creditors were not always paid within 30 days of date of statement or invoice as required.		
	MFMA Section 32(4) Report pertaining to unauthorised, irregular, fruitless and wasteful expenditure have not been submitted to all relevant parties.		
	Municipal Budget and Reporting Regulations, Section 18 (1) The approved annual budget of the municipality, had not been made public within 10 working days after the council approved the budget.		
	Municipal Budget and Reporting Regulations, Section 19 The approved service delivery and budget implementation plan of the municipality, had not been made public within 10 working days after the approved of the SDBIP.		
45	CAPITAL COMMITMENTS		
	Commitments in respect of capital expenditure:		
	Approved and contracted for:	8 481 177	6 298 791
	Infrastructure	8 481 177	6 298 791
	Total	8 481 177	6 298 791
	This expenditure will be financed from:		
	Government Grants	8 481 177	6 298 791
		8 481 177	6 298 791

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

46 FINANCIAL RISK MANAGEMENT

The activities of the municipality expose it to a variety of financial risks, including market risk (comprising fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The municipality's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the municipality's financial performance.

(a) Foreign Exchange Currency Risk

The municipality does not engage in foreign currency transactions.

(b) Price risk

The municipality is not exposed to price risk.

(c) Interest Rate Risk

As the municipality has significant interest-bearing liabilities, the entity's income and operating cash flows are substantially dependent on changes in market interest rates.

The municipality analyses its potential exposure to interest rate changes on a continuous basis. Different scenarios are simulated which include refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios, the entity calculates the impact that a change in interest rates will have on the surplus/deficit for the year. These scenarios are only simulated for liabilities which constitute the majority of interest bearing liabilities.

The municipality did not hedge against any interest rate risks during the current year.

	2012 R	2011 R
The potential impact on the entity's surplus/deficit for the year due to changes in interest rates were as follow:		
0.5% (2009 - 0.5%) Increase in interest rates	(5 423)	12 226
0.5% (2009 - 0.5%) Decrease in interest rates	5 423	(12 226)

(d) Credit Risk

Credit risk is the risk that a counter party to a financial or non-financial asset will fail to discharge an obligation and cause the municipality to incur a financial loss.

Credit risk consist mainly of cash deposits, cash equivalents, trade and other receivables and unpaid conditional grants and subsidies.

Receivables are disclosed net after provisions are made for impairment and bad debts. Trade debtors comprise of a large number of ratepayers, dispersed across different sectors and geographical areas. Ongoing credit evaluations are performed on the financial condition of these debtors. Credit risk pertaining to trade and other debtors is considered to be moderate due the diversified nature of debtors and immaterial nature of individual balances. In the case of consumer debtors the municipality effectively has the right to terminate services to customers but in practice this is difficult to apply. In the case of debtors whose accounts become in arrears, Council endeavours to collect such accounts by "levying of penalty charges", "demand for payment", "restriction of services" and, as a last resort, "handed over for collection", whichever procedure is applicable in terms of Council's Credit Control and Debt Collection Policy.

All rates and services are payable within 30 days from invoice date. Refer to note and for all balances outstanding longer than 30 days. These balances represent all debtors at year end which defaulted on their credit terms.

46 FINANCIAL RISK MANAGEMENT (CONTINUE)

Balances past due not impaired:

	2012 %	2012 R	2011 %	2011 R
<u>Non-Exchange Receivables</u>				
Rates	0.00%	1 346 854	0.00%	2 173 020
<u>Exchange Receivables</u>				
Electricity	0.00%	-	0.00%	-
Water	1.49%	155 115	6.21%	377 628
Refuse	9.60%	997 023	8.82%	536 015
Sewerage	11.72%	1 216 888	16.38%	995 979
Housing Rentals	0.32%	32 706	0.34%	20 620
Other	76.86%	7 978 776	68.25%	4 149 367
	100.00%	10 380 508	100.00%	6 079 609

No receivables are pledged as security for financial liabilities.

Due to the short term nature of trade and other receivables the carrying value disclosed in note 20 & 21 of the financial statements is an approximation of its fair value. Interest on overdue balances (rates) are included at prime lending rate plus 1% where applicable.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

The provision for bad debts could be allocated between the different classes of debtors as follows:

	2012 %	2012 R	2011 %	2011 R
<u>Non-Exchange Receivables</u>				
Rates	100.00%	4 347 416	100.00%	5 719 969
<u>Exchange Receivables</u>				
Electricity	12.97%	3 622 265	12.67%	2 575 955
Water	5.92%	1 654 174	8.21%	1 669 316
Refuse	9.45%	2 640 397	8.72%	1 771 896
Sewerage	13.15%	3 674 868	16.69%	3 391 549
Housing Rentals	0.26%	71 517	0.27%	54 279
Other	58.25%	16 274 412	53.44%	10 860 239
	100.00%	27 937 632	100%	20 323 234

Bad debts written off per debtor class:

<u>Non-Exchange Receivables</u>				
Rates	0.00%	-	0.00%	-
<u>Exchange Receivables</u>				
Services	100.00%	3 406 936	100.00%	2 282 208
Other	0.00%	-	0.00%	-
	100.00%	3 406 936	100.00%	2 282 208

The entity only deposits cash with major banks with high quality credit standing. No cash and cash equivalents were pledged as security for financial liabilities and no restrictions were placed on the use of any cash and cash equivalents for the period under review. Although the credit risk pertaining to cash and cash equivalents are considered to be low, the maximum exposure are disclosed below.

The entity only enters into non-current investment transactions with major banks with high quality credit standing. Although the credit risk pertaining to non-current investments are considered to be low, the maximum exposure are disclosed below.

The banks utilised by the municipality for current and non-current investments are all listed on the JSE (ABSA). The credit quality of these institutions are evaluated based on their required SENS releases as well as other media reports. Based on all public communications, the financial sustainability is evaluated to be of high quality and the credit risk pertaining to these institutions are considered to be low.

The risk pertaining to unpaid conditional grants and subsidies are considered to be very low. Amounts are receivable from national and provincial government and there are no expectation of counter party default.

Long-term Receivables and Other Debtors are individually evaluated annually at Balance Sheet date for impairment.

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

	2012 R	2011 R
Long term receivables	1 333 123	2 334 184
Trade receivables and other receivables	31 170 246	15 685 864
Cash and Cash Equivalents	14 203 030	15 150 436
Unpaid conditional grants and subsidies	97 044	863 618
	46 803 443	34 034 102

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under credit lines.

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

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 5 years	Between 5 and 30 years
2012			
Long Term liabilities	5 373 198	13 382 532	12 951 438
Capital repayments	3 517 900	7 441 919	7 968 223
Interest	1 855 299	5 940 613	4 983 215
Trade and Other Payables	20 297 217	-	-
Unspent conditional government grants and receipts	13 122 913	-	-
	44 166 527	26 765 064	25 902 875
2011			
Long Term liabilities	2 615 666	7 965 017	7 764 481
Capital repayments	1 402 614	4 731 475	4 882 137
Interest	1 213 052	3 233 542	2 882 344
Trade and Other Payables	15 826 256	-	-
Unspent conditional government grants and receipts	8 953 080	-	-
	27 395 002	7 965 017	7 764 481

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

	2012 R	2011 R
47 FINANCIAL INSTRUMENTS		
In accordance with GRAP 104 the financial instruments of the municipality are classified as follows:		
The fair value of financial instruments approximates the amortised costs as reflected below.		
47.1 Financial Assets	<u>Classification</u>	
Long-term Receivables		
Receivables with arrangements	Financial instruments at amortised cost	985 316 2 118 321
Consumer Debtors		
Trade receivables from exchange transactions	Financial instruments at amortised cost	17 943 416 14 082 824
Other receivables from exchange transactions	Financial instruments at amortised cost	24 510 427 16 118 295
Unpaid Conditional Grants and Receipts		
Other Spheres of Government	Financial instruments at amortised cost	97 044 863 618
Short-term Investment Deposits		
Call Deposits	Financial instruments at amortised cost	14 190 660 15 138 266
Bank Balances and Cash		
Cash Floats and Advances	Financial instruments at amortised cost	12 370 12 170
	<u>57 739 233</u>	<u>48 333 494</u>
SUMMARY OF FINANCIAL ASSETS		
Financial instruments at amortised cost	<u>57 739 233</u>	<u>48 333 494</u>
47.2 Financial Liability	<u>Classification</u>	
Long-term Liabilities		
Annuity Loans	Financial instruments at amortised cost	15 040 937 15 200 022
Capitalised Lease Liability	Financial instruments at amortised cost	376 555 1 432 424
Trade Payables		
Trade creditors	Financial instruments at amortised cost	19 134 491 14 951 504
Unspent Conditional Grants and Receipts		
Other Spheres of Government	Financial instruments at amortised cost	13 219 957 9 816 698
Public Contributions	Financial instruments at amortised cost	376 303 477 624
Bank Balances and Cash		
Bank Balances	Financial instruments at amortised cost	3 660 114 2 321 040
Current Portion of Long-term Liabilities		
Annuity Loans	Financial instruments at amortised cost	2 236 256 1 738 844
Capitalised Lease Liability	Financial instruments at amortised cost	1 281 644 1 533 298
	<u>55 326 257</u>	<u>47 471 454</u>
SUMMARY OF FINANCIAL LIABILITY		
Financial instruments at amortised cost	<u>55 326 257</u>	<u>47 471 454</u>

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

48 EVENTS AFTER THE REPORTING DATE

The municipality did not have any event after the reporting date.

49 IN-KIND DONATIONS AND ASSISTANCE

The municipality did not receive any in-kind donations or assistance during the year under review.

50 PRIVATE PUBLIC PARTNERSHIPS

Council has not entered into any private public partnerships during the financial year.

51 CONTINGENT LIABILITY

51.1 Contingent Liability – SALA Pension Fund

SALA Pension Fund has unilaterally increased the employer contribution rate in respect of pension fund contributions from 18.07% to 20.78% with effect from 1 July 2003. The municipality did not pay the increased contributions based on advice by SALGA that the increase by the SALA Pension Fund was illegal. The SALA Pension Fund has subsequently issued a summons against the municipality claiming the arrear contributions together with interest thereon.

The municipality has instructed its legal representatives to defend the matter and Council's plea was henceforth with filed with the High Court on 13 March 2009. It is uncertain when the case will be heard and the matter finalized. Based on legal advice we are of the opinion that the matter will be successfully defended.

The claim by SALA Pension Fund is estimated at R 2 190 508 as at 30 June 2012.

The Trade Union, IMATU, contested the implementation of a wage curve agreement in the Labour Court and the court ruled in favour of IMATU. The Employers Organisation, SALGA, resolved to take the ruling of the Labour Court on review. The effect of the ruling is a general 2% increase in remuneration as from October 2009.

Pending high court case between Beaufort West Municipality and Agricultural debtors on a dispute on rate levied for property rates.

51.2 The following guarantees also qualify as contingent liabilities:

NAME / REG NO	- GUARANTEE ISSUED TO	2012 R	2011 R
Maria Aletta van Niekerk/139	Housing loan: Allied Bank	-	Not indicated
Daniel Ngondo/141	Housing loan: Allied Bank	-	9 800
M. Vlok (Gerber)/148	Housing loan: Volkskas Bank	-	16 000
Malcolm Edwards Lawrence/213	Housing loan: ABSA Bank	-	14 000
Amos Collin Makendiana/215	Housing loan: ABSA Bank	-	15 000
ABSA/227	Eskom: Supply Electricity - Nelspoort	41 000	41 000
1165040859	Eskom	34 500	34 500
ABSA/237	Dept. of Mineral & Energy - Rehabilitation of Quarry	6 000	6 000
Total		81 500	136 300

52 CONTINGENT ASSETS

BANK / FIRM	- PURPOSE	- REG NO			
Nedbank/ Farad Engineering	Installation of load control system	180	59 218	59 218	
First National Bank	Electricity supply	147	2 020	2 020	
Standard Bank - Junius/Duncan Construction	Duncan Construction	250	-	628 436	
FNB/Shoprite	Electricity Supply	88	12 265	12 265	
FNB/Ackermans	Electricity Supply	91	2 080	2 080	
ABSA/Alles Vars	Water & Electricity	192	-	2 000	
Lombard Insurance Group/AGMS	Housing Project: Merweville	248	210 450	210 450	
Lombard Insurance Group/SWANSA	Reclamation Plant	261	260 068	260 068	
Lombard Insurance Group/SWANSA	Reseal of various roads	263	-	210 477	
Investec Private Bank/SA Tolling	Tend DID01/2008&Corp13/2008	264	3 056 000	3 056 000	
FNB/De Jager Loodgieters	Upgrading of Klipblom Street	265	-	201 098	
FNB/De Jager Loodgieters	Upgrading of Streets in Hillside II (I	274	756 776	-	
Lombard Insurance Group	Construction of detention dam in H	273	915 693	-	
Standard Bank	Archimedean Screw Pump	272	53 170	-	
ABSA Bank	W&E Service Erf no. 7401 (BW Me	270	222 000	-	
Renasa Insurance Company LTD	30 Meter High Mast Pole - Floodlig	266	853 876	-	
Total			6 403 616	4 644 112	

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

53 RELATED PARTIES

Key Management and Councillors receive and pay for services on the same terms and conditions as other ratepayers / residents.

53.1 Related Party Transactions

	Rates - Levied 1 Jul 11 - 30 Jun 12	Service Charges - Levied 1 Jul 11 - 30 Jun 12	Other - Levied 1 Jul 11 - 30 Jun 12	Outstanding Balances 30 June 2012
Year ended 30 JUNE 2012				
Councillors				16 106
Councillor AM Slabbert (010137/011832)	-	-	-	-
Councillor AM Slabbert (028981/031495)	-	-	-	-
Councillor DE Welgemoed (012158/012159)	-	-	-	-
Councillor G Adolph (021180/032194)	-	-	-	3 885
Councillor G de Vos (014633/014634)	-	-	-	-
Councillor HT Prince (010956/010957)	-	-	-	-
Councillor HT Prince(012333/010957)	-	-	-	-
Councillor M Furmen (023379/023380)	-	-	-	4 918
Councillor PA Jacobs (024348/024349)	-	-	-	-
Councillor R van der Linde (014909/020003)	-	-	-	1 372
Councillor R van der Linde (020002/020003)	-	-	-	-
Councillor SM Motsoane (022661/022662)	-	-	-	-
Councillor L Deyse (510271/000768)	-	-	-	5 931
Municipal Manager and Section 57 Employees				
Municipal Manager : J Booysen(020051/020052)	-	-	-	-
Municipal Manager : J Booysen(010964/032381)	-	-	-	-
Municipal Manager : J Booysen(004922/032381)	-	-	-	-
Director : D Louw (009237/031809)	-	-	-	-
Director : A Makendiana (012180/029959)	-	-	-	-
Director : R van Staden (011989/011990)	-	-	-	-
Director : JCL Smit (011486/011487)	-	-	-	-
Director : NE Mfundisi (036117/040042)	-	-	-	-

The rates, service charges and other charges are in accordance with approved tariffs that were advertised to the public. No bad debt expenses have been recognised in respect of amounts owed by related parties.

53.2 Related Party Loans

Since 1 July 2004 loans to councillors and senior management employees are not permitted. Loans granted prior to this date, together with the conditions, are disclosed in note 18 to the Annual Financial Statements.

53.3 Compensation of key management personnel

The compensation of key management personnel is set out in note 28 to the Annual Financial Statements.

53.4 Other related party transactions

The following purchases were made during the year where Councillors or Management have an interest:

Councillor/Staff Member	Entity
-------------------------	--------

Mr. T Prince (a council member of the Beaufort West Municipality) is the president of Beaufort West Local Football Association. The property on which the soccer club is built belongs to the municipality and is leased to the club at an annual amount of R36,000. At 30 June 2012 an amount of R108 016 was outstanding in respect of the lease payments.

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

13 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of Carrying Value

	Cost					Accumulated Depreciation			Carrying Value	
	Opening Balance	Additions	Transfers	Disposals/ Impairments	Closing Balance	Depreciation Charge	Disposals/ Impairments/ Transfers	Closing Balance		
	R	R	R	R	R	R	R	R	R	
30 JUNE 2012										
Land and Buildings	49 316 220	-	1 538 818	-	50 855 038	601 576	175 539	-	777 115	50 077 924
Land	35 378 150	-	1 174 855	-	36 553 005	-	-	-	-	36 553 005
Buildings	13 938 070	-	363 963	-	14 302 033	601 576	175 539	-	777 115	13 524 919
Infrastructure	204 816 152	34 168 669	37 589 866	-	276 574 687	23 321 749	9 924 177	-	33 245 926	243 328 761
Stormwater Network	23 476 895	6 137 955	5 299 965	-	34 914 815	3 917 542	1 430 733	-	5 348 275	29 566 541
Road Network	53 173 925	12 090 892	17 009 891	-	82 266 598	9 153 958	3 245 630	-	12 399 588	69 866 720
Sanitation Network	45 661 550	259 590	5 473 876	-	51 394 017	1 677 424	1 746 944	-	3 424 368	47 969 649
Electricity Network	38 182 001	11 716 323	3 472 856	-	53 371 180	2 304 176	1 292 679	-	3 596 855	49 774 325
Water Network	43 538 894	3 927 838	6 233 012	-	53 699 744	6 092 285	2 149 412	-	8 241 697	45 458 047
Refuse Network	790 887	37 071	100 466	-	928 423	176 364	58 580	-	234 944	693 479
Community Assets	14 380 766	369 672	5 565 451	-	20 315 890	576 612	518 796	-	1 095 408	19 220 481
Taxi Rank	252 000	-	-	-	252 000	10 087	2 520	-	12 607	239 393
Museum	3 160 000	-	-	-	3 160 000	126 487	31 599	-	158 086	3 001 914
Cemeteries	17 200	-	-	-	17 200	688	172	-	860	16 340
Community centres	5 555 000	-	4 131 383	-	9 686 383	222 352	330 974	-	553 326	9 133 057
Recreation sites	4 851 066	369 672	1 422 091	-	6 642 829	195 163	147 278	-	342 441	6 300 388
Libraries	545 500	-	11 977	-	557 477	21 835	6 253	-	28 088	529 389
Lease Assets	4 414 807	360 910	-	(123 400)	4 652 316	1 587 906	1 614 514	(123 400)	3 079 020	1 573 296
Office Equipment (Lease)	108 807	230 381	-	-	339 187	50 527	91 798	-	142 325	196 862
Vehicles (Lease)	4 306 000	130 529	-	(123 400)	4 313 129	1 537 379	1 522 716	(123 400)	2 936 695	1 376 434
Other Assets	14 773 986	2 107 771	654 524	(886 680)	16 649 601	6 516 937	654 729	(633 425)	6 538 241	10 111 360
Computer hardware	2 145 408	387 596	31 096	(303 997)	2 260 102	1 296 262	118 553	(270 887)	1 143 928	1 116 175
Air conditioners	564 503	4 036	3 072	(5 844)	565 768	315 866	29 482	(3 378)	341 970	223 798
Chairs	288 963	-	-	(6 344)	282 619	182 314	11 194	(4 364)	189 144	93 475
Concrete Mixer	11 938	-	-	-	11 938	8 242	411	-	8 653	3 285
Desks & Tables	336 288	1 541	-	(18 542)	319 287	192 606	14 686	(12 120)	195 172	124 115
Compactors	31 779	-	-	(1 048)	30 731	22 741	1 111	(1 048)	22 804	7 927
Compressors	210 010	8 741	-	-	218 751	22 438	11 474	-	33 912	184 839
Tools	629 243	132 705	43 986	(41 767)	764 167	319 184	40 217	(31 089)	328 313	435 854
Electronic Equipment	617 183	54 956	8 924	(30 244)	650 819	330 832	34 948	(18 702)	347 077	303 742
Fire Brigade Equipment	142 116	3 670	-	(6 796)	138 990	14 790	7 488	(5 408)	16 870	122 120
Lawn Equipment	229 996	64 772	-	(4 293)	290 475	170 163	7 747	(3 386)	174 524	115 951
Trucks/LDV	6 178 651	399 035	213 134	(306 848)	6 483 973	1 953 965	190 215	(147 119)	1 997 061	4 486 912
Motor Vehicles	450 960	-	81 876	-	532 836	144 917	9 149	-	154 066	378 770
Office Equipment	576 881	4 461	6 229	(43 184)	548 387	348 463	33 377	(32 393)	349 466	198 520
Office Furniture	573 010	19 654	229 207	(2 880)	819 990	347 009	53 625	(1 488)	389 345	419 645
Trailers	372 000	26 967	32 827	-	431 794	265 944	15 441	-	281 385	150 409
Tractors	523 342	933 182	-	-	1 456 524	184 932	17 450	-	202 382	1 254 141
Toolbox	277 513	55 276	-	-	332 789	82 750	31 011	-	113 761	219 028
Gym Equipment	116 803	-	-	-	116 803	59 095	5 020	-	64 115	52 688
Generators	195 168	-	-	(8 037)	187 131	38 936	9 831	(6 200)	42 567	144 563
Radio Equipment	300 231	11 180	2 172	(106 856)	206 727	215 468	12 099	(95 841)	131 725	75 001
	287 701 931	37 007 022	45 348 659	(1 010 080)	369 047 532	32 604 779	12 887 756	(756 825)	44 735 710	324 311 822

