

AMATHOLE DISTRICT MUNICIPALITY



2005/06 ANNUAL REPORT

CONTENTS

CHAPTER 1

Executive Mayor's Foreword
Municipal Manager's Message
Overview of the Municipality
Executive Summary

CHAPTER 2

Background on Services Provided by the Municipality

CHAPTER 3

Human Resource and Organisational Management

CHAPTER 4

Auditor-General's Report on the Audit of the Consolidated Financial Statements
Consolidated Financial Statements for the Year Ended 30 June 2006
Responses to Issues Raised in the Audit Report

CHAPTER 5

Functional Area Service Delivery Reporting

CHAPTER 6

Auditor-General's Report on the Audit of the Performance Measurement System
Response to Issues Raised in the Performance Audit Report
Institutional Performance Measurement

ANNEXURES

- A. Employment Equity Report
- B. Fund Report



EXECUTIVE MAYOR'S FOREWORD

This past financial year was marked by the second local government elections on 1 March 2006 and the start of the second term of a transformed local government for South Africa. Subsequently, early in April 2006 and immediately after the first Council meeting, the Amathole District Municipality's (ADM) senior management and Mayoral Executive Committee retreated to Hogsback for a strategic planning session in order to determine the strategic priorities of the municipality leading up to the period 2014. In line with National and Provincial government targets, the ADM resolved on the following:

- To reduce unemployment by half;
- Poverty eradication;
- Investing in sustainable infrastructure development;
- Enhancing the economy of the district; and
- To reduce the impact of HIV and Aids.

In his State of the Nation Address on 3 February 2006, President Thabo Mbeki stated that we live in an Age of Hope. This year we celebrated the 10th anniversary of the South African Constitution which was signed into law on 10 December 1996. At the time, the Constitution involved many South Africans in the largest public participation programme ever carried out in the country and consists of an integration of ideas from ordinary citizens, civil society and political parties represented in and outside of the Constitutional Assembly. It represents the collective wisdom of the South African people and today is regarded as one of the most progressive constitutions in the world.

During the year under review, the ADM has again registered a number of achievements, some of which are reflected hereunder.

The ADM is the Water Services Authority (WSA) for the whole district, with the exception of Buffalo City Municipality. Its target population for these services is therefore 962,370 people. During the past year, the ADM completed 83 projects and provided RDP standard water services to an additional 90,650 people bringing the total to 66,5% of our target population. Similarly, we provided 57,505 people with RDP standard sanitation, bringing our total to 15,34% of our target population. However, we still face enormous challenges in this sector and our estimates reveal that if we are to meet national government's target of providing water to all by 2008 and sanitation to all by 2010, we shall need funding of R1,8 billion. Funding confirmed in the next three year capital programme amounts to R412,7 million, leaving a shortfall of some R1,4 billion.

The ADM has signed a transfer agreement with the Department of Water Affairs and Forestry (DWAF) that outlines the mechanisms for the transfer of water services from the erstwhile authority to the ADM. This agreement provides for the secondment of 169 personnel, a subsidy of R86,451 million over a six year period for the refurbishment and operations of one regional and 394 rudimentary schemes, as well as training for staff to be transferred.

In October 2005 the ADM embarked upon the centralization of the water services financial component and effectively took over this function as of 1 July 2006. All local municipality staff currently engaged in water services for the majority of their time will be transferred to the ADM. The institutional arrangements around this will be

concluded via a change management process that started in June 2006 and will conclude when the decision pertaining to the Section 78 process has been effectively implemented.

The ADM embarked upon a water services roadshow to all local municipalities in June 2006 to discuss various options for the provision of water services. As a result of this process, the ADM took a decision to further explore the options before making a final decision on the Water Services Provider arrangements.

In terms of the National Health Act, the ADM is now responsible for municipal health services within the district, together with local municipalities. Interim Service Level Agreements have been concluded with four local municipalities namely Nxuba, Nkonkobe, Amahlathi and Buffalo City, to ensure that services do not collapse during this transitional period.

The National Disaster Management Framework has been gazetted. One of the three key performance areas on which this framework is hinged is a National Information Management System that is standard throughout the country. The ADM and Buffalo City were selected as pilot sites for the implementation of the National Disaster Management Information Management System. The system is geographic information system (GIS) based and will link closely with other similar GIS projects being implemented by the ADM. It also allows local community members to play an active role in consolidating indigenous knowledge about disaster risks in their area. Once successfully implemented, the system will be rolled out to the rest of the Eastern Cape and other provinces at a national level.

The Eastern Regional Waste Disposal Site in Butterworth is currently at construction stage. Funding for the project amounts to R29,8 million for duration of twelve months. It is targeted to provide employment and capacity building opportunities through the Expanded Public Works Programme and is expected to be operational from 1 July 2007. The project includes a recycling centre to pilot sustainable recycling of municipal waste. This shows our commitment to planned and sustainable waste minimization in our district.

