

KANNALAND MUNICIPALITY

(Registration number Western Cape WC041)
Financial Statements for the year ended 30 June 2014

Accounting Officer's Responsibilities and Approval

The financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The accounting officer acknowledges that he is ultimately responsible for the system of internal financial control established by the Municipality and place considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Municipality and all employees are required to maintain the highest ethical standards in ensuring the Municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Municipality is on identifying, assessing, managing and monitoring all known forms of risk across the Municipality. While operational risk cannot be fully eliminated, the Municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

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

The financial statements set out on page 1 - 100, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2014 and were signed accordingly.

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 Office Bearers Act. Refer to note 30 for the disclosure of Councillor remuneration.



Accounting Officer
Mr. M.M. Hoogbaard

KANNALAND MUNICIPALITY

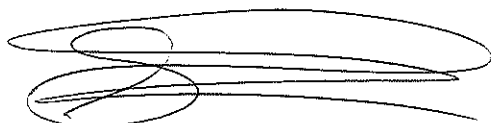
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General Information

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| Legal form of entity | South African Category B Municipality (Local Municipality) as defined by the Municipality Structures Act (Act No. 117 of 1998). |
| Nature of business and principal activities | Local Authority |
| Mayoral committee | |
| Executive Mayor | J. Donson |
| Councillors | A. Ewerts A. Rossouw H. Ruiters J. Willemse P. Antonie W. Meshoa |
| Accounting Officer | M.M. Hoogbaard |
| Chief Finance Officer (CFO) | N.B. Delo |
| Registered office | 32 Church Street LADISMITH 6655 |
| Business address | 32 Church Street LADISMITH 6655 |
| Postal address | P.O. Box 30 LADISMITH 6655 |
| Bankers | ABSA Bank, Oudtshoorn First National Bank, Ladismith Standard Bank, Ladismith |

APPROVAL OF FINANCIAL STATEMENTS

I am responsible for the preparation of these annual financial statements, which are set out on pages 5 to 83 in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.



Mr. M.M. Hoogbaard
Municipal Manager

26/02/15
Date