BEAUFORT WEST MUNICIPALITY

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

13 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of Carrying Value

	Cost					Accumulated Depreciation			Carrying Value	
	Opening Balance	Additions	Transfers	Disposals/ Impairments	Closing Balance	Opening Balance	Depreciation Charge	Disposals/ Impairments/ Transfers		Closing Balance
	R	R	R	R	R	R	R	R	R	
30 JUNE 2011						(14 208 671)	731	(1 320 185)		
Land and Buildings	50 520 167	131 653	-	(1 335 600)	49 316 220	460 658	157 678	(16 760)	601 576	48 714 644
Land	35 355 801	22 349	-	-	35 378 150	-	-	-	-	35 378 150
Buildings	15 164 366	109 304	-	(1 335 600)	13 938 070	460 658	157 678	(16 760)	601 576	13 336 494
Infrastructure	163 616 114	41 605 439	-	(405 401)	204 816 152	16 758 729	6 563 020	-	23 321 749	181 494 403
Stormwater Network	22 174 032	1 302 863	-	-	23 476 895	2 841 184	1 076 358	-	3 917 542	19 559 353
Road Network	51 332 656	1 833 269	-	-	53 165 925	6 796 242	2 357 716	-	9 153 958	44 011 967
Sanitation Network	18 668 958	26 992 592	-	-	45 661 550	1 156 094	521 330	-	1 677 424	43 984 126
Balance previously reported	18 668 958	27 002 792	-	-	45 671 750	1 156 094	521 330	-	1 677 424	43 994 326
Correct of Error - Note 36.05	-	(10 200)	-	-	(10 200)	-	-	-	-	(10 200)
Electricity Network	30 500 707	7 881 294	-	-	38 182 001	1 647 003	657 173	-	2 304 176	35 877 825
Water Network	40 159 074	3 785 221	-	(405 401)	43 538 894	4 206 393	1 885 892	-	6 092 285	37 446 609
Refuse Network	780 687	10 200	-	-	790 887	111 813	64 551	-	176 364	614 523
Community Assets	14 380 766	-	-	-	14 380 766	428 842	147 770	-	576 612	13 804 154
Taxi Rank	252 000	-	-	-	252 000	7 567	2 520	-	10 087	241 913
Balance previously reported	252 000	-	-	-	252 000	7 567	172	-	7 739	244 261
Correct Community asset disclosure	-	-	-	-	-	-	2 348	-	2 348	(2 348)
Museum	3 160 000	-	-	-	3 160 000	94 887	31 600	-	126 487	3 033 513
Balance previously reported	3 160 000	-	-	-	3 160 000	94 887	55 550	-	150 437	3 009 563
Correct Community asset disclosure	-	-	-	-	-	-	(23 950)	-	(23 950)	23 950
Cemeteries	17 200	-	-	-	17 200	516	172	-	688	16 512
Balance previously reported	17 200	-	-	-	17 200	516	5 455	-	5 971	11 229
Correct Community asset disclosure	-	-	-	-	-	-	(5 283)	-	(5 283)	5 283
Community centurms	5 555 000	-	-	-	5 555 000	166 802	55 550	-	222 352	5 332 648
Balance previously reported	5 555 000	-	-	-	5 555 000	166 802	31 600	-	198 402	5 356 598
Correct Community asset disclosure	-	-	-	-	-	-	23 950	-	23 950	(23 950)
Recreation sites	4 851 066	-	-	-	4 851 066	142 690	52 473	-	195 163	4 655 903
Libraries	545 500	-	-	-	545 500	16 380	5 455	-	21 835	523 665
Balance previously reported	545 500	-	-	-	545 500	16 380	2 520	-	18 900	526 600
Correct Community asset disclosure	-	-	-	-	-	-	2 935	-	2 935	(2 935)
Lease Assets	3 440 077	2 284 200	-	(1 174 670)	4 414 807	1 558 779	1 257 503	(1 157 469)	1 587 906	2 826 901
Office Equipment (Lease)	314 777	-	-	(71 170)	108 807	92 601	86 862	(58 029)	50 527	58 280
Balance previously reported	236 670	-	-	(71 170)	165 500	87 751	60 755	(58 029)	90 477	75 023
Correct of Error - Note 36.05	78 107	-	-	-	78 107	4 850	26 107	-	30 957	47 149
Moved to Office Equipment	-	-	-	-	(134 800)	-	-	-	(70 908)	(63 893)
Vehicles (Lease)	3 125 300	2 284 200	-	(1 103 500)	4 306 000	1 466 178	1 170 641	(1 099 440)	1 537 379	2 768 621
Other Assets	13 103 724	1 699 259	-	(163 797)	14 773 986	5 183 128	1 399 776	(136 875)	6 516 937	8 257 050
Computer hardware	1 985 375	174 033	-	(14 000)	2 145 408	1 005 019	302 589	(11 346)	1 296 262	849 146
Air conditioners	542 551	21 952	-	-	564 503	205 456	110 410	-	315 866	248 637
Chairs	286 036	2 927	-	-	288 963	148 633	33 681	-	182 314	106 649
Concrete Mixer	11 938	-	-	-	11 938	7 316	926	-	8 242	3 696
Desks & Tables	335 233	1 055	-	-	336 288	151 414	41 192	-	192 606	143 682
Compactors	31 779	-	-	-	31 779	19 310	3 431	-	22 741	9 038
Compressors	25 635	184 375	-	-	210 010	10 876	11 562	-	22 438	187 572
Tools	507 127	122 116	-	-	629 243	245 689	73 495	-	319 184	310 059
Electronic Equipment	516 299	116 059	-	(15 175)	617 183	240 950	94 888	(5 006)	330 832	286 351
Fire Brigade Equipment	22 188	119 928	-	-	142 116	10 497	4 293	-	14 790	127 326
Lawn Equipment	229 996	-	-	-	229 996	150 743	19 420	-	170 163	59 833
Trucks/LDV	5 703 298	595 007	-	(119 614)	6 178 651	1 692 366	372 119	(110 520)	1 953 965	4 224 686
Motor Vehicles	314 654	136 306	-	-	450 960	127 871	17 046	-	144 917	306 043
Office Equipment	443 876	15 213	-	(15 008)	578 881	214 694	72 884	(10 003)	348 483	230 399
Balance previously reported	443 876	15 213	-	(15 008)	444 081	214 694	72 884	(10 003)	277 575	166 506
Moved from Office Equipment (Lease)	-	-	-	-	134 800	-	-	-	70 908	63 893
Office Furniture	559 374	13 636	-	-	573 010	280 535	66 474	-	347 009	226 001
Trailers	372 000	-	-	-	372 000	224 921	41 023	-	265 944	106 056
Tracktors	523 342	-	-	-	523 342	164 899	20 033	-	184 932	338 410
Toolbox	248 608	28 905	-	-	277 513	39 297	43 453	-	82 750	194 763
Gym Equipment	116 803	-	-	-	116 803	46 756	12 339	-	59 095	57 708
Generators	60 160	135 008	-	-	195 168	24 249	14 687	-	38 936	156 232
Radio Equipment	267 492	32 739	-	-	300 231	171 637	43 831	-	215 468	84 763
	245 060 848	45 720 551	-	(3 079 468)	287 701 931	24 390 136	9 525 747	(1 311 104)	32 604 779	255 097 151

**APPENDIX A - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012**

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 JUNE 2011	Correction of Error	Balance at 30 JUNE 2011 Restated	Received during the period	Redeemed written off during the period	Balance at 30 JUNE 2012
				R	R	R	R	R	R
ANNUITY LOANS									
DBSA SANLAM Building - General RB 21.10.03 It 5.44	10.46%	101257/1	2019/12/31	1 183 385	-	1 183 385	-	91 829	1 091 556
DBSA - Merweville Severage Farm	6.75%	103464/2	2024/12/31	2 564 400	-	2 564 400	27 837	122 379	2 469 858
DBSA - Electrification Housing Scheme - AA10/12/4	12.00%	9055	2013/09/30	2 091 477	-	2 091 477	-	764 313	1 327 164
DBSA - Load Control System - RB 12.5.98 It 2	15.00%	10619	2019/03/31	1 741 659	-	1 741 659	-	128 890	1 612 769
DBSA - 20MVA Transformer	10.90%	103464/1	2029/12/31	4 466 299	-	4 466 299	-	78 297	4 388 002
DBSA - Hansrivier Farm	10.90%	103464/1	2029/12/31	1 982 768	-	1 982 768	-	39 342	1 943 426
DBSA - Pressure Control System	10.90%	103464/1	2029/12/31	448 326	-	448 326	187 424	11 351	624 399
ABSA - Tractor CZ 10625	14.50%	75588777	2012/10/31	43 100	-	43 100	-	31 890	11 210
ABSA - Tata Truck CZ 16014	14.50%	77186994	2013/06/30	80 254	-	80 254	-	38 522	41 732
ABSA - Cherry Picker CZ 15919	14.50%	76879287	2013/06/30	94 892	-	94 892	-	45 548	49 344
ABSA - Cherry Picker CZ 15926	14.50%	76879163	2013/06/30	94 892	-	94 892	-	45 548	49 344
ABSA - Dyna Cherry Picker CZ 4930	9.50%	80343235	2015/11/30	395 533	-	395 533	-	75 596	319 937
ABSA - Compressor CZ 4860	9.50%	80164276	2015/10/31	162 102	-	162 102	-	31 712	130 390
ABSA - Isuzu LDV CZ 5929	10.00%	79864507	2013/07/31	52 368	-	52 368	-	23 778	28 590
DBSA - Tractor CZ 17798	10.74%	WC 103464.4	2014/06/30	95 397	-	95 397	-	28 499	66 898
DBSA - Truck with crane CZ 2954	10.86%	103464/3	2017/06/30	633 602	-	633 602	-	79 601	554 001
DBSA - Refuse Truck CZ 3484	10.86%	103464/3	2017/06/30	808 412	-	808 412	-	101 557	706 855
Standard - Tata Truck 2 Ton CZ 6388	8.63%	73702013/0003	2016/08/31	-	-	-	156 185	20 945	135 240
Standard - Case Tractor 2WD CZ 6311	8.63%	73702013/0004	2016/08/31	-	-	-	170 772	23 177	147 595
FNB - Upgrading Fencing & Alarm System	9.65%	2012/01	2017/06/01	-	-	-	132 987	-	132 987
FNB - Caterpillar Digger/Loader CZ 5169	9.65%	2012/02	2017/06/01	-	-	-	605 409	-	605 409
FNB - Sod Cutter	9.65%	2012/03	2017/06/01	-	-	-	28 322	-	28 322
FNB - Lawn Mower Tractor Attached	9.65%	2012/04	2017/06/01	-	-	-	26 714	-	26 714
FNB - Lawn Mower Gholf Course	9.65%	2012/05	2017/06/01	-	-	-	9 736	-	9 736
FNB - Case Tractor CZ 7397	9.65%	2012/06	2017/06/01	-	-	-	157 000	-	157 000
FNB - Tata Truck 2 Ton Tipper CZ 5339	9.65%	2012/07	2017/06/01	-	-	-	165 000	-	165 000
Standard - Toyota Hilux 2L CZ 10975	8.63%	73702013/0001	2016/07/31	-	-	-	77 850	11 710	66 140
Standard - Trailer CZ 6253	8.63%	73702013/0002	2016/07/31	-	-	-	26 967	4 062	22 905
FNB - Telemetry System	9.65%	2012/08	2017/06/01	-	-	-	364 670	-	364 670
Total Annuity Loans				16 938 866	-	16 938 866	2 136 873	1 798 546	17 277 193

APPENDIX A - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2012

EXTERNAL LOANS	Rate	Loan Number	Redeemable	Balance at 30 JUNE 2011	Correction of Error	Balance at 30 JUNE 2011 Restated	Received during the period	Redeemed written off during the period	Balance at 30 JUNE 2012
				R	R	R	R	R	R
LEASE LIABILITY									
CZ 16750 - Isuzu	12.00%	Dir: Engineering Services	2011/08/31	8 076	-	8 076	-	8 076	(0)
Nashua Ricoh MP6001	12.02%	Dir: Corporate Services	2012/11/30	69 686	-	69 686	-	69 686	(0)
AR1206 Multyfunction System	11.97%	Church Street Library	2012/07/31	12 370	-	12 370	-	11 361	1 010
CZ 1902 Toyota Corolla 1.4 Prof	12.14%	Dir: Traffic Services	2012/06/30	45 666	-	45 666	-	45 666	(0)
CZ 1863 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	Street works & Storm Water	2012/06/30	53 205	-	53 205	-	53 205	0
CZ 1883 Toyota Corolla 1.4 Prof	12.14%	Dir: Traffic Services	2012/06/30	45 666	-	45 666	-	45 666	(0)
CZ 1873 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	Water Reticulation	2012/06/30	53 205	-	53 205	-	53 205	0
CZ 1877 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	Municipal Buildings	2012/06/30	53 205	-	53 205	-	53 205	0
CZ 1876 Toyota Hilux 2.5 D-4D P/U S/C	12.02%	Water Reticulation	2012/06/30	53 205	-	53 205	-	53 205	0
CZ 3359 Toyota Yaris T3 A/C	11.94%	Building Control	2013/03/31	61 358	-	61 358	-	33 494	27 864
CZ 3363 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Water Reticulation	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 3368 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Reticulation: High Voltage	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 3370 Toyota Yaris T3 A/C	11.94%	Dir: Financial Services	2013/03/31	61 358	-	61 358	-	33 494	27 864
CZ 3373 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Recreation Sites	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 3439 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Reticulation: High Voltage	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 3457 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Water Reticulation	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 3465 Toyota Hilux 2.5 D-4D P/U S/C	12.01%	Water Reticulation	2013/03/31	92 824	-	92 824	-	50 656	42 168
CZ 4548 Toyota Corolla 1.3 Impact	11.98%	Housing Office	2013/09/30	81 767	-	81 767	-	33 651	48 116
CZ 4557 Toyota Corolla 1.3 Impact	11.98%	Dir: Traffic Services	2013/09/30	81 767	-	81 767	-	33 651	48 116
CZ 4560 Toyota Corolla 1.3 Impact	12.01%	Dir: Community Services	2013/09/30	96 644	-	96 644	-	39 765	56 879
CZ 4561 Toyota Corolla 1.3 Impact	12.01%	Dir: Traffic Services	2013/09/30	99 618	-	99 618	-	40 989	58 629
CZ 4554 Toyota Corolla 1.3 Impact	12.01%	Dir: Traffic Services	2013/09/30	99 618	-	99 618	-	40 989	58 629
CZ 4741 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	Street works & Storm Water	2013/09/30	109 976	-	109 976	-	45 228	64 748
CZ 4584 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	Recreation Sites	2013/09/30	109 976	-	109 976	-	45 228	64 748
CZ 4567 Toyota Hilux 2.5 D-4D P/U S/C	12.09%	Recreation Sites	2013/09/30	109 976	-	109 976	-	45 228	64 748
CZ 4577 Toyota Hilux 2.5 D-4D P/U S/C	12.04%	Dir: Community Services	2013/09/30	111 760	-	111 760	-	45 975	65 785
CZ 4566 Toyota Hilux 2.5 D-4D P/U S/C	12.04%	Street works & Storm Water	2013/09/30	111 760	-	111 760	-	45 975	65 785
CZ 4754 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	Water Purification	2013/09/30	115 574	-	115 574	-	47 561	68 013
CZ 4746 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	Dir: Traffic Services	2013/09/30	115 574	-	115 574	-	47 561	68 013
CZ 4336 Toyota Hilux 2.5 D-4D P/U S/C	12.13%	Street works & Storm Water	2013/10/31	117 963	-	117 963	-	46 521	71 442
CZ 4738 Toyota Hilux 2.5 D-4D P/U S/C	12.06%	Municipal Buildings	2013/11/30	116 358	-	116 358	-	45 911	70 447
CZ 4730 Toyota Hilux 2.5 D-4D P/U S/C	12.06%	Water Purification	2013/11/30	116 358	-	116 358	-	45 911	70 447
CZ 2543 Toyota Hilux 2.5 D-4D P/U S/C	11.99%	Dir: Electricity Services	2012/08/31	103 423	-	103 423	-	48 629	54 794
CZ 2533 Toyota Corolla 1.3 Impact	12.03%	Dir: Traffic Services	2012/08/31	55 130	-	55 130	-	43 434	11 696
CZ 3947 HILUX 2.5 D-4D SRX 4X4 P/U S	11.99%	Water Purification	2013/06/30	103 423	-	103 423	-	48 629	54 794
CZ 6725 LDV TOYOTA	9.00%	Dir: Traffic Services	2014/10/13	-	-	-	130 529	29 418	101 111
MP4001	9.00%	Dir: Engineers Services	2014/09/30	-	-	-	65 442	14 749	50 693
MPC5501	9.00%	Dir: Corporate Services	2014/08/31	-	-	-	164 938	41 460	123 478
AR1206 Multifunction System	9.00%	Dir: Traffic Services	2013/03/31	-	12 481	12 481	-	9 872	2 609
AR2060 Multifunction System	9.00%	Dir: Traffic Services	2013/03/31	-	4 824	4 824	-	3 815	1 009
AR1258 Multifunction System	9.00%	Housing Office	2013/03/31	-	17 808	17 808	-	14 085	3 723
Total Lease Liabilities				2 930 609	35 113	2 965 722	360 909	1 668 432	1 658 199
TOTAL EXTERNAL LOANS				19 869 475	35 113	19 904 588	2 497 782	3 466 978	18 935 392

APPENDIX B - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2012

	Cost/Revaluation											Accumulated Depreciation				Carrying Value	
	Opening Balance	Residual Value Opening Balance	Additions	Residual Value Additions	Transfer from Held for sale	Transfer Murraysburg	Transfer R/V Murraysburg	Under Construction	Recalculate Murraysburg	Disposals	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
Land and Buildings																	
Land	34 168 250	-	-	-	1 096 855	78 000	-	-	-	-	-	35 343 105	-	-	-	-	35 343 105
Buildings	15 147 970	-	-	-	108 940	255 023	-	-	-	-	-	15 511 933	601 576	175 539	-	777 115	14 734 818
	49 316 220	-	-	-	1 205 795	333 023	-	-	-	-	-	50 855 038	601 576	175 539	-	777 115	50 077 923
Infrastructure																	
Stormwater Network	23 476 896	-	861 851	-	-	5 277 309	-	5 276 104	22 656	-	-	34 914 816	3 917 543	1 430 733	-	5 348 276	29 566 540
Road Network	53 165 925	-	11 661 790	-	-	16 965 991	-	429 102	43 700	-	-	82 266 508	9 153 958	3 245 830	-	12 399 788	69 866 720
Sanitation Network	45 671 750	-	258 590	-	-	5 473 876	-	-	-	-	-	51 404 216	1 677 424	1 746 944	-	3 424 368	47 979 848
Electricity Network	38 182 002	-	1 894 879	-	-	3 472 400	-	9 821 445	456	-	-	53 371 182	2 304 175	1 292 679	-	3 596 854	49 774 328
Water Network	43 538 894	-	3 246 121	-	-	6 230 425	-	681 717	2 586	-	-	53 699 743	6 092 284	2 149 412	-	8 241 696	45 458 047
Refuse Network	780 687	-	37 071	-	-	100 466	-	-	-	-	-	918 224	176 365	58 580	-	234 945	683 279
	204 816 154	-	17 960 302	-	-	37 520 467	-	16 208 368	69 396	-	-	276 574 689	23 321 749	9 924 178	-	33 245 927	243 328 762
Community Assets																	
Taxi Rank	252 000	-	-	-	-	-	-	-	-	-	-	252 000	10 087	2 520	-	12 607	239 393
Museum	3 160 000	-	-	-	-	-	-	-	-	-	-	3 160 000	126 487	31 599	-	158 086	3 001 914
Cemeteries	17 200	-	-	-	-	-	-	-	-	-	-	17 200	688	172	-	860	16 340
Community centres	5 555 000	-	-	-	-	4 131 383	-	-	-	-	-	9 686 383	222 352	330 974	-	553 326	9 133 057
Recreation sites	4 851 066	-	369 672	-	-	1 171 162	-	-	250 929	-	-	6 642 829	195 163	147 278	-	342 441	6 300 388
Libraries	545 500	-	-	-	-	11 977	-	-	-	-	-	557 477	21 835	6 253	-	28 088	529 389
	14 380 766	-	369 672	-	-	5 314 522	-	-	250 929	-	-	20 315 889	576 612	518 796	-	1 095 408	19 220 481
Heritage Assets																	
Historical Buildings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Museum & Art Gallery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total carried forward	288 513 140	-	18 329 974	-	1 205 795	43 168 012	-	16 208 368	320 327	-	-	347 745 616	24 499 937	10 618 513	-	35 118 450	312 627 166