The ADM's housing strategy was adopted by Council on 10 June 2005. The ADM is currently implementing 9 rural housing projects involving 3,620 top structures to the value of R73,4 million at a subsidy of R20,300 each. So far these projects are in excess of 75% completion.

The ADM took the initiative of complying with the Breaking New Ground (BNG) Policy and legislative prescripts by lodging an application for Accreditation on Housing Programmes. The ADM has embarked upon a human resource capacity assessment exercise, whereby the plan or outcome will inform how the Housing Business Unit should be structured.

A total of 8,133 households across 10 villages in rural and peri-urban areas benefited in the planning and surveying of their areas. These included Mount Pleasant, Komga, Dongwe, Prudhoe, Teko Springs, Slatsha, Magrangzeni, Diphini, Ngxingxole and Makhazi.

The Amathole Economic Development Agency (AEDA) opened its doors on 1 September 2005 and was officially launched on 2 December 2005. The agency has made significant progress in re-engineering small town development within our district, in the diversification of the timber sector in the Amahlathi area, and in the

regeneration of infrastructure for agricultural beneficiation in the Mquma and Nkonkobe municipal areas.

In addressing poverty and unemployment, job creation, as well as ensuring broad-based black economic empowerment, the ADM initiated a cooperatives development and support programme. In the past financial year we supported eight cooperatives with a membership of about 512 people. To date the ADM has invested about R2 million towards the support of different cooperatives within the district. This includes technical support in the form of advice and mentoring.

The ADM has concluded an agreement with the Small Enterprise Development Agency for providing SMME support programmes within the district. A branch office will soon be erected to service the whole district.

A partnership was also concluded with the Tourism Enterprise Programme, which is a private sector initiative supporting tourism. A tourism product audit was finalized at Nkonkobe, Amahlathi and Nxuba areas.

A number of livestock improvement interventions amounting to R565,000 were undertaken by the ADM at Tsomo, Mquma, Mbhashe and Peddie to stimulate production and to enhance the local economy.

Irrigation equipment was supplied and installed at Dube, Lower Zincuka, and Bongithole irrigation schemes at a cost of R1,2 million. A feasibility study in the establishment of a scheme at Ludiza village and other possible areas of involvement in the citrus industry was completed at a cost of R450,000. The outcome of the study is positive and proposes the construction of pack-sheds for the citrus industry in the area.

Thus far five heritage sites have been upgraded as part of our heritage sites improvement project in the amount of R1,1 million. This consists of access roads, signage, interpretation boards, and the actual site rehabilitation.

The Early Modern African Intellectual Heritage Trail Project, which aims at unearthing layers of our rich history and heritage resources available in the district, is executed under the ambit of our Heritage Route Development and Signage Project. This project is being implemented in partnership with the National Heritage Council and was kick-started with an inaugural lecture at the University of Fort Hare in Alice on 15 June 2006 together with a traveling exhibition.

A number of community based heritage initiatives have been supported through grant funding in the amount of R1,2 million. Through this project, local communities identified heritage sites for rehabilitation, the erection of memorials and the creation of information centres and community museums. Thus far three projects have already been completed.

Heritage and Tourism Month is celebrated annually in September. In the past financial year, the ADM invited various dignitaries and the media on a tour of the Makana Heritage Route.

The ADM has realized the importance of moving away from piece-meal approaches towards effective implementation of environmental projects by injecting funds that ensure it engages its communities through cooperatives and trusts in order that they have a sense of ownership of their environment. Thus the Imingcangathelo Development Trust in Nkonkobe was assisted with the necessary equipment to

cultivate pelargonium on 160 hectares of land. Forty short term jobs have been created and a market for selling the produce has been secured. Similarly, the Gwali Fountain Of Life Development Trust was provided with a tractor, two trailers and other equipment so that the communities of Gwali can manage their wattle jungle. A number of other alien vegetation removal projects have also been implemented in the Keiskammahoek-Cata area where the community has been organized into a cooperative called Injunga. Communities are also being educated about the importance of the environment through these projects.

Our Let's Keep the Amathole Clean Campaign was extended again in the past year and was launched on 8 November 2005. In rural locations the strategy has been to focus more on some of the pressing land degradation issues, including the tackling of invader plants. The challenge of erosion, as reflect in most local municipality integrated development plans, is also dealt with in this programme.

The ADM actively promoted community participation in the decision making process of Council. This is implemented in a number of ways including an Integrated Development Plan (IDP) and budget roadshow to communities at all our local municipalities in April and May 2006, Council Open Day on 15 May 2006, the National Imbizo Focus Week events held in October 2005 and April 2006, as well as hosting information days at various centres throughout the district. In addition, a number of different forums are held on a regular basis, where representatives of community structures have a direct role to play in policy decisions including the District Aids Council, the Disability Council, the Community Safety Forum, the Disaster Management Forum, the Gender Forum and Youth Forum meetings amongst others.