**APPENDIX B - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2012**

	Cost											Accumulated Depreciation				Carrying Value	
	Opening Balance	Residual Value Opening Balance	Additions	Residual Value Additions	Transfer from Held for sale	Transfer Murraysburg	Transfer R/V Murraysburg	Under Construction	Recalculate Murraysburg	Disposals	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
Total brought forward	268 513 140	-	18 329 974	-	1 205 795	43 168 012	-	16 208 368	320 327	-	-	347 745 616	24 499 937	10 618 513	-	35 118 450	312 627 166
Housing Rental Stock																	
Housing Rentals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leased Assets																	
Office Equipment (Lease)	108 807	-	230 381	-	-	-	-	-	-	-	-	339 188	50 527	91 798	-	142 325	196 863
Vehicles (Lease)	4 306 000	-	130 529	-	-	-	-	-	-	(123 400)	-	4 313 129	1 537 379	1 522 716	(123 400)	2 936 695	1 376 434
	4 414 807	-	360 910	-	-	-	-	-	-	(123 400)	-	4 652 317	1 587 906	1 614 514	(123 400)	3 079 020	1 573 297
Other Assets																	
Computer hardware	2 145 408	-	387 596	-	-	18 240	-	-	12 855	(303 997)	-	2 260 102	1 296 261	118 553	(270 887)	1 143 927	1 116 175
Air conditioners	558 103	-	4 036	-	-	189	-	-	2 884	(5 844)	-	559 368	313 526	29 482	(3 378)	339 630	219 738
Chairs	288 964	-	-	-	-	-	-	-	-	(6 344)	-	282 620	182 314	11 194	(4 364)	189 144	93 476
Concrete Mixer	11 938	-	-	-	-	-	-	-	-	-	-	11 938	8 241	411	-	8 652	3 286
Desks & Tables	336 288	-	1 541	-	-	-	-	-	-	(18 542)	-	319 287	192 605	14 686	(12 120)	195 171	124 116
Compactors	31 779	-	-	-	-	-	-	-	-	(1 048)	-	30 731	22 740	1 111	(1 048)	22 803	7 928
Compressors	210 010	-	8 741	-	-	-	-	-	-	-	-	218 751	22 438	11 474	-	33 912	184 839
Tools	629 243	-	132 705	-	-	38 109	-	-	5 877	(41 767)	-	764 217	319 184	40 217	(31 089)	328 312	435 855
Electronic Equipment	617 182	-	54 956	-	-	5 809	-	-	3 116	(30 244)	-	650 819	330 833	34 948	(18 702)	347 079	303 740
Fire Brigade Equipment	142 116	-	3 670	-	-	-	-	-	-	(6 796)	-	138 990	14 788	7 488	(5 408)	16 868	122 122
Lawn Equipment	229 996	-	64 772	-	-	-	-	-	-	(4 293)	-	290 475	170 162	7 747	(3 386)	174 523	115 952
Trucks/LDV	4 186 650	1 992 000	224 035	175 000	-	11 334	201 800	-	-	(157 848)	(149 000)	6 483 971	1 953 965	190 215	(147 119)	1 997 061	4 486 910
Motor Vehicles	213 760	237 200	-	-	-	14 876	67 000	-	-	-	-	532 836	144 916	9 149	-	154 065	378 771
Office Equipment	578 881	-	4 461	-	-	8 229	-	-	-	(43 184)	-	548 387	348 484	33 377	(32 393)	349 468	198 919
Office Furniture	573 010	-	19 654	-	-	229 207	-	-	-	(2 880)	-	818 991	347 011	53 825	(1 488)	399 348	419 643
Trailers	372 000	-	26 967	-	-	32 827	-	-	-	-	-	431 794	265 945	15 441	-	281 386	150 408
Tractors	321 342	202 000	728 182	205 000	-	-	-	-	-	-	-	1 456 524	184 932	17 450	-	202 382	1 254 142
Toolbox	277 512	-	55 276	-	-	-	-	-	-	-	-	332 788	82 750	31 011	-	113 761	219 027
Gym Equipment	116 803	-	-	-	-	-	-	-	-	-	-	116 803	59 094	5 020	-	64 114	52 689
Generators	195 168	-	-	-	-	-	-	-	-	(8 037)	-	187 131	38 937	9 831	(6 200)	42 568	144 563
Radio Equipment	306 631	-	11 180	-	-	654	-	-	1 518	(106 856)	-	213 127	217 809	12 099	(95 841)	134 067	79 060
	12 342 784	2 431 200	1 727 772	380 000	-	359 474	268 800	-	26 250	(737 680)	(149 000)	16 649 600	6 516 935	654 729	(633 423)	6 538 241	10 111 359
Total Property, Plant and Equipment	285 270 731	2 431 200	20 418 656	380 000	1 205 795	43 527 486	268 800	16 208 368	346 577	(861 080)	(149 000)	369 047 533	32 604 778	12 887 756	(756 823)	44 735 711	324 311 822
Investment Property																	
Investment Property	11 609 925	-	-	-	-	-	-	-	-	-	-	11 609 925	1 360 147	280 037	-	1 640 184	9 969 741
	11 609 925	-	-	-	-	-	-	-	-	-	-	11 609 925	1 360 147	280 037	-	1 640 184	9 969 741
Intangible Assets																	
Computer Software	236 499	-	7 411	-	-	-	-	-	-	-	-	243 910	173 962	34 757	-	208 719	35 191
Computer System	797 935	-	-	-	-	-	-	-	-	-	-	797 935	319 393	80 012	-	399 405	398 530
	1 034 434	-	7 411	-	-	-	-	-	-	-	-	1 041 845	493 355	114 769	-	608 124	433 721
Total	297 915 090	2 431 200	20 426 067	380 000	1 205 795	43 527 486	268 800	16 208 368	346 577	(861 080)	(149 000)	381 699 303	34 458 280	13 282 562	(756 823)	46 984 019	334 715 284

APPENDIX C - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT

	Cost											Accumulated Depreciation				Carrying Value	
	Opening Balance	Residual Value Opening Bal	Additions	Residual Value Additions	Transfer from Held for sale	Transfer Murraysburg	Transfer R/V Murraysburg	Recalculate Murraysburg	Under Construction	Disposals	Residual Value Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
Admin: Commun Serv	645 181	46 000	14 416	-	-	-	-	-	-	(4 000)	-	701 597	340 186	95 539	(3 017)	432 708	268 889
Admin: Corp Serv	64 111 197	112 200	187 571	-	-	-	-	-	-	(55 205)	-	64 355 763	1 605 609	380 631	(42 527)	1 943 713	62 412 050
Admin: Electrica	18 884 087	448 000	-	-	-	-	-	-	-	(91 001)	(10 000)	19 231 086	2 838 373	628 016	(81 774)	3 384 615	15 846 471
Admin: Engineering Ser	1 228 372	202 000	69 478	-	-	-	-	-	-	(228 682)	(27 000)	1 242 168	923 084	52 530	(217 941)	757 673	484 495
Admin: Fin Serv	1 373 316	13 000	30 633	-	1 205 795	-	-	-	-	(97 128)	-	2 525 616	816 289	130 480	(90 959)	855 810	1 669 806
Admin: Nelspoor	342 234	94 000	-	-	-	-	-	-	-	-	-	436 234	182 766	14 857	-	197 623	238 611
Admin: Traffic	1 401 121	14 000	131 091	-	-	-	-	-	-	(65 275)	(10 000)	1 470 937	598 543	360 094	(54 654)	903 983	566 954
Admin: Water	10 556	-	-	-	-	-	-	-	-	(7 324)	-	3 232	6 123	372	(4 830)	1 665	1 587
Building Contro	160 541	-	-	-	-	-	-	-	-	-	-	160 541	62 657	47 859	-	110 516	50 025
Fire Brigade	46 170	-	5 211	-	-	-	-	-	-	-	-	51 381	10 815	4 415	-	15 230	36 151
General Expense	97 513	-	989	-	-	-	-	-	-	(4 900)	-	93 602	28 805	6 936	(2 859)	32 882	60 720
IDP: Co-Ordinat	41 580	-	-	-	-	-	-	-	-	(9 780)	-	31 800	35 110	977	(9 152)	26 935	4 865
Information Technology	147 361	-	330 646	-	-	-	-	-	-	-	-	478 007	8 890	23 476	-	32 366	445 641
Kwa-Mand Comm Hal	8 602	-	-	-	-	-	-	-	-	(850)	-	7 752	6 331	324	(783)	5 872	1 880
Kwa-Mand Office	81 233	-	-	-	-	-	-	-	-	(6 951)	-	74 282	56 373	3 201	(5 824)	53 750	20 532
Library Church Street	203 559	-	9 158	-	-	-	-	-	-	(11 440)	-	201 277	131 894	18 761	(8 793)	141 862	59 415
Library Mimosa	212 587	-	4 500	-	-	-	-	-	-	(350)	-	216 737	126 267	9 003	(211)	135 059	81 678
Library Nelspoor	21 253	-	-	-	-	-	-	-	-	-	-	21 253	7 025	1 311	-	8 336	12 917
Main Road	8 693	-	-	-	-	-	-	-	-	-	-	8 693	4 298	524	-	4 822	3 871
Mechanical Workshop	4 872	-	9 293	-	-	-	-	-	-	-	-	14 165	1 670	250	-	2 920	11 245
Municipal Buildings	316 163	-	96 261	65 000	-	-	-	-	-	-	-	477 424	107 535	99 787	-	207 322	270 102
Municipal Manager	151 831	-	-	-	-	-	-	-	-	(1 694)	-	150 137	104 330	5 242	(1 395)	108 177	41 960
Recreation Sites	546 186	5 000	1 080 383	145 000	-	-	-	-	-	(5 084)	-	1 771 485	150 466	75 478	(3 795)	222 149	1 549 336
Refuse Removal	1 697 483	195 000	89 697	-	-	-	-	-	-	-	-	1 982 180	282 120	154 130	-	436 250	1 545 930
Reticulation: H Vol	14 749 319	-	22 850	55 000	-	-	-	-	-	-	-	14 827 169	125 376	436 562	-	561 938	14 265 231
Reticulation: L Vol	6 883 346	183 000	1 908 404	-	-	-	-	-	9 821 445	(860)	-	18 796 335	196 141	264 051	(1 119)	460 073	18 335 862
Rustdene Comm Hal	10 046	-	-	-	-	-	-	-	-	(1 574)	-	8 472	7 286	361	(1 062)	6 585	1 887
Rustdene Office	201 395	-	-	-	-	-	-	-	-	(21 307)	-	180 088	127 216	8 988	(15 695)	120 509	59 579
Sewerage Farr	29 524 741	25 000	239 687	-	-	-	-	-	-	(2 851)	-	29 786 577	539 355	1 016 564	(1 965)	1 553 954	28 232 623
Sewerage System	16 386 751	-	125 603	-	-	-	-	-	-	-	-	16 512 354	1 252 533	380 574	-	1 633 107	14 879 247
Stores	2 786 780	1 030 000	-	-	-	-	-	-	-	(225 518)	(102 000)	3 489 262	1 862 164	100 762	(200 018)	1 762 908	1 726 354
Street Cleansing	16 954	-	-	-	-	-	-	-	-	-	-	16 954	3 391	1 507	-	4 898	12 056
Street Lightening	43 843	-	-	-	-	-	-	-	-	-	-	43 843	108	2 916	-	3 024	40 819
Street works & Storm Water	77 498 105	44 000	12 730 641	115 000	-	-	-	-	5 705 206	(450)	-	96 092 502	13 337 546	3 401 935	(295)	16 739 186	79 353 316
Swimming Pool Birds	7 674	-	-	-	-	-	-	-	-	-	-	7 674	1 570	552	-	2 122	5 552
Swimming Pool Nieuvek	7 674	-	-	-	-	-	-	-	-	-	-	7 674	1 921	625	-	2 546	5 128
Town Commonage	7 197	-	-	-	-	-	-	-	-	(5 427)	-	1 770	2 664	270	(2 037)	897	873
Traffic Court	2 750	-	-	-	-	-	-	-	-	-	-	2 750	1 055	167	-	1 222	1 528
Vehicle Registrator	10 910	-	-	-	-	-	-	-	-	(3 986)	-	6 924	3 318	732	(2 243)	1 807	5 117
Vehicle Testing Station	8 497	-	-	-	-	-	-	-	-	-	-	8 497	1 403	747	-	2 150	6 347
Water Purification	2 306 122	20 000	416 596	-	-	-	-	-	-	(9 442)	-	2 733 276	439 154	237 228	(4 876)	671 506	2 061 770
Water Reticulation	43 019 814	-	2 915 547	-	-	-	-	-	681 717	-	-	46 617 078	6 225 529	1 973 769	-	8 199 298	38 417 780
Gymnasium	58 520	-	-	-	-	-	-	-	-	-	-	58 520	41 494	2 013	-	43 507	15 013
Murraysburg: Administrator	-	-	-	-	-	4 309 407	-	15 952	-	-	-	4 325 359	-	300 058	-	4 025 301	-
Murraysburg: Electricit	-	-	-	-	-	2 598 850	-	187	-	-	-	2 599 037	-	173 269	-	2 425 768	-
Murraysburg: Library	-	-	-	-	-	90 600	150 000	595	-	-	-	241 195	-	10 701	-	10 701	230 494
Murraysburg: Municipal Rates	-	-	-	-	-	465 704	27 000	3 450	-	-	-	496 154	-	27 022	-	469 132	-
Murraysburg: Recreation Sites	-	-	-	-	-	1 557 988	-	250 929	-	-	-	1 808 917	-	120 594	-	1 688 323	-
Murraysburg: Refuse Remova	-	-	-	-	-	5 550 984	-	-	-	-	-	5 550 984	-	370 066	-	5 180 918	-
Murraysburg: Streets	-	-	-	-	-	23 144 439	-	-	91 800	-	-	23 311 703	-	1 553 079	-	21 758 624	-
Murraysburg: Water	-	-	-	-	-	5 809 516	-	-	-	-	-	5 809 516	-	387 449	-	5 422 067	-
TOTAL	285 270 729	2 431 200	20 418 655	380 000	1 205 795	43 527 488	268 800	346 577	16 208 368	(861 079)	(149 000)	369 047 533	32 604 783	12 887 754	(756 824)	44 735 713	324 311 820

APPENDIX C - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2012
GENERAL FINANCE STATISTICS CLASSIFICATION

	Cost/Revaluation										Accumulated Depreciation				Carrying Value		
	Opening Balance	Residual Value Opening Bal	Additions	Residual Value Additions	Transfer from Held for sale	Transfer Murraysburg	Transfer R/V Murraysburg	Recalculate Murraysburg	Under Construction	Disposals	Residual Value Disposals	Closing Balance	Opening Balance	Additions		Disposals	Closing Balance
Executive & Council	968 649	-	188 560	-	-	-	-	-	-	(61 799)	-	1 095 410	569 617	97 776	(46 781)	620 612	474 798
Budget & Treasury	4 948 847	1 137 000	370 571	-	-	4 775 111	27 000	19 402	-	(350 905)	(102 000)	10 825 026	3 055 803	610 857	(312 497)	3 354 163	7 470 863
Corporate Services	63 719 390	112 200	96 261	65 000	1 205 795	-	-	-	-	(5 427)	-	65 193 219	1 280 768	395 377	(2 037)	1 674 108	63 519 111
Planning & Development	1 428 494	202 000	69 478	-	-	-	-	-	-	(238 462)	(27 000)	1 434 510	1 020 851	101 367	(227 093)	895 125	539 385
Community & Social Services	1 086 492	46 000	28 074	-	-	90 600	150 000	595	-	(18 215)	-	1 383 546	617 288	135 068	(13 866)	738 490	645 056
Public Safety	1 450 041	14 000	136 303	-	-	-	-	-	-	(65 275)	(10 000)	1 525 069	610 412	364 676	(54 654)	920 434	604 635
Sport & Recreation	618 262	5 000	1 080 383	145 000	-	1 557 988	-	250 929	-	(5 084)	-	3 652 478	195 047	199 108	(3 795)	390 360	3 262 118
Waste Management	1 714 437	195 000	196 397	-	-	5 550 984	-	-	-	-	-	7 656 818	285 511	528 012	-	813 523	6 843 295
Waste Water Management	45 911 492	25 000	258 590	-	-	-	-	-	-	(2 851)	-	46 192 231	1 791 888	1 394 829	(1 965)	3 184 752	43 007 479
Road Transport	77 526 940	44 000	12 730 641	115 000	-	23 144 439	91 800	75 464	5 705 206	(4 436)	-	119 429 054	13 346 792	4 957 054	(2 538)	18 301 308	101 127 746
Water	45 336 493	20 000	3 332 143	-	-	5 809 516	-	-	681 717	(16 767)	-	55 163 102	6 670 807	2 598 819	(9 706)	9 259 920	45 903 182
Electricity	40 561 195	631 000	1 931 254	55 000	-	2 598 850	-	187	9 821 445	(91 861)	(10 000)	55 497 070	3 159 997	1 504 814	(81 893)	4 582 918	50 914 152
	285 270 732	2 431 200	20 418 655	380 000	1 205 795	43 527 488	268 800	346 577	16 208 368	(861 082)	(149 000)	369 047 533	32 604 781	12 887 757	(756 825)	44 735 713	324 311 820

APPENDIX D - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012
MUNICIPAL VOTES CLASSIFICATION

2011 Actual Income R	2011 Actual Expenditure R	2011 Surplus/ (Deficit) R		2012 Actual Income R	2012 Actual Expenditure R	2012 Surplus/ (Deficit) R
84 877	(1 710 401)	(1 625 524)	Admin: Commun Serv	96 944	(1 533 802)	(1 436 858)
-	(5 542 568)	(5 542 568)	Admin: Corp Serv	-	(5 929 746)	(5 929 746)
23 548 865	(36 971 007)	(13 422 142)	Admin: Electrical	8 683 410	(16 413 268)	(7 729 858)
278 448	(2 846 591)	(2 568 143)	Admin: Engineering Serv	351 123	(3 129 860)	(2 778 737)
2 041 088	(7 654 515)	(5 613 427)	Admin: Fin Serv	3 906 975	(8 682 524)	(4 775 549)
253	(183 410)	(183 157)	Admin: Nelspoort	221	(181 513)	(181 292)
6 400 800	(6 662 268)	(261 468)	Admin: Traffic	13 106 056	(8 261 063)	4 844 993
619 798	(12 385 266)	(11 765 468)	Admin: Water	494 469	(5 872 782)	(5 378 313)
38 212	(561 023)	(522 811)	Building Control	63 696	(607 237)	(543 541)
157 107	(351 387)	(194 280)	Cemetries	149 815	(411 691)	(261 876)
-	-	-	Clinical Services Nieuveld	-	-	-
-	(907 568)	(907 568)	Fire Brigade	-	(1 306 300)	(1 306 300)
18 239 370	(12 761 280)	5 478 090	General Expenses	77 435 901	(12 472 077)	64 963 824
3 562 058	(4 535 609)	(973 551)	Housing Office	4 709 392	(5 333 517)	(624 125)
445 223	(737 844)	(292 621)	IDP: Co-Ordinator	176 001	(324 469)	(148 468)
-	(1 020 501)	(1 020 501)	Information Technology	-	(1 201 585)	(1 201 585)
9 225	(56 358)	(47 133)	Irrigation Water	8 405	(44 909)	(36 504)
7 078	(69 179)	(62 101)	Kwa-Mand Comm Hall	6 164	(80 224)	(74 060)
20	(333 461)	(333 441)	Kwa-Mand Office	-	(390 839)	(390 839)
158 639	(1 089 409)	(930 770)	Library Church Street	978 939	(1 079 127)	(100 188)
130 831	(884 171)	(753 340)	Library Mimosa	795 424	(1 035 535)	(240 111)
1 607	(56 277)	(54 670)	Library Nelspoort	90 070	(59 123)	30 947
41 604	(52 005)	(10 401)	Main Road	435 614	-	435 614
1 184	(1 342 711)	(1 341 527)	Mechanical Workshop	1 053	(1 397 609)	(1 396 556)
417 881	(2 811 000)	(2 393 119)	Municipal Buildings	326 679	(3 333 678)	(3 006 999)
16 396	(1 932 376)	(1 915 980)	Municipal Manager	234 808	(1 776 703)	(1 541 895)
17 792 077	-	17 792 077	Municipal Rates	18 363 562	-	18 363 562
-	-	-	Parks	-	-	-
4 113	(20 222)	(16 109)	Pound	4 137	(22 218)	(18 081)
420	-	420	Private Work	420	-	420
144 572	(4 861 347)	(4 716 775)	Recreation Sites	500 360	(5 071 997)	(4 571 637)
4 955 684	(4 890 817)	64 867	Refuse Removal	4 654 917	(4 928 701)	(273 784)
-	(2 334 083)	(2 334 083)	Reticulation: H Volt	-	(2 541 418)	(2 541 418)
41 247 935	(28 387 084)	12 860 851	Reticulation: L Volt	57 904 587	(35 750 942)	22 153 645
18 037	(91 039)	(73 002)	Rustdene Comm Hall	17 069	(95 760)	(78 691)
-	(339 433)	(339 433)	Rustdene Office	-	(303 334)	(303 334)
10 405	-	10 405	S/E 1 Rustdene	(9 702)	-	(9 702)
9 704	(9 704)	-	S/E 4 Rustdene	4 299	(4 299)	-
34 792	(34 792)	-	S/E 8 Rustdene	28 989	(28 989)	-
15 526	(15 526)	-	S/E 9 Rustdene	13 494	(13 495)	(1)
133 493	(180 927)	(47 434)	Service Connections	411 399	(379 122)	32 277
-	(2 600 105)	(2 600 105)	Sewerage Farm	-	(3 874 020)	(3 874 020)
10 503 026	(1 395 550)	9 107 476	Sewerage System	9 034 973	(1 476 823)	7 558 150
-	(1 378 253)	(1 378 253)	Stores	-	(1 348 805)	(1 348 805)
-	(686 565)	(686 565)	Street Cleansing	-	(1 109 663)	(1 109 663)
16 468	(2 550 159)	(2 533 691)	Street Lightening	16 538	(3 455 038)	(3 438 500)
7 308 929	(15 850 480)	(8 541 551)	Street works & Storm Water	17 520 624	(13 508 669)	4 011 955
3 577	(251 294)	(247 717)	Swimming Pool Birds	28 662	(301 262)	(272 600)
-	(329 007)	(329 007)	Swimming Pool Nieuveld	-	(332 752)	(332 752)
-	(167 959)	(167 959)	Tourism	-	(187 859)	(187 859)
24 522	(114 516)	(89 994)	Town Commonage	25 741	(110 432)	(84 691)
-	(506 801)	(506 801)	Traffic Court	-	(639 901)	(639 901)
-	(44 676)	(44 676)	Traffic Lights	-	(53 059)	(53 059)
16 299	(196 741)	(180 442)	Vacuum Services	27 896	(149 682)	(121 786)
456 974	(326 836)	130 138	Vehicle Registration	511 359	(332 601)	178 758
162 373	(421 125)	(258 752)	Vehicle Testing Station	181 854	(321 335)	(139 481)
28 892 009	(4 675 406)	24 216 603	Water Purification	3 869 308	(7 367 315)	(3 498 007)
9 903 296	(6 666 564)	3 236 732	Water Reticulation	7 561 823	(5 062 307)	2 499 516
-	-	-	Internal Audit	-	(320 051)	(320 051)
-	-	-	Labour Relations	36 928	(284 932)	(248 004)
-	-	-	Murraysburg Administration	73 385	(1 577 529)	(1 504 144)
-	-	-	Murraysburg Electricity	2 815 597	(3 504 233)	(688 636)
-	-	-	Murraysburg Library	312 438	(333 152)	(20 714)
-	-	-	Murraysburg Municipal Rates	951 354	-	951 354
-	-	-	Murraysburg Recreation Site	-	(136 000)	(136 000)
-	-	-	Murraysburg Refuse Removal	1 092 307	(1 922 434)	(830 127)
-	-	-	Murraysburg Street Works & Storm Water	16 667	(2 169 107)	(2 152 440)
-	-	-	Murraysburg Swimming Pool	6 651	(51 441)	(44 790)
-	-	-	Murraysburg Water Works	730 681	(1 332 197)	(601 516)
-	-	-	Thusong Centre	1 675	(69 723)	(68 048)
177 854 795	(182 785 196)	(4 930 401)	Sub Total	238 761 151	(181 331 778)	57 429 373
-	8 376 415	8 376 415	Less Inter-Departmental Charges	-	10 267 664	10 267 664
177 854 795	(174 408 781)	3 446 014	Total	238 761 151	(171 064 114)	67 697 037

APPENDIX D - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2012
GENERAL FINANCE STATISTIC CLASSIFICATIONS

2011 Actual Income R	2011 Actual Expenditure R	2011 Surplus/ (Deficit) R		2012 Actual Income R	2012 Actual Expenditure R	2012 Surplus/ (Deficit) R
18 255 766	(20 404 183)	(2 148 417)	Executive & Council	77 707 637	(20 971 368)	56 736 269
19 833 438	(10 909 573)	8 923 865	Budget & Treasury	23 295 497	(13 686 129)	9 609 368
442 403	(2 925 516)	(2 483 113)	Corporate Services	354 095	(3 513 833)	(3 159 738)
761 883	(4 145 458)	(3 383 575)	Planning & Development	590 820	(4 061 566)	(3 470 746)
-	-	-	Health	-	-	-
558 176	(4 251 863)	(3 693 687)	Community & Social Services	2 446 863	(4 628 414)	(2 181 551)
3 632 485	(4 595 631)	(963 146)	Housing	4 746 472	(5 380 300)	(633 828)
6 404 913	(8 096 859)	(1 691 946)	Public Safety	13 110 193	(10 229 482)	2 880 711
148 149	(5 441 648)	(5 293 499)	Sport & Recreation	535 673	(5 893 452)	(5 357 779)
-	-	-	Environmental Protection	-	-	-
4 971 983	(5 774 123)	(802 140)	Waste Management	5 775 120	(8 110 480)	(2 335 360)
10 503 026	(3 995 655)	6 507 371	Waste Water Management	9 034 973	(5 350 843)	3 684 130
7 971 064	(17 993 157)	(10 022 093)	Road Transport	18 667 171	(17 729 321)	937 850
39 424 328	(23 783 594)	15 640 734	Water	12 664 686	(19 679 510)	(7 014 824)
64 947 181	(70 467 936)	(5 520 755)	Electricity	69 831 951	(62 097 080)	7 734 871
						-
177 854 795	(182 785 196)	(4 930 401)	Sub Total	238 761 151	(181 331 778)	57 429 373
-	8 376 415	8 376 415	Less Inter-Departmental Charges	-	10 267 664	10 267 664
177 854 795	(174 408 781)	3 446 014	Total	238 761 151	(171 064 114)	67 697 037

APPENDIX E(1) - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
REVENUE AND EXPENDITURE
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012
MUNICIPAL VOTES CLASSIFICATION

	2012 Actual (R)	2012 Budget (R)	2012 Variance (R)	2012 Variance (%)
REVENUE				
Property Rates	19 314 916	20 138 780	(823 864)	-4.09%
Government Grants and Subsidies	80 227 613	97 803 400	(17 575 787)	-17.97%
Public Contributions and Donations	-	-	-	0.00%
Fines	13 298 781	8 303 000	4 995 781	60.17%
Third Party Payments	-	-	-	0.00%
Stock Adjustments	-	-	-	0.00%
Actuarial Gains	187 559	-	187 559	0.00%
Property Rates - Penalties & Collection Charges	516 940	730 000	(213 060)	-29.19%
Service Charges	71 821 058	81 092 600	(9 271 542)	-11.43%
Water Services Authority Contribution	-	-	-	0.00%
Rental of Facilities and Equipment	583 341	536 375	46 966	8.76%
Interest Earned - External Investments	1 899 389	995 000	904 389	90.89%
Interest Earned - Outstanding Debtors	619 357	775 471	(156 114)	-20.13%
Licences and Permits	619 638	656 870	(37 232)	-5.67%
Agency Services	469 217	705 000	(235 783)	-33.44%
Other Revenue	4 227 463	1 212 071	3 015 392	248.78%
Unamortised Discount - Interest	-	-	-	0.00%
Transfer DMA From District	44 651 879	-	44 651 879	0.00%
Contributed PPE	324 000	-	324 000	0.00%
Gains on Disposal of PPE	-	-	-	0.00%
Total Revenue	238 761 151	212 948 567	25 812 584	12.12%
EXPENDITURE				
Admin: Commun Serv	(1 533 802)	(1 729 125)	195 323	-11.30%
Admin: Corp Serv	(5 929 746)	(3 823 002)	(2 106 744)	55.11%
Admin: Electrical	(16 413 268)	(20 037 860)	3 624 592	-18.09%
Admin: Engineering Serv	(3 129 860)	(2 982 540)	(147 320)	4.94%
Admin: Fin Serv	(8 682 524)	(8 216 794)	(465 730)	5.67%
Admin: Nelspoort	(181 513)	(178 010)	(3 503)	1.97%
Admin: Traffic	(8 261 063)	(6 737 825)	(1 523 238)	22.61%
Admin: Water	(5 872 782)	(5 763 035)	(109 747)	1.90%
Building Control	(607 237)	(649 450)	42 213	-6.50%
Cemeteries	(411 691)	(413 057)	1 366	-0.33%
Clinical Services Nieuveld	-	-	-	0.00%
Fire Brigade	(1 306 300)	(1 357 523)	51 223	-3.77%
General Expenses	(12 472 077)	(8 701 240)	(3 770 837)	43.34%
Housing Office	(5 333 517)	(7 290 762)	1 957 245	-26.85%
IDP: Co-Ordinator	(324 469)	(349 108)	24 639	-7.06%
Information Technology	(1 201 585)	(1 551 700)	350 115	-22.56%
Irrigation Water	(44 909)	(65 891)	20 982	-31.84%
Kwa-Mand Comm Hall	(80 224)	(52 312)	(27 912)	53.36%
Kwa-Mand Office	(390 839)	(371 105)	(19 734)	5.32%
Library Church Street	(1 079 127)	(1 227 728)	148 601	-12.10%
Library Mimosa	(1 035 535)	(909 987)	(125 548)	13.80%
Library Nelspoort	(59 123)	(73 741)	14 618	-19.82%
Main Road	-	(622 000)	622 000	-100.00%
Mechanical Workshop	(1 397 609)	(1 285 120)	(112 489)	8.75%
Municipal Buildings	(3 333 678)	(3 114 894)	(218 784)	7.02%
Municipal Manager	(1 776 703)	(1 643 425)	(133 278)	8.11%
Municipal Rates	-	-	-	0.00%
Parks	-	-	-	0.00%
Pound	(22 218)	(32 215)	9 997	-31.03%
Private Work	-	(20 000)	20 000	-100.00%
Recreation Sites	(5 071 997)	(5 553 038)	481 041	-8.66%
Refuse Removal	(4 928 701)	(3 626 887)	(1 301 814)	35.89%
Reticulation: H Volt	(2 541 418)	(2 005 398)	(536 020)	26.73%
Reticulation: L Volt	(35 750 942)	(38 799 804)	3 048 862	-7.86%
Rustdene Comm Hall	(95 760)	(66 108)	(29 652)	44.85%
Rustdene Office	(303 334)	(361 967)	58 633	-16.20%
S/E 1 Rustdene	-	-	-	0.00%
S/E 4 Rustdene	(4 299)	(26 580)	22 281	-83.83%
S/E 8 Rustdene	(28 989)	(38 996)	10 007	-25.66%
S/E 9 Rustdene	(13 495)	(43 156)	29 661	-68.73%
Service Connections	(379 122)	(459 120)	79 998	-17.42%
Sewerage Farm	(3 874 020)	(2 826 749)	(1 047 271)	37.05%
Sewerage System	(1 476 823)	(2 057 839)	581 016	-28.23%
Stores	(1 348 805)	(1 352 550)	3 745	-0.28%
Street Cleansing	(1 109 663)	(1 095 920)	(13 743)	1.25%
Street Lightening	(3 455 038)	(472 202)	(2 982 836)	631.69%
Street works & Storm Water	(13 508 669)	(14 096 169)	587 500	-4.17%
Swimming Pool Birds	(301 262)	(292 542)	(8 720)	2.98%
Swimming Pool Nieuveld	(332 752)	(365 177)	32 425	-8.88%
Tourism	(187 859)	(191 370)	3 511	-1.83%
Town Commonage	(110 432)	(119 978)	9 546	-7.96%
Traffic Court	(639 901)	(694 370)	54 469	-7.84%
Traffic Lights	(53 059)	(81 200)	28 141	-34.66%
Vacuum Services	(149 682)	(231 310)	81 628	-35.29%
Vehicle Registration	(332 601)	(348 081)	15 480	-4.45%
Vehicle Testing Station	(321 335)	(349 537)	28 202	-8.07%
Water Purification	(7 367 315)	(6 884 351)	(482 964)	7.02%
Water Reticulation	(5 062 307)	(3 806 907)	(1 255 400)	32.98%
Internal Audit	(320 051)	(316 799)	(3 252)	1.03%
Labour Relations	(284 932)	(241 546)	(43 386)	17.96%
Murraysburg Administration	(1 577 529)	(2 681 755)	1 104 226	-41.18%
Murraysburg Electricity	(3 504 233)	(2 764 111)	(740 122)	26.78%
Murraysburg Library	(333 152)	(310 548)	(22 604)	7.28%
Murraysburg Municipal Rates	-	-	-	0.00%
Murraysburg Recreation Site	(136 000)	(41 680)	(94 320)	226.30%
Murraysburg Refuse Removal	(1 922 434)	(1 286 960)	(635 474)	49.38%
Murraysburg Street Works & Storm Water	(2 169 107)	(805 340)	(1 363 767)	169.34%
Murraysburg Swimming Pool	(51 441)	(49 290)	(2 151)	4.36%
Murraysburg Water Works	(1 332 197)	(572 277)	(759 920)	132.79%
Thusong Centre	(69 723)	-	(69 723)	0.00%
Less Inter-Departmental Charges	10 267 664	-	10 267 664	0.00%
Total Expenditure	(171 064 114)	(174 517 061)	3 452 947	-1.98%
SURPLUS / (DEFICIT) FOR THE YEAR	67 697 037	38 431 506	29 265 531	76.15%

**APPENDIX E(1) - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
REVENUE AND EXPENDITURE
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012
GENERAL FINANCE STATISTIC CLASSIFICATIONS**

	2012 Actual (R)	2012 Budget (R)	2012 Variance (R)	2012 Variance (%)
REVENUE				
Property Rates	19 314 916	20 138 780	(823 864)	-4.09%
Government Grants and Subsidies	80 227 613	97 803 400	(17 575 787)	-17.97%
Public Contributions and Donations	-	-	-	0.00%
Fines	13 298 781	8 303 000	4 995 781	60.17%
Third Party Payments	-	-	-	0.00%
Stock Adjustments	-	-	-	0.00%
Actuarial Gains	187 559	-	187 559	0.00%
Property Rates - Penalties & Collection Charges	516 940	730 000	(213 060)	-29.19%
Service Charges	71 821 058	81 092 600	(9 271 542)	-11.43%
Water Services Authority Contribution	-	-	-	0.00%
Rental of Facilities and Equipment	583 341	536 375	46 966	8.76%
Interest Earned - External Investments	1 899 389	995 000	904 389	90.89%
Interest Earned - Outstanding Debtors	619 357	775 471	(156 114)	-20.13%
Licences and Permits	619 638	656 870	(37 232)	-5.67%
Agency Services	469 217	705 000	(235 783)	-33.44%
Other Revenue	4 227 463	1 212 071	3 015 392	248.78%
Unamortised Discount - Interest	-	-	-	0.00%
Transfer DMA From District	44 651 879	-	44 651 879	0.00%
Contributed PPE	324 000	-	324 000	0.00%
Gains on Disposal of PPE	-	-	-	0.00%
Total Revenue	238 761 151	212 948 567	25 812 584	12.12%
EXPENDITURE				
Executive & Council	(20 971 368)	(14 917 382)	(6 053 986)	40.58%
Budget & Treasury	(13 686 129)	(14 713 881)	1 027 752	-6.98%
Corporate Services	(3 513 833)	(3 234 872)	(278 961)	8.62%
Planning & Development	(4 061 566)	(3 981 098)	(80 468)	2.02%
Health	-	-	-	0.00%
Community & Social Services	(4 628 414)	(4 782 606)	154 192	-3.22%
Housing	(5 380 300)	(7 399 494)	2 019 194	-27.29%
Public Safety	(10 229 482)	(8 821 933)	(1 407 549)	15.96%
Sport & Recreation	(5 893 452)	(6 301 727)	408 275	-6.48%
Environmental Protection	-	-	-	0.00%
Waste Management	(8 110 480)	(6 241 077)	(1 869 403)	29.95%
Waste Water Management	(5 350 843)	(4 884 588)	(466 255)	9.55%
Road Transport	(17 729 321)	(17 506 247)	(223 074)	1.27%
Water	(19 679 510)	(17 092 461)	(2 587 049)	15.14%
Electricity	(62 097 080)	(64 639 695)	2 542 615	-3.93%
Less: Interdepartmental Charges	10 267 664	-	10 267 664	0.00%
Total Expenditure	(171 064 114)	(174 517 061)	3 452 947	-1.98%
SURPLUS / (DEFICIT) FOR THE YEAR	67 697 037	38 431 506	29 265 531	76.15%

APPENDIX E (2) - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS
MUNICIPAL VOTES CLASSIFICATION

	2012 Actual	2012 Under Construction	2012 Total Additions	2012 Budget	2012 Variance	2012 Variance
	R	R	R	R	R	%
Admin: Commun Serv	14 416	-	14 416	-	14 416	0.00%
Admin: Corp Serv	187 571	-	187 571	58 500	129 071	220.63%
Admin: Electrical	-	-	-	-	-	0.00%
Admin: Engineering Serv	69 478	-	69 478	4 700	64 778	1378.26%
Admin: Fin Serv	30 633	-	30 633	37 000	(6 367)	-17.21%
Admin: Nelspoort	-	-	-	-	-	0.00%
Admin: Traffic	131 091	-	131 091	-	131 091	0.00%
Admin: Water	-	-	-	-	-	0.00%
Building Control	-	-	-	-	-	0.00%
Cemetries	-	-	-	-	-	0.00%
Clinical Services Nieuveld	-	-	-	-	-	0.00%
Fire Brigade	5 211	-	5 211	76 000	(70 789)	-93.14%
General Expenses	989	-	989	-	989	0.00%
Housing Office	-	-	-	48 000	(48 000)	-100.00%
IDP: Co-Ordinator	-	-	-	-	-	0.00%
Information Technology	330 646	-	330 646	175 800	154 846	88.08%
Irrigation Water	-	-	-	-	-	0.00%
Kwa-Mand Comm Hall	-	-	-	12 000	(12 000)	-100.00%
Kwa-Mand Office	-	-	-	-	-	0.00%
Library Church Street	9 158	-	9 158	11 000	(1 842)	-16.75%
Library Mimosa	4 500	-	4 500	6 800	(2 300)	-33.82%
Library Nelspoort	-	-	-	-	-	0.00%
Main Road	-	-	-	-	-	0.00%
Mechanical Workshop	9 293	-	9 293	12 500	(3 207)	-25.66%
Municipal Buildings	161 261	-	161 261	3 165 000	(3 003 739)	-94.90%
Municipal Manager	-	-	-	86 000	(86 000)	-100.00%
Municipal Rates	-	-	-	-	-	0.00%
Parks	-	-	-	-	-	0.00%
Pound	-	-	-	-	-	0.00%
Private Work	-	-	-	-	-	0.00%
Recreation Sites	1 225 383	-	1 225 383	880 000	345 383	39.25%
Refuse Removal	89 697	-	89 697	109 000	(19 303)	-17.71%
Reticulation: H Volt	77 850	-	77 850	8 005 000	(7 927 150)	-99.03%
Reticulation: L Volt	1 908 404	9 821 445	11 729 849	464 000	11 265 849	2427.98%
Rustdene Comm Hall	-	-	-	-	-	0.00%
Rustdene Office	-	-	-	-	-	0.00%
S/E 1 Rustdene	-	-	-	-	-	0.00%
S/E 4 Rustdene	-	-	-	-	-	0.00%
S/E 8 Rustdene	-	-	-	-	-	0.00%
S/E 9 Rustdene	-	-	-	-	-	0.00%
Service Connections	-	-	-	-	-	0.00%
Sewerage Farm	239 687	-	239 687	825 610	(585 923)	-70.97%
Sewerage System	125 603	-	125 603	40 000	85 603	214.01%
Stores	-	-	-	11 900	(11 900)	-100.00%
Street Cleansing	-	-	-	-	-	0.00%
Street Lightening	-	-	-	1 926 600	(1 926 600)	-100.00%
Street works & Storm Water	12 845 641	5 705 206	18 550 847	17 781 829	769 018	4.32%
Swimming Pool Birds	-	-	-	-	-	0.00%
Swimming Pool Nieuveld	-	-	-	-	-	0.00%
Tourism	-	-	-	-	-	0.00%
Town Commonage	-	-	-	-	-	0.00%
Traffic Court	-	-	-	-	-	0.00%
Traffic Lights	-	-	-	-	-	0.00%
Vacuum Services	-	-	-	-	-	0.00%
Vehicle Registration	-	-	-	-	-	0.00%
Vehicle Testing Station	-	-	-	-	-	0.00%
Water Purification	416 596	-	416 596	15 860 000	(15 443 404)	-97.37%
Water Reticulation	2 915 547	681 717	3 597 264	3 845 761	(248 497)	-6.46%
Gymnasium	-	-	-	-	-	0.00%
Total	20 798 655	16 208 368	37 007 023	53 443 000	(16 435 977)	-30.75%

APPENDIX E (2) - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2012
ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS
GENERAL FINANCE STATISTIC CLASSIFICATIONS

	2012 Actual	2012 Under Construction	2012 Total Additions	2012 Budget	2012 Variance	2012 Variance
	R	R	R	R	R	%
Executive & Council	188 560	-	188 560	144 500	44 060	30.49%
Budget & Treasury	370 571	-	370 571	3 389 700	(3 019 129)	-89.07%
Corporate Services	161 261	-	161 261	-	161 261	0.00%
Planning & Development	69 478	-	69 478	-	69 478	0.00%
Health	-	-	-	-	-	0.00%
Community & Social Services	28 074	-	28 074	29 800	(1 726)	-5.79%
Housing	-	-	-	48 000	(48 000)	-100.00%
Public Safety	136 303	-	136 303	76 000	60 303	79.35%
Sport & Recreation	1 225 383	-	1 225 383	880 000	345 383	39.25%
Environmental Protection	-	-	-	-	-	0.00%
Waste Management	196 397	-	196 397	109 000	87 397	80.18%
Waste Water Management	258 590	-	258 590	865 610	(607 020)	-70.13%
Road Transport	12 845 641	5 705 206	18 550 847	17 799 029	751 818	4.22%
Water	3 332 143	681 717	4 013 860	19 705 761	(15 691 901)	-79.63%
Electricity	1 986 254	9 821 445	11 807 699	10 395 600	1 412 099	13.58%
Total	20 798 655	16 208 368	37 007 023	53 443 000	(16 435 977)	-30.75%

APPENDIX F - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant Description	Balance 1 JULY 2011	Correction of error	Restated balance 1 JULY 2011	Transfer in	Contributions during the year	Interest on Investments (Only if a condition)	Interest Transferred to Revenue	VAT Transferred to Revenue	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Transfer out	Balance 30 JUNE 2012
	R	R	R	R	R	R	R	R	R	R	R	R
UNSPENT/UNPAID CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS												
NATIONAL												
Finance Management Restruc.	145 667	-	145 667	-	1 250 000	-	145 667	40 646	1 137 665	94 631	-	(22 942)
Skills Training	2 861	-	2 861	-	-	-	-	-	2 861	-	-	-
Water Master Plan	76 118	-	76 118	-	-	-	-	-	76 118	-	-	-
Meter, oudit management & maintanance strategy	182 356	-	182 356	-	-	7 733	7 733	-	-	-	-	182 356
Fencing Pig Stables	40 398	-	40 398	-	-	-	-	-	40 398	-	-	-
Water Asset Register Survey	138 483	-	138 483	-	-	-	-	-	138 483	-	-	-
Water & Sanitation Survey	18 991	-	18 991	-	-	-	-	-	18 991	-	-	-
Fin Model, water tarrifs & tech audit	31 949	-	31 949	-	-	-	-	-	31 949	-	-	-
Stormwater Masterplan	85 918	-	85 918	-	-	-	-	-	85 917	-	-	-
132/22KV Substation & 20 MVA Transformer	1 356 419	-	1 356 419	-	12 000 000	-	-	1 338 983	-	9 564 167	-	2 453 269
Electrification of Central Karoo	(793 733)	-	(793 733)	-	12 000 000	-	-	1 003 440	7 167 430	-	-	3 035 397
Electricity Nelspoort Dwelling	74 887	-	74 887	-	-	-	-	-	-	-	-	74 887
Disaster Drought Relief	88 236	-	88 236	-	-	-	-	-	-	88 236	-	-
MIG 2010/11 - Improve Service Delivery	96 658	-	96 658	-	-	-	-	-	96 658	-	-	-
Electrify Dwellings	168 000	-	168 000	-	-	-	12	-	167 988	-	-	-
MSIG 2011/2012	-	-	-	-	790 000	-	-	-	790 000	-	-	-
Neighbourhood Development Programme	-	-	-	-	2 200 000	49 106	49 106	60 074	-	429 102	-	1 710 824
Expanded Public Works Programme	-	-	-	-	693 000	9 265	9 265	-	396 765	-	-	296 235
Exploration Aquifers	-	-	-	-	800 000	4 485	2 043	-	-	802 442	-	-

APPENDIX F - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

PROVINCIAL													
Community Development Workers (CDW's)	182 190	-	182 190	-	312 000	7 531	-	-	-	418 945	25 168	-	57 608
Central Business Area	70 980	-	70 980	-	-	-	-	-	-	70 981	-	-	-
Central Business District	1 179	-	1 179	-	-	-	-	-	-	1 179	-	-	-
Consumer Housing Education Program	130 399	-	130 399	-	-	5 393	-	-	-	4 750	-	-	131 042
Nelspoort Project Base Subsidy	22 821	-	22 821	-	-	1 243	-	-	-	-	-	-	24 064
Project Provincial Funds	27 468	-	27 468	-	-	1 165	-	-	-	-	-	-	28 633
Project Preparation Grant Planning	151 103	-	151 103	-	-	6 155	-	-	-	14 834	-	-	142 424
Public Transport Infrastructure	4 769 837	-	4 769 837	-	-	40 455	-	-	-	-	2 055 198	-	2 755 094
Public Transport Infrastructure: M/burg	-	-	-	-	600 000	895	-	-	-	-	600 000	-	895
Refuse Recycling Project	(2 603)	-	(2 603)	-	401 181	356	-	-	-	402 354	-	-	(3 420)
Rezoning Scheme Regulations	12 103	-	12 103	-	-	513	-	-	-	-	-	-	12 616
Sanitation Master Plan	9 152	-	9 152	-	-	388	-	-	-	-	-	-	9 540
Tourisme Potential Nelspoort	120 761	-	120 761	-	-	5 121	-	-	-	-	-	-	125 882
Tourisme Tokens	6 696	-	6 696	-	-	284	-	-	-	-	-	-	6 980
Upgrading electricity network Nelspoort	163 681	-	163 681	-	-	6 912	-	-	-	40 837	-	-	129 756
Public Library Services	14 765	-	14 765	-	2 100 000	5 896	-	-	-	2 147 484	-	-	(26 823)
Upgrading Nelspoort Civil Services	2 301	-	2 301	-	-	125	-	-	-	-	-	-	2 426
Water Masterplan	11 485	-	11 485	-	-	487	-	-	-	-	-	-	11 972
Soup Kitchens	44 513	-	44 513	-	-	912	-	-	-	38 956	-	-	6 469
Damaged Houses	(56 676)	-	(56 676)	56 676	-	-	-	-	-	-	-	-	-
Nelspoort 216 Houses	146 055	-	146 055	101 003	-	2 605	-	-	-	247 058	-	-	2 605
Merweville 90 Dwellings	357 688	-	357 688	-	-	12 585	-	-	-	103 750	106 700	101 003	58 820
Internship: Water	44 421	-	44 421	-	36 821	1 702	-	-	-	91 821	-	-	(8 877)
Internship: Roads	95 276	-	95 276	-	-	1 251	-	-	-	115 019	-	-	(18 492)
10 Hph Dwelling Merweville	640 571	-	640 571	-	-	15 927	-	-	-	594 875	-	-	61 623
World Aids Day	-	-	-	-	50 000	-	-	-	-	50 000	-	-	-
Management Support Grant	-	-	-	-	300 000	-	-	-	-	120 000	96 092	-	83 908
Provision Of Services Nelspoort (23)	-	-	-	-	771 847	11 612	-	-	-	-	-	-	783 459
240 Irdp Dwellings Asla	-	-	-	-	3 853 565	5 565	-	-	-	3 380 320	-	-	478 810
MIG													
Bulk water supply	20 803	-	20 803	-	-	334	-	-	-	-	-	6 550	14 587
External Stormwater Nelspoort	(6 550)	-	(6 550)	6 550	-	-	-	-	-	-	-	-	-
PMU - Project Management Unit	23 655	-	23 655	8 779	263 432	6 265	-	-	-	201 731	-	100 000	400
Supply Highmass Lights	26 090	-	26 090	-	-	1 137	-	1 137	-	-	-	26 090	-
Improve surface of gravel roads	(4 056)	-	(4 056)	1 407 135	3 772 223	30 967	-	-	-	4 400 187	-	813 445	(7 363)
50 Streetlights Nelspoort	20 530	-	20 530	-	-	1 118	-	-	-	-	-	-	21 648
Retension Dams	8 082	-	8 082	1 026 872	5 616 412	53 202	-	-	-	5 276 104	-	1 418 362	10 102
Pre Paid Watermeters Kwa Mandlenkosi	-	-	-	-	1 000 000	28 402	-	-	-	1 027 656	-	-	746
Roads 5400.1	-	-	-	-	843 396	24 767	-	-	-	565 488	299 998	-	2 677
Rustdene Sport Stadium	-	-	-	-	350 000	9 860	-	-	-	359 372	-	275	213
New Refuse Transfer Station	-	-	-	-	1 074 346	18 969	-	-	-	-	1 000 000	-	93 315
High Mast Lights Hooyvlakte	-	-	-	268 522	474 398	6 482	-	43	-	740 854	-	8 504	-
Rehabilitation Roads: Murraysburg	-	-	-	1 657 993	1 502 951	20 789	-	-	-	2 881 457	300 000	-	276
Roads 5257.2 : Murraysburg	-	-	-	578 882	431 028	8 251	-	-	-	784 856	242 432	-	(9 127)
Upgrading Water Supply : Murraysburg	-	-	-	-	1 118 139	36 464	-	-	-	215 957	938 205	-	441
Upgrade/extension Of Water Sup : Murrausburg	-	-	-	-	581 131	4 151	-	-	-	85 128	500 000	-	154
Investigation Aquifers	-	-	-	1 100 000	477 333	23 470	-	-	-	986 148	611 713	-	2 942
Ressure Reduction Water (prv)	-	-	-	210 841	168 210	1 603	-	-	-	380 631	-	-	23
LOCAL ECONOMIC DEVELOPMENT													
Arts & Crafts	168 919	-	168 919	-	-	3 648	-	-	-	142 705	-	-	29 862

APPENDIX F - Unaudited
BEAUFORT WEST LOCAL MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

ESKOM												
Electrification Central Karoo	-	-	-	-	488 033	-	-	-	488 033	-	-	-
LOTTERY												
Upgrading Rustdene Sport Grounds	8 795	-	8 795	-	-	-	-	-	-	8 795	-	-
CKDM												
Website	7 438	-	7 438	-	-	315	-	-	-	-	-	7 753
Shared Services	-	-	-	-	250 000	3 278	-	-	161 428	7 517	-	84 333
Salary Contribution	-	-	-	-	22 000	-	-	-	22 000	-	-	-
Multi Purpose Centre	-	-	-	-	136 249	-	-	-	-	-	-	136 249
Epwp	-	-	-	-	146 000	642	-	-	-	-	-	146 642
Total	8 953 080	-	8 953 080	6 423 253	56 873 695	489 781	215 006	2 443 143	19 010 283	31 581 886	6 366 577	13 122 913
UNSPENT/UNPAID CONDITIONAL PUBLIC CONTRIBUTION												
PRIVAAT												
Disaster Fund	-	-	-	-	4 536	-	-	-	4 536	-	-	-
Electrification Central Karoo	-	-	-	-	131 579	-	-	-	131 579	-	-	-
Beneficiaries Merweville Housing	25 683	-	25 683	-	-	1 399	-	-	-	-	-	27 082
Existing Houses Nelspoort	304 726	-	304 726	-	75 512	19 577	-	-	25 412	-	-	374 403
Beneficiaries Nelspoort Housing	43 608	-	43 608	-	-	2 375	-	-	-	-	-	45 983
Capacity Building Programme	24 554	-	24 554	-	-	1 041	-	-	-	-	-	25 595
Watercrisis	79 053	-	79 053	-	240 000	13 311	-	-	-	283 109	-	49 255
Customer Care Services	-	-	-	-	88 793	-	-	-	234 808	-	-	(146 015)
Total	477 624	-	477 624	-	540 420	37 703	-	-	396 335	283 109	-	376 303
Total Receipts	9 430 704	-	9 430 704	6 423 253	57 414 115	527 484	215 006	2 443 143	19 406 618	31 864 995	6 366 577	13 499 216

APPENDIX G

BIDS AWARDED BY BID ADJUDICATION COMMITTEE FOR 1st QUARTER 01 JULY – 30 SEPTEMBER 2011

Bid #	Item	DIRECTOR (S) OF SUCCESFULL TENDER IF LOCAL	Bids Received	Bid Amount	Preferential Points Of Bidders	Awarded To	Remarks
SCM 25/2011	Supply And Delivery Of Building Material	None	<ul style="list-style-type: none"> ❖ Penny Pinchers ❖ Probou ❖ W.W Investments ❖ Mobicast ❖ Umfazi Supplier ❖ Enon Brick ❖ Volmoed Quarries ❖ Transand 	<ul style="list-style-type: none"> ❖ Bidders Were Requested To Submit Unit Prices For Material 	<ul style="list-style-type: none"> 0/20 05/20 17/20 01/20 19/20 0.35/20 0/20 0/20 	<ul style="list-style-type: none"> ❖ Probou ❖ W.W Investment ❖ Mobicast 	Penny Pinchers Was Found Non-Responsive Due To Non Submission Of Compulsory Documents.
BID NO. 08/2/8/56	Supply, Printing And Mailing Of Municipal Accounts (3 Years)		❖ N/A	❖ R 313 185.60	0/10	CAB Holdings	Transversal Agreement With Witzenberg Municipality

APPENDIX G

SCM 23/2011	Supply And Delivery Of Crushed Stone Products, G5 Material And Building Sand (24 Months)	E Esterhuizen Allan Truter	❖ E Esterhuizen ❖ Trucon ❖ Duneco ❖ Volmoed Quarries ❖ Van Der Berg Vervoer ❖ Buffels Drift Clay Mine	❖ Bidders Were Requested To Submit Unit Prices.	02/20 05/20 0/20 0/20 0/20 0/20	E Esterhuizen Trucon	Duneco Was Found Non- Responsive Due To Non Submission Of Compulsory Documents.
SCM 32/2011	Supply And Delivery Of Chlorine Gas, Aluminium Sulphate And Water Purification Lime (24 Months)	None	❖ Metsi Chem Ikapa	❖ Bidder Was Requested To Submit Unit Prices.	4.05/10	❖ Metsi Chem Ikapa	

APPENDIX G

BIDS AWARDED BY BID ADJUDICATION COMMITTEE FOR 2nd QUARTER 01 OCTOBER – 31 DECEMBER 2011

SCM 30/2010	Supply And Delivery Of Inventory Items: Bitumen Products	None	❖ Asphalt King ❖ Tosas ❖ Glencape ❖ I Patch ❖ Burwana	❖ Bidders Were Requested To Submit Unit Prices For Bitumen Products	4.95/10 4.02/10 3.6/10 0/10 0/10	❖ Tosas ❖ Asphalt Kind	Burwana Failed To Submit Specifications. I Patch Failed To Submit Proof Of Registration.
SCM 28/2011	Public Transport Infrastructure Project In Nelspoort Phase 11	Allen Truter	❖ Trucon	❖ R 1 253 337.89	2.5/10	❖ Trucon	Only Bid That Was Received.
SCM 10/2011 A	Maintenance Fleet: Maintenance Repairs And Services Of Light Delivery Vehicles/ Sedan		❖ CATAI ❖ Karoo Motors	❖ R 800 000.00	02/10 03/10	❖ CATAI Transport Solution	
SCM 10/2010	Maintenance Fleet: Maintenance Repairs And		❖ CATAI ❖ Karoo Motors	❖ R 300 000.00	02/10	❖ CATAI Transport	

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B	Services Of Tractors				03/10	Solution	
SCM 10/2011 C	Maintenance Fleet: Maintenance Repairs Of And Services Of Light And Heavy Trucks	Schalk Vd Merwe	❖ CATAI ❖ Karoo Motors	❖ R 1 500 000.00	02/10 03/10	❖ Karoo Motors	
SCM 10/2010 D	Maintenance Fleet: Maintenance Repairs And Services Of Earth Moving Vehicles And Small Plant	Schalk Vd Merwe	❖ CATAI ❖ Karoo Motors	❖ R 800 000.00	02/10 03/10	❖ Karoo Motors	
SCM 10/2010 E	Maintenance Fleet: Auto Electrical Repairs On All Vehicles	Dawid Van Wyk	❖ B/West Auto Electrical ❖ Karoo Motors	❖ R 400 000.00	08/10 03/10	❖ B/West Auto Electrical	
SCM 10/2010 F	Maintenance Fleet: Hydraulic And Engineering Repairs	Schalk Vd Merwe	❖ CATAI ❖ Karoo Motors	❖ R 600 000.00	02/10 03/10	❖ Karoo Motors	
SCM 10/2010 H	Maintenance Fleet: Tow In Of All Vehicles	Dawid Van Wyk	❖ B/West Auto Electrical ❖ Karoo Motors	❖ R 150 000.00	08/10 03/10	❖ B/West Auto Electrical	
SCM	Transversal Agreement- Speed Violation Services (3 Year Tender)		❖ Traffic Violations Solutions ❖	❖ Cost Is Bases On Income Generated From Summonses.			Transversal Agreement With Umsobomvu Municipality

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SCM 07/2007	Supply Bulk Water		❖ Worley Parsons	❖ Estimated Value Of Service- R 500 000.00	1.5/10	❖ Worley Parsons	Extention Of Contract
SCM 34/2011	Professional Services: Occupational Health And Safety		❖ GFC ❖ Firefly ❖ Nema ❖ ISHS ❖ Nosa ❖ House Of Safety	❖ R74 214.00 ❖ R100 120.00 ❖ R137 370.00 ❖ R195 909.00 ❖ R228 228.00 ❖ R301 416.00		❖ ISHS (Intergrated Safety And Health Systems)	
SCM 03/2012	Supply And Delivery Of Refuse Bins		❖ WW Van Wyk ❖ Northern Lights ❖ Trading 384 ❖ Invusa Business Service ❖ Landmark ❖ Logistics ❖ Spokes Auctioneers	❖ R418600.00 ❖ R265300.00 ❖ R211400.00 ❖ R288232.00 ❖ R300207.60		❖ Invusa Business Service	

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BIDS AWARDED BY BID ADJUDICATION COMMITTEE FOR 3rd QUARTER 01 JANUARY – 31 MARCH 2012

Bid #	Item	DIRECTOR (S) OF SUCCESFULL TENDER if LOCAL	Bids Received	Bid Amount	Awarded to	Remarks
SCM 01/2012	Professional Services: Water Services	None	<ul style="list-style-type: none"> ❖ Aurecon SA ❖ Element ❖ Hessequa ❖ Sektor Consult ❖ BKS ❖ Makhaoste ❖ PD Naidoo ❖ Kayad Knight ❖ MVD Consult ❖ Worley Parsons ❖ Dombo ❖ Uhambiso ❖ Cobus Louw ❖ BMK Consult ❖ MBB Consult ❖ Afri-coast ❖ Camdekon ❖ Tshepesa 	<ul style="list-style-type: none"> ❖ R477 562.50 ❖ R477 562.50 ❖ R502 500.00 ❖ R522 500.00 ❖ R522 562.50 ❖ R527 500.00 ❖ R530 000.00 ❖ R533 750.00 ❖ R533 750.00 ❖ R533 812.50 ❖ R536 250.00 ❖ R522 330.00 ❖ R950 000.00 ❖ R4 950 000 ❖ R4 950 000 ❖ R4 950 000 ❖ R5 225 000 	❖ BKS	
SCM 02/2012	Request for Proposals: Raising for External Loans		<ul style="list-style-type: none"> ❖ FNB ❖ ABSA ❖ Standard Bank 	❖ R 1 253 337.89	❖ FNB	Absa bank was disqualified due to the non submission of compulsory documents.

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						Standard Bank only submit quote for vehicle and asset financing.
SCM 04/2012	Contract for the Upgrading of O.R Tambo Avenue	None	<ul style="list-style-type: none"> ❖ AGMS ❖ Enzel 186 cc Funda Civils cc ❖ De Jager Loodgieter Kontrakteurs ❖ Magic Moppers Mowers and Maintenance ❖ Benver Civils and Plant Hire ❖ Qokela Civils Contractor & Consultants ❖ Urhwebo E-Transand 	<ul style="list-style-type: none"> ❖ R 2 546 082.66 ❖ R 2 790 425.91 ❖ R 2 782 124.40 ❖ R 2 351 203.26 ❖ R 2 154 254.80 ❖ R 494 385.51 ❖ R 2 840 637.32 	<ul style="list-style-type: none"> ❖ Magic Moppers Mowers and Maintenance 	Qokela Civil Contractor was found non-responsive due to non submission of compulsory documentation .
SCM 05/2012	Upgrading of Streets Murraysburg	None	<ul style="list-style-type: none"> ❖ Magic Moppers Mowers & maintenance ❖ RK Sauer Construction ❖ Urhwebo E-Transand ❖ Alpha Civil ❖ A&R Enterprises ❖ De Jager Loodgieter ❖ John Skinner Construction ❖ Entsha Henra ❖ Duneco ❖ Benver Civils & 	<ul style="list-style-type: none"> ❖ R 5 205 229.74 ❖ R 4 100 000.00 ❖ R3 660 879.15 ❖ R3 412 540.58 ❖ R3 836 160.42 ❖ R3 700 715.88 ❖ R3 813 432.35 	<ul style="list-style-type: none"> ❖ Benver Civils & Plant Hire 	Duneco was found non-responsive due to non submission of compulsory documentation .

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			Plant Hire	<ul style="list-style-type: none"> ❖ R3 762 122.50 ❖ R3 145 442.40 		
SCM 06/2012	Borehole Drilling: Medium to long term bulk water provision for Beaufort Wes		<ul style="list-style-type: none"> ❖ SA Rock Drills ❖ Steyns Drilling ❖ JG Drilling CC ❖ MEK Drilling CC ❖ Brits Drilling Contractor 	<ul style="list-style-type: none"> ❖ R 893 788.50 ❖ R 1 168 163.70 ❖ R 1 748 379.47 ❖ R 3 072 725.85 ❖ None 	SA Rock Drills	
SCM 07/2012	Supply and Delivery of Overalls		<ul style="list-style-type: none"> ❖ Good Earth Wearhousing ❖ TRF Sport Supply ❖ RS Suppliers ❖ Pienaar Bros ❖ Margot Swiss International ❖ Landmark Logistics ❖ WW Investments ❖ Ithuba Uniforms 	Bidders were requested to submit unit price per overall size.	Pienaar Bros	Bidders were requested to submit a sample of overall for evaluation i.t.o specification and quality of overall. Pienaar Bros was the only bidder who did comply to all requisites.
SCM 08/2012	Reseal of Roads	None	<ul style="list-style-type: none"> ❖ Qokela Civil Contractor ❖ Benver Civils ❖ Zebra Surfacing ❖ Duneco ❖ Phambili Civils ❖ Trucon 	<ul style="list-style-type: none"> ❖ R1 492 761.60 ❖ R4 232 751.60 ❖ R3 413 762.85 ❖ R4 600 189.00 ❖ R5 464 932.00 ❖ R3 657 397.59 	❖ Zebra Surfa cing	Qokela Civil Contractor was found non- responsive due to non submission of compulsory

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						documentation
SCM 09/2012	Borehole Pumping Testing: Medium to long term bulk water provision for Beaufort West		❖ Groundwater Solutions CC t/a AB Pumps	❖ R 250 988.10	Groundwater Solutions CC t/a AB Pumps	
SCM 10/2012	PTIP: Murraysburg: Construction of Pedestrian Walkways		❖ Cornerstone Ceo Consult ❖ De Jagers Loodgieters ❖ Strydom Constructions ❖ Benver Civils ❖ Trucon	❖ R 737 190.20 ❖ R 576 520.33 ❖ R 719 466.00 ❖ R 388 179.46 ❖ R 581 766.97	❖ Benver Civils ❖ R598 500.	
SCM 13/2012	Supply and Delivery of One New Mini Substation	None	❖ Actom ❖ Powertech Transformers	❖ R 257 277.48 ❖ R 265 164.00	❖ Actom	

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BIDS AWARDED BY BID ADJUDICATION COMMITTEE FOR 4th QUARTER 01 APRIL – 30 JUNE 2012

Bid #	Item	DIRECTOR (S) OF SUCCESFULL TENDER if LOCAL	Bids Received	Bid Amount	Awarded to	Remarks
SCM 15/2012	Supply, Delivery and Installation of One New Archimedean Screw Pump at the Beaufort West Waste Water Treatment Works	None	❖ Faure Consultants ❖ T.G. Elektries	❖ R 531 696.00 ❖ R 560 538.00	❖ Faure Consultants	T.G Elektries was found non-responsive due to non submission of compulsory documentation.
SCM 16/2012	Supply and Delivery of Information Technology Hardware	None	❖ Procon IT Solutions	❖ R 163 000.00	❖ Procon IT Solutions	
SCM 11/2012	PTIP: Merweville: Construction of Pedestrian Walkways	None	❖ Cornerstone Ceo Consult ❖ Strydom Construction ❖ M & J Civils ❖ De Jagers Loodgieters ❖ Trucon	❖ R 854 004.78 ❖ R 1 452 553.00 ❖ R 1 042 613.22	❖ M & J Civils ❖ R 720 009.18	Quantities of bid was remeasured and adjusted accordingly which amounts

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				<ul style="list-style-type: none"> ❖ R 1 044 500.49 ❖ R 1 161 785.86 		bid offer to be R720 009.18
SCM 12/2012	PTIP: Beaufort West: Construction of Pedestrian Bridge over Railway lines	None	<ul style="list-style-type: none"> ❖ Trucon-Alternative ❖ Benver Civils ❖ Trucon ❖ Qokela Civils ❖ De Jagers Loodgieters ❖ EMPA Structures 	<ul style="list-style-type: none"> ❖ R 1 722 617.30 ❖ R 1 804 339.22 ❖ R 1 816 326.20 ❖ R 1 928 575.50 ❖ R 2 084 148.00 ❖ R 2 320 229.80 	❖ Benver Civils	
SCM 14/2012	Construction of Storm water Detention in Hillside – Phase 1	None	<ul style="list-style-type: none"> ❖ A.C.V Civils ❖ Benver Civils ❖ Amandla G.C.F construction ❖ A2 Mabunkwe JV ❖ Mcootwa Construction & Management Services ❖ Easyway Taram Pave ❖ De Jager Loodgieter & Trucon JV 	<ul style="list-style-type: none"> ❖ R 9 180 000.00 ❖ R 8 872 743.46 ❖ R 9 156 933.70 ❖ R 8 939 866.75 ❖ R 18 336 953.58 ❖ R 9 123 196.99 ❖ R 9 469 379.11 	❖ Amandla Construction	
SCM	Construction Of A Pre-Cast	Kobus Klazen	<ul style="list-style-type: none"> ❖ Kholekile Cleaning Services ❖ Rwicila Construction ❖ Duneco 	<ul style="list-style-type: none"> ❖ R 111 015.00 ❖ R 250 000.00 ❖ R 279 078.50 	❖ Duneco	

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24/2012	Concrete Wall.		<ul style="list-style-type: none"> ❖ Magic Moppers Mowers & Maintenance ❖ Flashcor 146CC 	<ul style="list-style-type: none"> ❖ R 361 288.80 ❖ R 522 405.00 		
SCM 17/2012	Contract for the Upgrading of Street in Hillside II, Beaufort West-Phase 1	Hennie De Jager	<ul style="list-style-type: none"> ❖ CC. ST ❖ De Jagers Loodgieters ❖ Urhwebo E Transand ❖ Autum skies trading 25 tcc 	<ul style="list-style-type: none"> ❖ R 8 948 962.38 ❖ R 7 567 758.90 ❖ R 8 396 766.82 ❖ R 7 445 285.28 	<ul style="list-style-type: none"> ❖ De Jagers Loodgieters 	
SCM 18/2012	Professional Services: Sanitation Services	None	<ul style="list-style-type: none"> ❖ Jeffares & Green (Pty)Ltd ❖ Uhambiso Consult (Pty)Ltd ❖ Proconse Civil Consulting (Pty)Ltd ❖ MVD Raadgewende (Suid -Kaap)(Edms)Bpk ❖ SSI Engineers & Environmental Consultants ❖ Worley Parsons RSA (Pty) Ltd ❖ BKS (Pty) Ltd ❖ Aurecon South Africa (Pty) Ltd ❖ Element Consulting Engineers ❖ Water & Wastewater Engineering 	<ul style="list-style-type: none"> ❖ R526 000.00 ❖ R522 562.50 ❖ R535 000.00 ❖ R503 812.50 ❖ R448 100.00 ❖ R522 562.50 ❖ R522 562.50 ❖ R523 800.00 ❖ R522 562.50 ❖ R522 500.00 	<ul style="list-style-type: none"> ❖ BKS (Pty) Ltd 	
SCM 19/2012	Supply and delivery of one new 4X4 Backhoe	None	<ul style="list-style-type: none"> ❖ Barloword Equipment ❖ Bell Equipment sales sa ltd ❖ Hitachi Construction Machinery SA Co Ltd ❖ Konsortia Construction CC ❖ Babcock Africa Services 	<ul style="list-style-type: none"> ❖ R 684 000.00 ❖ R 587 100.00 	<ul style="list-style-type: none"> ❖ Barloword Equipment 	

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	loader.		❖ Business Behind empowerment pty ltd	❖ R 657 780.00 ❖ R 621 300.00 ❖ R 712 272.00 ❖ R 589 152.00 ❖ R 648 660.00		
SCM 20/2012	Supply and delivery of one new diesel driven 2 ton tip truck	None	❖ Tata Worcester ❖ Republic Bus & Truck cc ❖ Short's Nissan cc	❖ R 188 100.00 ❖ R 236 458.00 ❖ R 384 852.60	❖ Tata Worcester	
SCM 21/2012	Supply and delivery of one new 55HP two-wheel drive tractor	None	❖ Biologix Trading 64 ❖ Semphakwe Trading & Projects CC ❖ Business Behind Empowerment ❖ Trekker en Diesel ❖ Cango Tractors & Parts CC	❖ R 168 036.00 ❖ R 184 680.00 ❖ R184 794.00 ❖ / R178 980.00 ❖ R 192 660.00 ❖ R 225 725.70	❖ Business Behind Empowerment	

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SCM 23/2012	Contract for the upgrading of streets in Murraysburg Phase 2	None	<ul style="list-style-type: none"> ❖ Entsha Henra CC ❖ Alpha Civils ❖ De Jagers Loodgieters ❖ Breezewood TR 59 ❖ Magic Moppers Mowers & Maintenance ❖ Benver Civils ❖ John Skinner 	<ul style="list-style-type: none"> ❖ R 4 880 178.69 ❖ R 5 218 274.06 ❖ R 5 766 658.65 ❖ R 5 897 702.70 ❖ R 6 159 781.38 ❖ R 6 236 496.54 ❖ R 6 496 557.90 	❖ Entsha Henra	None
SCM 29/2012	Supply, delivery and installation of 30 meter mast poles complete with floodlighting for beaufort west municipality	None	<ul style="list-style-type: none"> ❖ Kontrei Elektries ❖ Light-Be construction & maintenance ❖ Lethando engineering ❖ MDL Electrical ❖ VE Reticulation ❖ Racec Eletrification 	<ul style="list-style-type: none"> ❖ R 1 183 500.12 ❖ R 1 037 223.78 ❖ R 1 099 079.64 ❖ R 1 282 249.48 ❖ R 1 058 846.25 ❖ R 1 387 877.27 	❖ Light-be-construction	None
SCM 26/2012	Construction of a link road, pedestrian walkways and landscaping in	None	<ul style="list-style-type: none"> ❖ De Jagers Loodgieters ❖ Trucon ❖ RK Sauer Construction 	<ul style="list-style-type: none"> R 4 364 078.00 R 3 390 578.41 	❖ RK Sauer Construction	None

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	Beaufort West			R 4 204 000.00		
SCM 27/2012	Construction of pedestrian walkways in Beaufort West (Phase 11)	None	<ul style="list-style-type: none"> ❖ RK Sauer Construction ❖ De Jagers Loodgieters ❖ Trucon 	<ul style="list-style-type: none"> ❖ R 2 078 900.00 ❖ R 1 824 124.83 ❖ R 1 341 137.18 	<ul style="list-style-type: none"> ❖ De Jagers Loodgieters 	None
SCM 30/2012	Professional Services: Waste recycling services		<ul style="list-style-type: none"> ❖ Element Consulting Engineers ❖ Worley Parsons 	<ul style="list-style-type: none"> ❖ R 426 236.88 ❖ R 512 075.46 	<ul style="list-style-type: none"> ❖ Element Consulting 	
SCM 32/2012	Request for proposals: Compilation of GRAP annual financial statements 2011/2012		<ul style="list-style-type: none"> ❖ Sizwe Nstaluba Gobodo Inc ❖ Mubesko Afrika CC ❖ Mazars ❖ Altimax Accounting Advisory Training ❖ RSK & Associates ❖ PKF (CPT) inc 	<ul style="list-style-type: none"> ❖ R 431 353.20 ❖ R 466 944.00 ❖ R 715 243.00 ❖ R 784 200.00 ❖ R 807 128.00 ❖ R 867 367.50 	<ul style="list-style-type: none"> ❖ Mubesko Afrika CC 	
SCM 34/2012	Request for Proposals: Short Term Insurance		<ul style="list-style-type: none"> ❖ Marsh incorporating Alexander Forbes ❖ Personix Financial Solutions ❖ Lateral Unison Insurance brokers ❖ AON SA 	<ul style="list-style-type: none"> ❖ R 578 461.00 ❖ R 825 768.00 ❖ R 2 494 126.00 ❖ R 599 869.00 	<ul style="list-style-type: none"> ❖ Marsh incorporating Alexander Forbes 	

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Deviations Approved By Municipal Manager for July					
Applicable Paragraph In Scm Policy		Suppliers	Amount	Date	Reason For Deviation
(A)	Emergency	Cinogen Trading	R 8,110.00	28/07/2011	Vehicle Testing Station-Installed Computer Hardware And Software
		De Jager Loodgieters	R 2,034.30	6/7/2011	Chlorine Installation For The Sewerage Works
(B)	Sole Supplier	Courier	R 2,556.52	11/7/2011	Supply Specific Brown Files
		Ceramco	R 5,672.36	15/07/2011	Only 2 Suppliers To Provide Sewerage Tools Needed
		Penny Pinchers	R 3,360.46	15/07/2011	Only Local Supplier To Supply Certain Products
			R 8,545.92	27/07/2011	
			R 3,908.78	27/07/2011	
		De Jager Loodgieters	R 52,725.00	18/07/2011	Only Available Supplier For Hiring Of Excavator And Hammer
		Michelle & Idene Construction	R 2,000.00	19/07/2011	Sole Available Supplier In Nelspoort To Build A New Wheelchair Ramp
		Elster Kent Metering	R 11,667.95	8/7/2011	Sole Manufacturer Of Elster Kent Meters
			R 32,011.33	8/7/2011	
		Sra Engineering Cc	R 6,014.00	19/07/2011	Supply Leak Free Toilet System
Pop-In Kwekery	R 10,097.00	22/07/2011	Only Nursery In Town To Supply Plants		
Spectrum Communications	R 145,773.00	25/07/2011	Sole Supplier Of Telemetry System		
(D)	Any Exceptional Case Where	E & D Catering	R 2,250.00	8/7/2011	Only Available Supplier To Provide Service At Short

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It Is Impractical Or Impossible To Follow The Official Procurement Processes			Notice.
Piet Chops	R 2,561.40	27/07/2011	They Sponsored 50% Of The Sausages For Marathon
Klein Merino	R 3,050.99	27/07/2011	They Sponsored 50% Of The Sausages For Marathon
Southern Cape Bolt	R 2,901.32	25/07/2011	Tools And Materials For The Workshop
Ian Dickie	R 35,512.14	29/07/2011	Only Supplier Who Could Render Service.
AV Mouldings	R 15,031.07	02/8/2011	Only Supplier Who Could Render Service.
Traffic Environmental Service	R 19,640.21	01/07/2011	Traffic Camera Enforcement Service Procured Prior To Inception Of Scm Policy
	R 7,666.56	06/07/2011	
	R 42,335.42	04/07/2011	
SM Consultants	R 51,150.00	15/07/2011	Service Provider For Distribution Of Traffic Sumonsses
TMS Hasler	R 6,400.00	11/07/2011	Service Provider Of A Franking Machine Service Procured Prior To The Inception Of The Scm Policy
	R 7,590.00	01/07/2011	
Ubertech	R 48,454.56	22/07/2011	It Service Provider For Repairs&Maintenance Services
Alles Vars Groentemark	R 4,685.40	19/07/2011	Supplier For The Transportation Of Recycling Material
PJ Sound & Vision	R 4,500.00	27/07/2011	All Inclusive Service For Marathon
Sebata Municipal Solutions	R 360,437.00	26/07/2011	Service Provider For Financial Management System
	R 50,461.10	29/07/2011	

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(D)(I)	Any Contract Relating To The Publication Of Notices And Advertisements By The Municipality	Media 24	R 3,045.99	15/07/2011	Advertisements Scm 01/2012
			R 3,045.99	15/07/2011	Advertisements Scm 34/2011
		Die Courier	R 22,905.70	29/07/2011	Only Local Newspaper Circulating In Central Karoo District
(D)(V)	The Appointment Of Any Person To Provide Professional Advice Or Services, Where The Value Of Such Appointment Is Less Than R200 000 Or Any Such Greater Amount As May Be Legislated From Time To Time	Haywood De Bruyn	R 22,760.00	26/07/2011	Legal Services For Fire At Ibrahim Rasool Street In Kwa-Mandlenkosi
		Wagener Attorneys	R 17,100.00	4/7/2011	Disciplinary Hearing Kokwe/C Wright
		Crawfords Attorneys	R 3,627.40	27/07/2011	Local Official Law Practitioner Handeling The Tranportations, Valuations Etc
(D)(Vi)	Ad-Hoc Repairs To Plant And Equipment Where It Is Not Possible To Ascertain The Nature Or Extent Of The Work Required In Order To Call For Bids.	Karoo Motors	R 4,954.44	11/7/2011	Cz 16014 Water Leak On Engine
			R 7,945.80	27/07/2011	Cz 17469 Front Brakes. Steering Play
			R 7,960.62	27/07/2011	Cz 16014 Repair Clutch
			R 6,977.94	13/07/2011	Cz 5234 Repair Roadworthy Faults
			R 2,519.40	13/07/2011	Cz 8545 Recon Propshaft
			R 19,972.80	11/7/2011	Cz 3906 Repairs
			R 4,993.20	11/7/2011	Cz 5291 Repair Handbrake
			R 92,110.02	20/07/11	Cz 8782 Remove And Fit Engine
		Southern Cape Bolt	R 4,832.69	06/7/2011	High Pressure Spraying Machine
		Kruiper Spares	R 38,081.70	27/07/2011	Cz 77313 Parts Only Available At Agents

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	Denver	R 2,899.31	20/07/2011	Cz 6542 Parts Only Available At Agent
	Kries Hydraulics Cc	R 6,798.30	15/07/2011	Cz 16556 Remove And Replace Cylinders
	Cp Nel	R 8,302.44	27/07/2011	Cz 10629 Repair Clutch
	Precision Motor Spares	R 23,096.40	27/07/2011	Complete Vacuum Pump - Rotation Basis
	Cape Mowers	R 13,049.91	29/07/2011	Parts Available Only At Agent
	George Lawnmowers	R 4,114.19	20/07/2011	Parts Available Only At Agent
	Beaufort-Wes Lugreeling En Verkoeling	R 4,334.85	19/07/2011	Re-Install Airconditioners In Council Chambers
	Jupiter Towing	R 3,700.00	27/07/2011	Tata Truck-Call Out Truck And Lowbed
	Auto Bodies	R 5,765.00	29/07/2011	Cz 3703 Repair Faults
	Denver	R 2,899.31	20/07/2011	Cz 6542 Parts Only Available At Agent
		R 2,223.00	06/7/2011	Steering Box Complete, Parts Available At Agent

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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR AUGUST					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	Emergency	Fulcrum	R 8,110.00	2/8/2011	Installed computer hardware & software at vehicle testing station
		Mosselbay Pump Services CC	R 2,508.00	29/08/2011	Chloor pump at the sewerage works was damaged, repairs are needed
(b)	Sole supplier	C & C Fitters	R 3,064.62	4/8/2011	Only supplier that lay carperts and install blinds.
		Endress + Hauser	R 28,116.00	2/8/2011	Replacement of the sewerage meter in Nelspoort
		Sebata Municipal Solutions	R 16,963.20	11/8/2011	Assesment and adjustment of FMS Payroll support BS IRP5's
		Richard van Staden	R 5,460.00	4/8/2011	Only supplier in Nelspoort to Paint street names and house numbers.
		Actebis 268 CC	R 4,332.00	30/08/2011	Removal of hazardous chemical waste.
		Abet	R 9,000.00	30/08/2011	Only service provider in town & ongoing training of its kind
		Landis + Gyr	R 29,070.00	4/8/2011	Only supplier for pre-paid electricity meters.
			R 50,160.00	17/08/2011	
		B&B Sweiswerke	R	26/08/20	Only Local Supplier to render service.

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			4,974.03	11	
		Karoo Betonwerke	R 13,620.05	4/8/2011	Only local manufacturer of concrete products.
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Jupiter Towing	R 3,700.00	12/8/2011	Transport a 3 ton truck & bakkie to Murraysburg
		Red Canyon Spur	R 6,200.00	8/10/2011	Women's day celebrations lunch 9 August 2011.
		Gamka oos NG Kerk	R 3,200.00	5/8/2011	Donation towards the suidoosterfees.
		Alles vars	R 4,298.94	8/8/2011	Supplier for the transportation of recycling material
		Ignite Advisory services	R 45,463.20	10/8/2011	Service provider of Performance Management Software
		SM Consultants	R 47,250.00	12/8/2011	Service provider for distribution of traffic summonses
		Dit Ruk Entertainers	R 3,500.00	15/08/2011	Donation for music at the Thusong centre on women's day
		TMS Hasler	R 6,400.00	29/08/2011	Service provider of a franking machine service procured prior to the inception of the SCM Policy
		Ubertech	R 48,454.56	18/08/11	IT service provider for repairs maintenance services
		(d)(i)	any contract relating to the publication of notices and	Ayanda Mbanga Communication	R 11,177.29

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	advertisements by the municipality	Die courier	R 30,265.65	22/08/20 11	Only Local Newspaper circulating in Central Karoo District
		Media 24	R 7,614.98	12/8/201 1	Advertisements
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Central Karoo District Municipality	R 5,905.56	26/08/20 11	Maintenance of Merweville roads
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	A.G.L Murray	R 14,091.51	1/8/2011	Only service provider locally for Balju service
(d)(vi)	Ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Precision Motors	R 3,531.72	12/8/201 1	Repairs to Merweville Sewerage machine - rotation basis
			R 37,174.26	17/08/20 11	CZ 8149 Overall engine, rotation basis
			R 2,229.84	29/08/20 11	Bomag. Specialized work done by the engineering firm, rotation basis
			R 6,043.14	17/08/20 11	Bomag roller, agent
			R 6,967.68	12/8/201 1	Overhaul engine cutting machine, out on a rotation basis
			R	5/8/2011	CZ 17798 Remove & replace gearbox, out on a rotation

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		18,236.58		basis.
		R 3,169.20	29/08/20 11	Merweville lister LR2, rotation basis
	Metsi Chem Ikapa	R 2,490.90	10/8/201 1	Repair, Service, Calibration & NTU Standards of machine
	Karoo Motors Werkswinkel	R 3,591.00	15/08/20 11	CZ 16014 Steering noisy, air built up doors, out on rotation basis
		R 16,205.10	29/08/20 11	CZ 8769 Service and repair faults, rotation basis
		R 7,869.42	4/8/2011	CZ 16710 Repair clutch, out on a rotation basis
		R 4,925.94	29/08/20 11	CZ 5726 Replace cylinder head gasket set, rotation basis
		R 6,751.08	29/08/20 11	CZ 5853 Service and repair faults, rotation basis
		R 2,478.36	4/8/2011	CZ 6609 Roadworthy vehicle and repair faults
		R 3,881.70	4/8/2011	CZ 16556 Repair roadworthy faults, out on a rotation basis
		R 3,380.00	15/08/20 11	CZ 7713 Service & faults, out on a rotation basis.
		R 9,798.30	29/08/20 11	CZ 17137 Repair oil cooling system, rotation basis
		Kries Hydraulics CC	R 9,975.00	31/08/20 11

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	Muller Handelaars	R 4,620.00	25/08/20 11	Only supplier in Merweville for Repairs to tractor and suction tank
	CZ Elektries	R 3,486.52	8/8/2011	Lay data pypes at the stores for IT network
	Transtech	R 8104.78	4/8/2011	CZ 3484, Compactor under gaurentee,3 months service by agents
	Karoo Lugreeling en verkoeling	R 6,973.00	25/08/20 11	Replace compressor of aircon in Merweville
		R 5,300.00	31/08/20 11	Repair airconditioner at workshop
		R 5,400.00	8/8/2011	The aircon had a leak and had to be taken apart

DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR SEPTEMBER				
APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION

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(a)	Emergency	George Municipality	R 5 098.81	05/09/20 11	Identification of cable fault
(b)	Sole Supplier	Syntell	R 2 500.00	09/09/20 11	Facilitate Movac 3 traffic controller's course.
		Elster Kent Metering	R 8 036.56	01/09/20 11	Sole Manufacturer of Elster Meters and strainers
		Road Traffic Management Corp	R 9 361.40	22/09/20 11	AARTO - sole service provider
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	B-wes Verkoeling	R 4 426.05	05/09/20 11	Do Repairs on aircon at the Library
		Karoo Lugreeling & Verkoeling	R 3 055.20	07/09/20 11	Repair and replace compressor of aircon at Traffic services
			R 2 680.00	20/09/20 11	Repair aircon and replace compressor at Stores
			R 6 973.00	01/09/20 11	Repair and replace compressor aircon in Merweville
		Donkin Motors	R 13 848.52	05/09/20 11	Petrol - Municipal strikes
		Smit en Genote	R 2 894.65	05/09/20 11	Collect money on behalf of Bwest hospital
		George lawnmowers	R 2 649.59	16/09/20 11	Sodcutter Ryan 18 lawnmowers
			R 4 000.00	21/09/20 11	Training of chainsaw & lawnmowers
		SM Consultants	R 48	27/09/20	Service provider of distribution of traffic sumonsses

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			000.00	11	
		JC murray	R 15 400.00	14/09/20 11	The service of late Eugene Frieslaar, refreshments were served
		Littlewoods funeral service	R 25 208.20	14/09/20 11	The funeral service of late Eugene Frieslaar
		CZ Elektries	R 3 298.40	01/09/20 11	Repair electrical installation at Treasury department
		PJ Sound and Vision	R 18 700.00	23/09/20 11	Central Karoo Arts Festival - Dept of Culture and Sport
		Alles Vars	R 5 321.52	26/09/20 11	Transport of paper and glass from Beaufort West to Cape Town -twice
		Ubertech	R 5 207.52	29/09/20 11	Ubertech is the council's IT service provider
			R 48 454.56	23/09/20 11	
			R 48 454.56	27/09/20 11	
		Ignite Advisory Services	R 38 765.70	15/09/20 11	Service provider of Performance management software
		Drs Theron & van Niekerk	R 9 930.20	01/09/20 11	The Dr has done examinations & treatment for employees exposed to hazardous chemicals
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 16 245.27	14/09/20 11	Tender advertisements
		Die Courier	R 9 798.30	27/09/20 11	Only Local Newspaper circulating in Central Karoo District

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(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Department of Transport	R 23 250.00	2011/02/ 09	Prodiba - Vehicle licencing Services
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	AGL Murray	R 8 161.59	05/09/20 11	Only service provider locally for Balju service
		Crawfords Attorneys	R 20 194.00	08/09/20 11	
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Nashua	R 2 125.37	26/09/20 11	Repairs to copier, damages could not be determined in advance
		Bwest Precision Motor Engineers	R 2 036.04	08/09/20 11	CZ 8149 - One new V-Damper, rotation basis
			R 4 036.74	09/09/20 11	CZ 3906 - Remove and replave propshaft , rotation basis
			R 8 732.40	09/09/20 11	New Compressor, rotation basis
		Electrical Motor Rewinders	R 48 944.76	08/09/20 11	Repairs of sewerage pumps in Murraysburg
			R 5 463.00	08/09/20 11	Repairs of sewerage pumps in Murraysburg
		Muller Handelaars	R 4 872.00	16/09/20 11	CZ 15610 - Service trailer in Merweville
		Karoo Motors werkswinkel	R 9 980.70	27/09/20 11	CZ 8149 - Remove engine and radiator, repair roadworthy faults

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	Kries Hydraulics CC	R 10 699.90	29/09/20 11	CZ 16556 - Specialised work , agents
	Denver	R 3 462.34	12/09/20 11	New rim available at agents
	DTM George	R 2 269.48	29/09/20 11	CZ 10627 - Make key and immobilizer, agents

DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR OCTOBER					
APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION	
(a)	EMERGENCY	De Jager Loodgieters	R 3,249.00	18/10/201 1	Repair water main line pipe.
	Perfecto Bouers	R 8,719.35	18/10/201 1	Only supplier available after hours	
(b)	SOLE SUPPLIER	Courier	R 2,735.48	27/10/201 1	Sole supplier locally for specific files
	Hot box	R 2,800.00	28/10/201 1	Live band for the welcoming function at the mayoral golf day	
	Trucon	R 6,566.40	28/10/201	Sole supplier of a loader and truck after hours	

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				1	
	Lithotech	R 2,250.00	10/10/2011	1	Specialized printing supplier
	De Jager Loodgieters	R 3,762.50	14/10/2011	1	The sole supplier of parts for the repair of the irrigation system
	J Jonas	R 3,800.00	14/10/2011	1	The only transport service provide in Murraysburg
	Actebis 268 CC	R 4,052.70	21/10/2011	1	Sole supplier to remove hazardous chemical waste
	Karoo Fire	R 4,657.00	14/10/2011	1	Only Local supplier for the refill of fire distinguishers in Central Karoo District
		R 2,494.00	28/10/2011	1	
	Elster Kent Metering	R 405,041.77	1/10/2011		The sole manufacturer of Elster meters and strainers
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Youngs Halfway House	R 9,180.00	4/10/2011	Mayoral golf day 29 October 2011 – Accommodation for players
		Swans Bestuurskool	R 2,360.00	19/10/2011	1 Drivers license training - Jo-ann Kaptein
		The Engravers	R 7,410.00	10/10/2011	1 Mayoral golf day 29 October 2011 - Engraving of trophies
		Africa Skills Village	R 2,166.00	10/10/2011	1 Training and to provide a trade test that's cost effective
		Alusani Skills & Training	R 6,268.86	6/10/2011	Technical report writing short training course - Mr L Smit

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		Ceramco (pty) ltd	R 6,249.12	25/10/201 1	Manufacture sewerage equipment
		Best Home and electric	R 6,119.82	30/10/201 1	Mayoral golf day, buy gifts
		PJ Sound	R 3,850.00	30/10/201 1	Mayoral golf day - provide the sound system
			R 2,750.00	30/10/201 1	Mayoral golf day - photography for the event
		Ann's Deli	R 3,400.00	31/10/201 1	Mayoral golf day - provide snacks
		E & D Catering	R 4,885.00	31/10/201 1	Provide cutlery
		Ubertech	R 29,816.70	31/10/201 1	Ubertech is the council's IT service Provider
		Pressure Sealers	R 4,000.00	27/10/201 1	Preventative maintenance service and check settings
		Nyala Communications	3499.00	31/10/201 1	Web hosting service provider
		Central Cell	11239.40	31/10/201 1	SMS services for Councilors
		Stears Security	21035.85	29/10/201 1	Cash in transit services
		Total Client Service	R 7,837.50	19/10/201 1	Provides software for traffic services
(d)(i)	any contract relating to the	Media 24	R	13/10/201	Tender advertisements

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	publication of notices and advertisements by the municipality		27,075.45	1	
			R 10,830.18	25/10/2011 1	Tender advertisements
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Department of Transport	R 9,525.00	30/10/2011 1	Prodiba - vehicle licensing services
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	Practice Relief	R 1,434.30	27/10/2011 1	Mr Arends and F Fredericks were referred to Dr vd Westhuizen for a medical examination
		A.G.L Murray	R 3,907.33	30/10/2011 1	Only service provider locally for balju service
		Ignite Advisory Service	R 11,297.40	7/10/2011	Service provider of Performance management software
		Crawford Attorneys	R 249,581.00	31/10/2011 1	Local Official law practitioner handling the transportations, etc
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Karoo Lugreeling en verkoeling	R 2,795.28	12/10/2011 1	Repair Air conditioner Library in Nelspoort
		Marais Motors	R 3,727.80	14/10/2011 1	CBT 716 Repair faults
		M Vivier	R 2,585.00	1/10/2011	CZ 15926 - Repairs
		Cape Mowers	R 25,364.23	12/10/2011 1	Parts only available at agents
		WCC Cables	R 44,946.00	21/10/2011 1	Repair Transformer
			R 10,942.00	21/10/2011 1	Repair Transformer

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		B-Wes Presisie	R 3,531.72	26/10/2011	Concrete mixer repairs
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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR NOVEMBER					
	APPLICABLE PARAGRAPH IN SCM POLICY	SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGENCY	M Vivier	R 2 705.00	01/11/2011	Install pipe and valve at Kwa-Mandlenkosi sewerage pump station
		J J du Plessis	R 65 664.00	23/11/2011	Depopulation of borehole
		Jirah Construction CC	R 7 600.00	02/11/2011	Open spraying of sewerage pumps and blockage
(b)	SOLE SUPPLIER	Karoo Fire	R 3 200.00	09/11/2011	Service fire extinguishers
		B & B Sweiswerke	R 2 984.50	09/11/2011	Restoration of wind mill wheel
		Kulula.com	R 2 598.00	07/11/2011	Provides this service from George to Johannesburg at these dates
		Penthecostal Mission Church	R 6 000.00	04/11/2011	Indigent renewals were done for community in that ward
		Landis & Gyr	R 50 160.00	01/11/2011	Repair prepaid electricity meters
		Elster Kent metering	R 9 872.42	16/11/2011	Sole manufacturer of elster meters and strainers

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				11	
		Endress & hauser	R 32 052.20	01/11/20 11	Repair prepaid meters
		Spectrum	R 31 826.50	01/11/20 11	Sole supplier of telemetry system
		Karoo Betonwerke	R 17 025.00	01/11/20 11	Sole manufacturer of concrete products
		Marce Fire Fighting Technology	R 7 797.60	23/11/20 11	Sole supplier of fireade 2000 foam
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Young's Halfway House	R 2 754.00	04/11/20 11	Mayoral Golf day - Accommodation golfers
		M de Jager	R 3 145.00	28/11/20 11	Gifts for Ngaka Modiri Molema DM's visit to the refinement plant
		Karoo Drukkery	R 6 328.70	30/11/20 11	Print Brochures and entry forms for the bursary fund
		Outback Promotions	R 12 077.00	01/11/20 11	Mayoral Golf day - Embroidery on golf t-shirts
		Goodsam Training	R 9 160.00	07/11/20 11	Level 5 emergency care practitioner course - Bongiwe Motsoane
		Dynamic Education Awareness and Learning	R 4 104.00	11/11/20 11	Course in meetings and minute taking - LA Swarts
		E & D Catering	R 10 215.00	09/11/20 11	Provide cutlery
		FG Uniforms	R 13	30/11/20	Supply traffic uniforms as requested per specifications

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		243.72	11	
	Frames and Art	R 3 055.20	29/11/20 11	Mayoral golfdays photos framed
	PJ Sounds	R 2 150.00	30/11/20 11	Provincial training for ward committee members
		R 2 150.00	30/11/20 11	Mayors function at sports pub
	TMS Hasler	R 6 400.00	02/11/20 11	Service provider of a franking machine service procured prior to the inception of the SCM Policy
	Ubertech	R 48 454.60	24/11/20 11	IT service provider for repairs&maintenance services
		R 3 328.80	30/11/20 11	
	SM Consultants	R 80 850.00	14/11/20 11	Service provider for distribution of traffic summonses
	Alles Vars Groentemark	R 2 790.72	21/11/20 11	Supplier for the transportation of recycling material
	Pressure Sealers	R 4 000.00	03/11/20 11	Service of machine for printing of municipal accounts
	Ignite Advisory Service	R 20 843.80	08/11/20 11	Service provider of Performance Management Software
	IMQS Software	R 14 345.80	10/11/20 11	Software services for water,sewerage and road services
	Centracell	R 14	30/11/20	SMS services for Councilors

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			002.70	11	
		Nyala Communications	R 3 837.01	30/11/20 11	Web-hosting service provider
		Stears Security Services	R 22 415.30	30/11/20 11	Cash-in Transit Services
		Forms Media Independent	R 3 192.00	2011/01/ 11	Has an existing template for the pre-printed paper currently used
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Die Courier	R 23 280.50	24/11/20 11	Only Local Newspaper Circulating in Central Karoo District
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Eden District Municipality	R 35 000.30	25/11/20 11	TASK-Job evaluations in the Eden-Karoo Area
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	Consulting and Analytical Services	R 10 670.40	29/11/20 11	Chemical analysis, fresh water samples
		Crawfords Attorneys	R 39 407.90	11/11/20 11	Local Official Law Practitioner handling the transportations, valuations etc
		A.G.L Murray	R 3 636.93	01/11/20 11	Only service provider locally for Balju service
		E.W Vermaak	R 7 902.00	10/11/20 11	Advocate rendered services i.t.o conducting interviews
(d)(vi)	Ad-hoc repairs to plant and equipment where it is not	Kruiper Spares	R 8 265.00	08/11/20 11	Agent-Wheel Rims Ass

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possible to ascertain the nature or extent of the work required in order to call for bids.		R 2 679.00	08/11/20 11	Air/Oil separator element
	Muller Handelaars	R 4 320.00	08/11/20 11	CZ 15569 - Sole supplier in Merweville
		R 6 500.00	01/11/20 11	Disposal of land clearing
		R 5 027.85	11/11/20 11	Repair plant, sole supplier in Merweville
	Hoistec Engineering	R 11 478.66	08/11/20 11	Specialized services- Safety inspection and load testing of equipment
		R 8 816.76	25/11/20 11	
	Ian Dickie	R 11 663.63	09/11/20 11	Agent for pump
	George Lawnmowers	R 2 713.23	08/11/20 11	Parts available at agent

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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR DECEMBER					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGERNCY	Jirah Construction CC	R 22 800.00	28/12/201 1	Open spraying of sewerage pumps and blockage
(b)	SOLE SUPPLIER	Beaufort Alarms CC	R 5 522.16	01/12/201 1	Install Alarm system
		Karoo Fire	R 3 350.00	08/12/201 1	Service fire extinguishers
		Landys & Gyr	R 61 560.00	30/12/201 1	Sole supplier of pre-paid electricity meters
		TG Elektries	R 13 338.00	14/12/201 1	40 KVA change over panel
		Spectrum Communication	R 13 158.00	19/12/201 1	Sole provider of the telemetry system
		Elster Kent Metering	R 8 116.81	01/12/201 1	Sole manufacturer of Elster Meters and strainers
			R 17 939.04	01/12/201 1	
			R 483 073.71	01/12/201 1	
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	PJ Sound and Vision	R 22000.00	06/12/201 1	Provide sound and stage for the World Aids event
		Afrolink sound	R 4 600.00	12/12/201 1	Provide sound for the training of provincial ward committees

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	R 3 000.00	14/12/201 1	
SM Consultants	R 45 450.00	20/12/201 1	Service provider of distribution of traffic sumonsses
TMS Hasler	R 6 400.00	09/12/201 1	Service provider of a franking machine service procured
Ubertech	R 48 454.56	20/12/201 1	Only service provider for IT services
	R 9 961.32	29/12/201 1	
Verrooy Construction	R 2 370.00	12/12/201 1	Lay paving stones at Rustdene sportsgrounds
C & C Fitters	R 2 870.00	17/12/201 1	Only local supplier to render service for fit and install carpets
Firefly	R 9 000.00	23/12/201 1	Training centre that provide training on site
Alles vars	R 2 828.34	08/12/201 1	Deliver a transport service on a weekly basis
Karoo Drukkery	R 4 072.00	14/12/201 1	Print bookmarks
Sentraal Motors	R 2 200.00	07/12/201 1	Rent of vehicle for learnership in Worcester
Hoistec Engineering	R 8 548.00	11/12/201 1	Safety inspection and land test
C Fortuin	R 5 700.00	05/12/201	Rental of scaffolding

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			1	
	A Britnell	R 2 920.00	06/12/201 1	Decoration and stage and tent for World Aids event
	Hot Box	R 4 000.00	06/12/201 1	Live band to perform at the World Aids event
	Sonneblom Bloemiste	R 3 850.00	06/12/201 1	Provide flowering service for the World Aids event
	Brian Kruger	R 3 900.00	06/12/201 1	Supply a marquise tent for World Aids event
	Muller Handelaars	R 6 500.00	01/12/201 1	Pushed flat terrain of land disposal
	Ultra liquors	R 3 498.93	21/12/201 1	Only available supplier to render service
		R 2 465.95	13/12/201 1	
	Essop Multisave	R 4 750.51	31/12/201 1	Induction of ward comitees
		R 6 386.70	31/12/201 1	Induction of ward comitees
	Eagle Falls Lodge	R 12 000.00	12/12/201 1	Nearest accomodation to venue
	Stears Security	R 22 415.25	22/12/201 1	Cash-inn transit services
	Karoo Culture	R 2 500.00	08/12/201 1	Performances of Artists for World Aids day

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(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Die Courier	R 22 153.05	22/12/201 1	Advertisements
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	Worley Parsons	R 25 080.00	2011/01/1 2	Extension of contract for water services
		Crawfords	R 7 604.00	14/12/201 1	Local official law practioner handling the transportations
		Gorra Water	R 24 800.00	21/12/201 1	Professional Services for Safety inspection of Springfontein dam
		AGL Murray	R 2 868.35	15/12/201 1	Only service provider locally for balju service
			R 3 153.24	01/12/201 1	
		Ignite Advisory Service	R 17 630.10	19/12/201 1	Service provider of performance management software
			R 41 148.30	20/11/201 1	
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Firefly	R 6 500.00	14/12/201 1	Repair Specialized equipment
		Muller Handelaars	R 5 027.85	01/12/201 1	Repair plant in Merweville
		Denver	R 3 397.65	14/12/201 1	Provide spare parts CZ 15569
		Beaufort Electric	R 25 137.00	2011/08/1 2	Install a generator CZ 18498

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	CP Nel	R 2 319.36	19/12/2011	Service CZ 5929
	The workshop	R 2 792.50	19/12/2011	Repair CBT 1114
	Short's Nissan	R 4 530.39	13/12/2011	CZ 3484 - 20 000km service
	DTM Nissan	R 6 535.41	09/12/2011	CZ 10627 - Repairs

DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR JANUARY					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGENCY	Karoo Vleis Boere Kooperasie	R 8 760.97	30/01/2012	Need fittings for emergency repair for leakage at the hospital in Murraysburg
			R 2 206.76	03/01/2012	
		Muller Handelaars	R 16 800.00	17/01/2012	CZ 15569 Repair gearbox
		Trucon	R 26 914.03	19/01/2011	Relocation of water network
(b)	SOLE SUPPLIER	Karoo Vleis Boere Kooperasie	R 2 883.08	30/01/2012	Only service provider in Murraysburg
		PG Glass	R 8 222.48	18/01/2012	The only service provider that can provide sliding door (fitted)

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		W M van den Heever	R 2 280.00	17/01/2012	The only local land meter service provider
			R 2 280.00	16/01/2012	The only land surveyor - repositioned beacons erf 3575
		The Workshop	R 2 680.00	17/01/2012	The only local service provider in Murraysburg for vehicle repairs.
			R 2 680.00	17/01/2012	Service sewerage pump
		Murraysburg Vulstasie	R 6 757.64	27/01/2012	The only supplier that can provide fuel in Murraysburg
		Elster Kent Metering	R 28 432.05	02/01/2012	Sole manufacturer of elster meters and strainers
		CB Elektries	R 3 267.24	13/01/2012	Energy saver bulbs, only available supplier
		E Esterhuizen	R 16 200.00	10/01/2012	Only supplier that has scraper available for hiring
		Water & Wastewater eng	R 10 830.00	06/01/2012	Blue drop system - annual process report & design capacity
		Fulcrum	R 9 950.00	01/01/2012	Calibration of equipment at the Vehicle Test station
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	SM Consultants	R 19 050.00	30/01/2012	Service provider of distribution of traffic summonses
		Penny Pinchers	R 27 861.60	10/01/2012	The only service provider that can provide Pex Pipe 1216, which is needed very urgency
			R 32 786.40		
		AV Mouldings	R 30	18/01/2012	Manufacture polymere concrete covers.

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			040.25		
		Herbcon Services	R 2 622.00	18/01/2012	Registered cactus control service provider. MSMA 720 SL cactus control
		Matoppo Inn	R 2 500.00	10/01/2012	Function - top 10 matriculates- breakfast
		IMQS Software	R 56 566.80	12/01/2012	Software services for water, sewerage and road services
		Centracell	R 11 427.50	31/01/2012	SMS services for Councilors
		Stears Security	22415.25	24/01/2012	Cash-in-transit services
		Ubertech	R 48 454.60	23/01/2012	It service provider for repairs & maintenance
			R 48 454.60	31/01/2012	
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 10 762.06	31/01/2012	Newspaper agency circulating in the western cape
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Department of Transport	R 9 975.00	31/01/2012	Motor Vehicle licencing
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Beaufort West Precision	R 17 008.80	12/01/2012	Toro fairway cutter - replace hydraulic pump & hub

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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR FEBRUARY					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGERNCY	Brandkraal Boerdery	R 3 338.91	01/02/2012	The sewerage at the grave yard ran over the R63. He is the sole supplier in Murraysburg that has the equipment.
(b)	SOLE SUPPLIER	Ubertech	R 2 925.00	07/02/2012	Third party software
		Muller Handelaars	R 6 000.00	10/02/2012	Only supplier in Merweville that could provide storage for equipment
		Elster Kent Metering	R 489 503.31	02/02/2012	Sole manufacturer of elster meters and strainers
		Lanis & Gyr	R 50 160.00	02/02/2012	Sole supplier of prepaid electricity meters
		Breaufort Alarms CC	R 23 891.30	16/02/2012	Sole supplier of the alarm system
		Abet	R 10 800.00	06/02/2012	Only service provider in town & ongoing training of its kind
		Alles Vars	R 7 077.34	02/02/2012	Deliver a transport service on a weekly basis

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		Pressure sealers	R 4 000.00	07/02/2012	Preventative maintenance service and check settings
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Form Media Independent	R 5 814.00	02/02/2012	Specialized Printing service provider-Print Section 56 Books
		Raaswater Country Stay	R 9 000.00	08/02/2012	Nearest Accomodation for Training - Water learnerships
		Ubertech	R 5 472.08	28/02/2012	Licencing for Afrikaans Spellchecker for IT Services
		SM Consultants	R 23 490.00	20/02/2012	Service provider of Performance management services
		Stears Security	R 22 415.22	23/02/2012	Cash-in-transit services
		TMS Hasler	R 6 400.00	01/02/2012	Service provider of a franking machine service procured
		Sebata Municipal solutions	R 16 793.93	21/02/2012	Service provider for financial management system
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 24 393.98	11/02/2012	News paper circulating in Western Cape
		Die Courier	R 8 259.30	23/02/2012	Only local newspaper circulating in the Central Karoo District
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Central Karoo District Municipality	R 11 128.09	15/02/2012	Scrap of roads in Merweville
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or	Crawford Attorneys	R 9 576.00	02/02/2012	Local Official law practitioner handling the transportations, etc
		Ignite Advisory Services	R 10 647.60	03/02/2012	Service provider of Performance management

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	any such greater amount as may be legislated from time to time				services
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	B & B Sweiswerke	R 3 630.00	02/02/2012	CZ 4118 repairs - Specialized Welding works on vehicle
		The Workshop	R 2 400.00	16/02/2012	CBT 1114 - Only repair shop in Murraysburg- Repair clutch
		Kruiper Spares	R 4 648.46	23/02/2012	CZ 7713 - Cutting edges. Parts only available at agent.
		George Lawnmowers	R 2 132.81	28/02/2012	Repair lawnmower
			R 2 901.03	28/02/2012	
			R 5 019.25	28/02/2012	
			R 4 065.22	28/02/2012	

DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR MARCH					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
	EMERGENCY	WCC Cables	R 64 485.25	27/03/2012	Transformer damaged by lighting in Toekomrus 11
(a)		Betonwerke	R 15 624.00	09/03/2012	Repair substation fence
(b)	SOLE SUPPLIER	Benver Civils	R 10 000.00	05/03/2012	Sole supplier of a water truck in Murraysburg
			R 10 000.00	08/03/2012	Scrap of gravel of roads in Murraysburg

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				2	
	Lithotech	R 7 175.00	01/03/2012	2	Sole supplier of cheques
	Spectrum Communications	R 87 392.00	01/03/2012	2	Sole provider of the telemetry system
	Elster Kent Metering	R 5 700.36	01/03/2012	2	Sole supplier of elster meters and strainers
	Trucon	R 10 670.40	08/03/2012	2	Sole available supplier of transport of gravel
	Brandkraal	R 2 736.00	01/03/2012	2	Only supplier to render service in Murraysburg-sewerage at the graveyard ran over the R63
	Alles vars	R 3 068.42	28/03/2012	2	Deliver a transport service on a weekly basis.
	Landys & Gyr	R 2 690.40	01/03/2012	2	Sole supplier of prepaid electricity meters
	Beaufort Alarms CC	R 5 522.16	02/03/2012	2	Sole supplier of alarm system
		R 12 895.68	14/03/2012	2	Repairs
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Sentraal Motors	R 2 300.00	02/03/2012	Hire motor vehicle to go to Worcester for training
		Ubertech	R 82 450.00	01/03/2012	Redundancy work + new backup kit
			R 10 191.60	19/03/2012	Third party software -Annual license fee for Plessey

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			R 31 091.90	23/03/201 2	The council's IT service provider
		Forms Media Independent	R 5 130.00	08/03/201 2	Existing template for pre-printed paper used
		WCC Cables	R 2 469.01	02/03/201 2	Sole supplier of stock and material needed
		SM Consultants	R 31 800.00	22/03/201 2	Service provider of Performance management services
		Centra Cell	R 13 237.82	30/03/201 2	Saving cost on telephone system
		Nyala Communications	R 3 743.01	30/03/201 2	The only service provider for internet services
		TMS Hasler	R 6 400.00	01/03/201 2	Service provider of a franking machine service procured
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 5 381.03	01/03/201 2	News paper circulating in Western Cape
			R 5 381.03	13/03/201 2	
			R 5 381.03	27/03/201 2	
		Radio Gamkaland	R 4 000.00	12/03/201 2	Outside broadcasting of deputy minister of Human settlements at Kwa-Mandlenkosi stadium
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or	Crawfords	R 2 850.00	26/03/201 2	Local Official law practitioner handling the transportations
			R 2 485.00	01/03/201	

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	any such greater amount as may be legislated from time to time			2	
		Van Niekerk Prokureurs	R 67 545.00	01/03/201 2	Supreme Court case: Ratepayers association
		Sebata Municipal Solutions	R 33 053.62	09/03/201 2	SLA - professional support on FMS
		Ignite Advisory Services	R 8 424.60	06/03/201 2	Service provider of Performance management services
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	Muller Handelaars	R 2 374.62	05/03/201 2	Service CZ 15569 in Merweville
		The Workshop	R 2 165.00	01/03/201 2	CZ 5853 Repair gearbox
		B/West Precision Motor Engineering	R 11 323.62	08/03/201 2	Bomag Roller - Construction , Sole provider

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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR APRIL					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGENCY	Power Cable Solutions	R 6 287.10	03/04/2012	Location of Lost cable during a thunderstorm in Kwa Mandlenkosi and Essopville
		Perfecto Bouers	R 3 055.20	17/04/2012	Repair door at the vehicle testing station
(b)	SOLE SUPPLIER	Karoo Drukkery	R 2 730.00	23/04/2012	Only provider locally that could supply of name badges for the ward committee members
		Spectrum Communications	R 2 694.00	02/04/2012	Sole provider of the telemetry system
			R 11 556.00	02/04/2012	
		Karoo Betonwerke	R 3 880.00	02/04/2012	Sole manufacturer of concrete products
		Sebata	R 34 056.82	11/04/2012	SLA - professional support on FMS
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Matoppo Inn	R 18 000.00	04/04/2012	The council contribute to the cost of the ANC Organizing Committee function
		Total Client Service	R 7 837.50	23/04/2012	Provides software for traffic services
		Ubertech	R 28 169.69	03/04/2012	Ubertech is the council's IT service provider
			R 48 454.56	23/04/2012	
		Alles vars	R 4 730.54	30/04/2012	Deliver a transport service on a weekly basis.
		TMS Hasler	R 7 498.00	02/04/2012	Service provider of a franking machine service procured

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		Forms Media Independent	R 10 944.00	03/04/2012	Existing template for pre-printed paper used
		The 3 chimneys guest house	R 8 265.00	04/04/2012	Accommodation for Amazon Media-Assistance with the compilation of IDP Plan
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 5 381.03	02/04/2012	Newspaper circulating in the Western Cape-SCM 34/2012-Tender advertisements
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Department of Transport	R 9 075.00	03/04/2012	Prodiba is a government contract that provider that driving license cards
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	University of the Western Cape	R 10 857.00	12/04/2012	Strategic workshop for councilors and senior
			R 20 657.00	12/04/2012	
		AGL Murray	R 6 172.07	10/04/2012	Only Service provider locally for balju service
		Webber Wentzel	R 38 988.00	02/04/2012	Legal advisory service obtained
		Ignite Advisory Services	R 153 558.00	18/04/2012	Performance management services IDP & SDBIP

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DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR MAY					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGENCY	Ubertech	R 106 914.00	14/05/12	A new sebata FMS server
		Thehan Nel	R 2 573.64	22/05/201 2	Repair sewer pump stations and boreholes
(b)	SOLE SUPPLIER		R 19 083.65	02/05/201 2	
		Elster Kent Metering	R 6 041.95	15/05/201 2	Sole supplier of elster meters and strainers
		Actebis 268 CC	R 6 281.40	03/05/201 2	Sole supplier for the removal of hazourdes chemicals waste
		W van der Heever	R 5 000.00	04/05/201 2	Check pins - sole surveyor locally
		B&B Sweiswerke	R 2 222.00	22/05/201 2	Only supplier locally to lift and re-install borehole pumps
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	Petro SA	R 6 612.00	28/05/201 2	Attendance on a Hazmat Technician course- Bongiwe Motsoane
		TG Elektries	R 19 283.13	14/05/201 2	Remove and replace pumps in Merweville
		Booyens Funerals	R 3 400.00	15/05/201 2	2 Coffins brought & transported to Murraysburg
		MJ Civils	R 28 000.00	25/05/201 2	Supervisory work for PHP housing project

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			R 5 050.00	25/05/2012	Install water tank at the mortagery in Merweville
		SM Consultants	R 29 400.00	07/05/2012	Service provider of Performance management services
		Stears Security	R 23 655.00	08/05/2012	Cash-in-transit services
		TMS Hasler	R 5 840.00	15/05/2012	Service provider of a Franking machine service procured
		Ubertech	R 20 873.40	31/05/2012	The council's IT service provider
			R 35 084.64	11/05/2012	
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Media 24	R 6 457.23	23/05/2012	Newspaper circulating in the Western Cape-SCM 35/2012-Tender advertisements
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Central Karoo District Municipality	R 14 000.00	04/05/2012	Grading of roads at the sportfield
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	Chris Swartz Eng	R 18 500.00	22/05/2012	Wastewater risk abatement plans for the municipality
		Ignite Advisory Services	R 25 992.00	25/05/2012	Service provider of Performance management services
		AGL Murray	R 9 207.69	07/05/2012	Only service provider locally for balju services

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		Danielle Studiesentrum	R 35 222.72	29/05/2012	Compilation of a schedule A for 2013-2015
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	WCC Cables	R 27 183.30	03/05/2012	Transport and repairs to 200 KVA transformer

DEVIATIONS APPROVED BY MUNICIPAL MANAGER FOR JUNE 2012					
APPLICABLE PARAGRAPH IN SCM POLICY		SUPPLIERS	AMOUNT	DATE	REASON FOR DEVIATION
(a)	EMERGENCY	De Jager Loodgieter	R 71 653.26	26/06/2012	Installation of muffin monster for sewerage works
(b)	SOLE SUPPLIER	Flotron	R 9 234.00	07/06/2012	Only supplier for water and sewage works
		Pressure Sealers	R 4 000.00	19/06/2012	Preventative maintenance service and check settings
		Ubertech	R 48 454.56	11/06/2012	The council's IT service provider
		Karoo Beton werke	R 5 635.00	29/06/2012	Sole Manufacturer of concrete products
(d)	Any exceptional case where it is impractical or impossible to follow the official procurement processes	PJ Sounds	R 2 850.00	26/06/2012	Only supplier available on short notice - Imbizo
		Mini Moulders	R 2 405.00	25/06/2012	Already have a sample of our medals - Marathon
		TMS Hasler	R 3 360.00	19/06/2012	Service provider of a franking machine service procured
		Nyala Communications	R 3 668.01	29/06/2012	The only service provider that can provide internet service for Bwest Municipality.
		Ignite Advisory service	R 8 287.80	19/06/2012	Service provider of Performance management services
		SM Consultants	R 19 650.00	12/06/2012	Service provider of Performance management services
		Sebata Municipal Solutions	R 34 056.82	19/06/2012	Service provider of Financial management system
		New Fountain Community Church	R 3 000.00	27/06/2012	Hiring of church for Indigents registration in wards

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		Pinkster Eenheid Sending	R 3 750.00	21/05/2012	
		Centra Cell	R 5 876.35	29/06/2012	Saving cost on telephone system
		Harvey World Travel	R 6 816.00	19/04/2012	Flight tickets D Louw and J Booyesen
		Protea Hotel Waterfront	R 3 421.40	19/04/2012	Accommodation cost for D Louw and J Booyesen
		Alles Vars Groente mark	R 3 146.74	21/06/2012	Deliver a transport service on a weekly basis.
(d)(i)	any contract relating to the publication of notices and advertisements by the municipality	Die Courier	R 22 937.90	06/06/2012	Only local newspaper circulating in Central Karoo District
			R 19 558.98	29/06/2012	
		Media 24	R 6 098.50	29/06/2012	Newspaper circulating in Western Cape
(d)(ii)	any contract with an organ of state, a local authority or a public utility corporation or company	Department of Transport	R 49 785.00	07/06/2012	Prodraba is a government preferred service provider
(d)(v)	the appointment of any person to provide professional advice or services, where the value of such appointment is less than R200 000 or any such greater amount as may be legislated from time to time	Arina Wilson	R 12 135.55	13/06/2012	Urgent completion of the IDP
		Danielle Studie Sentrum	R 123 405.00	21/06/2012	Financial Consulting services
(d)(vi)	ad-hoc repairs to plant and equipment where it is not possible to ascertain the nature or extent of the work required in order to call for bids.	BW Precision motor engineers	R 2 375.76	26/06/2012	Make intake manifold and fit
			R 3 026.70	26/06/2012	Fit bearings and reline brake shoes
			R 3 306.00	07/06/2012	Repair lister LR/Z merweville
		BW Toyota	R 2 216.27	27/06/2012	vehicle guaranteed, serviced
		Presisie	R 12 503.70	29/06/2012	Repair toro greenmaster kohler magnum engine
		Short's Nissan	R 4 342.66	30/06/2012	CZ 3484 Service Truck

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AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

Emanating from the recent audits conducted by AGSA, municipalities have received audit findings in respect of SCM Regulations 44 and 45. AGSA has classified these expenditure as irregular expenditure; this has caused serious distress and discontent with the municipalities, in the absence of an enabling system.

The municipality currently rely on the completion of Municipal Bidding Document (MBD 4- Declaration of Interest) for suppliers to declare their ownership within the company and close family members that are in the service of the state. SCM unit is currently exploring the option to make use of the services of Trans Union to track whether shareholders are in the service of the state. This will minimise the non compliance issues in terms of irregular expenditure with regards to Regulation 44 and 45.

The following bids were awarded to a person who is a family member of a person in the service of the state:

Quarter 1

Business	Date	Invoice	Amount	Interest
PJ Sound & Vision	20/07/11		R 4 500.00	Son, Mr. PJ Julies is employed as Vehicle Inspections & Traffic Officer at the Beaufort West Municipality
	23/09/11		R 18 700.00	
	29/09/11		R 2 150.00	

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Dit Ruk Entertainers	12/08/11		R 3 500.00	Spouse, Mrs. Goodhart is currently employed by the Department Education.
WW Investments	25/07/11	SCM 25/2011	R 260 830.90	Spouse, Mrs Van Wyk, is currently employed by the Department Correctional Services.
ABSA-Maria Ramos		SCM 11/2011	Bank tender for 3 year period.	Spouse, Trevor Manual, currently in the service of the state as a Minister.
JC Murray	14/09/11		R 32 300.00	Niece employed as a cashier at the Beaufort West Municipality
Little Woods Funeral Services	14/09/11		R 25 208.20	Spouse, Mrs.V.Mckay, currently employed by the Department Education.
Wilma's Catering Services	16/09/11		R 5 600.00	Brother currently employed as a Councilor at the Beaufort West Municipality.
Ingozi Construction and Catering	16/09/11		R 5 600.00	Spouses (Mr. F Pieters & Mr.B Visser) currently employed at the Beaufort West Municipality.

Quarter 2

Business	Date	Invoice	Amount	Interest
PJ Sound & Vision	30/10/11		R 6 600.00	Son, Mr. PJ Julies is employed as Vehicle Inspections & Traffic Officer at the Beaufort West Municipality
	30/11/11		R 2 300.00	
			R 22 000.00	

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Wilma's Catering Services	02/11/11	15028643	R 2 400.00	Brother currently employed as a Councilor at the Beaufort West Municipality.
Afrolink Sound	01/12/11 14/12/11		R 4 600.00 R 3 000.00	Brothers, employed with the Department of Correctional Services, Community Safety, Laingsburg Municipality.
B. Chalmers	03/11/11	15028664	R 3 900.00	Spouse, Mr. M. Chalmers employed with the Department of Correctional Services as Corrections Officer.

Quarter 3

Business	Date	Invoice	Amount	Interest
RWS Cleaning Services	30/01/12	01	R 6 836.20	Husband, Mr. R Summers is employed as Fleet Manager at the Beaufort West Municipality.
Avril's Catering	17/01/12 27/03/12	15030316 15031688	R 2 600.00 R 2 250.00	Daughter, Me. M Johnson employed with the Department of Correctional Services.

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Quarter 4

Business	Date	Invoice	Amount	Interest
Afrolink Sound	04/04/12	15031946	R 8 000.00	Brothers, employed with the Department of Correctional Services, Community Safety, Laingsburg Municipality.
PJ Sound & Vision	04/04/12 26/06/12	15031932	R 30 400.00 R 2 850.00	Son, Mr. PJ Julies is employed as Vehicle Inspections & Traffic Officer at the Beaufort West Municipality
Karoo beton werke	02/04/12 29/06/12		R 3 880.00 R 5 635.00	Spouses, Mr.A Swanepoel and Mrs. E Klazen are employed with the Department of Correctional and Educational Services.
PJ Plumbing	03/04/12	15031879	R 24 000.00	Mother, Mrs. E Botha and sister, Mrs. B Saaiman, are employed with the Department of Education.
T Nel	22/05/12	15032762	R 2 573.64	Father, Mr. Tersius Nel is employed in the Engineering Services at the Beaufort West Municipality
Avril's Catering	18/05/12 09/05/12	15032622 15032506	R 6 000.00 R 2 500.00	Daughter, Me. M Johnson employed with the Department of Correctional Services.

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PJ Plumbing	07/05/12	15032475	R 6 640.00	Mother, Mrs. E Botha and sister, Mrs. B Saaiman, are employed with the Department of Education.
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In terms of Regulation 45 of the Supply Chain Management Regulation, particulars of awards above R 2 000 made to a person who is a spouse, child or parent of a person in the service of the state must be disclosed in the notes to the Annual Financial Statements.