As a result of the Deputy President's imbizo in the district on 3 December 2005, the ADM kick-started a campaign between February and April 2006 to ensure that free basic electricity coupons were delivered to eligible communities at local municipalities. Volunteers and community development workers were trained in how to configure electrical metres to accept the electricity coupons. The onus, however, is for local municipalities to ensure that eligible communities receive their free basic electricity.

The past financial year saw the ADM engaging in a number of international activities that were of strategic importance to the municipality. This saw the implementation of the partnership between the ADM and the Glasgow City Council through the Commonwealth Local Government Good Practice Scheme as well as the Kampala Central Division Council in Uganda. An exploratory visit was also made to India. The delegation's mission to India was to investigate investment opportunities, identifying institutions and partners to share knowledge and skills on the issue of cooperatives, and establish networks for the district to market or exchange some of our products in that country. The Amathole Economic Development Agency has been tasked to look into SMME initiatives in a partnership agreement with that country.

Once again the ADM has proved that it is indeed a leading, dynamic, innovative, pioneering and focused district municipality dedicated to servicing the needs of our communities and their social and economic development.

I would like to take this opportunity to thank all councillors and senior management for their constructive role in making this municipality such a success story. Our undertaking in the current second term of office is to build sustainable infrastructure and provide sustainable services, whilst promoting a caring community. We will leave behind a legacy of which we can be proud, whilst inculcating a culture for the observance of the rule of law and promoting nation building. This is our guarantee for a better future for all who live within our district.

Sincerely



Cllr Sakhumzi Somyo
Executive Mayor



MUNICIPAL MANAGER'S MESSAGE

The past year saw the cessation of Regional Services Council (RSC) levies as of 30 June 2006. Levy revenue for the financial year showed a marginal growth of 1.7% over the 2004/05 financial year declared, to that of R121,593,205. Notwithstanding the above mentioned marginal growth, actual declared versus budget for the 2005/06 financial year recorded an impressive 18.3% increase over budget revenue. This bears testimony to the strong revenue management ethos that has been developed within the ADM, and the effectiveness of the close-out strategy developed in response to the ministerial announcement on the abolishment of RSC levies.

More importantly, the level to which the revenue division has over the last five years influenced the growth of the revenue base, namely a 16% year on year growth, has in accordance with the Division of Revenue Act been recognized to the extent that the Levy Replacement Grant has been modelled around the ADM's historical trends; which effectively has resulted in replacement funding being provided in the sum of R128 million in 2006/07, escalating to R165 million in 2008/09.

The budget for projects in the past financial year amounted to R125,331,515 and expenditure amounted to R92,125,160 or 73.5%. This left a total of R33,206,354 unspent funds, which is a new record low amount and is being recognized in the new year as work-in-progress.

The ADM's Employee Assistance Programme is running smoothly. A Wellness Day for councillors, staff and their families was arranged on 27 May 2006. A voluntary counselling and testing (VCT) campaign also encouraged some 41 councillors and staff to undergo voluntary HIV testing. The unit also provided free flu vaccination. These projects demonstrate the commitment of the ADM to the well-being of its employees.

The ADM learnership programme was successfully launched on 20 February 2006 and all our local municipalities were represented. The current LED Officer Learnership programme at NQF level 4 with 12 participants started in May 2005 and is due to be completed in August 2006. Plans are in motion to advance these learnerships to the next level. The learnership programme is due to be expanded in the new financial year and will include water and sanitation learnerships.

Fifteen audits have been conducted in all the six local municipalities participating in the shared internal auditing service including Mbashe, Amahlathi, Ngqushwa, Nkonkobe, Great Kei and Nxuba Municipalities. Audit Committees have been established at all these municipalities and meetings have been held in all. Two of the municipalities have also established Performance Audit Committees. The ADM's whistle blowing "tip-offs anonymous" service contract has been extended to include local municipalities. The ADM has invested in a risk management and internal audit software which will be used for the local municipalities to improve their risk management processes and speed up internal audits.

The ADM has developed a Supply Chain Management Policy which was adopted on 19 August 2005 and implemented on 1 October 2005. The policy empowers the ADM to assist in redressing the skewed distribution of wealth and assists black economic empowerment by providing a helpdesk for emerging contractors and suppliers. It sets targets for the institution and heads of departments. The Supply Chain Management Unit provides advice to bidders and conducts regular workshops

with all relevant stakeholders. Over the past financial year, 66.21% of projects were allocated to historically disadvantaged individuals (HDI) and their companies which is well above our 50% target. Council awarded projects to a total value of R167,937,182 of which R111,193,291 was allocated to HDI companies. Of the total amount, 16.41% was awarded to female-owned companies.

The ADM, through its Municipal Support Unit, initiated a project to assist local municipalities move towards unqualified audit reports by assessing the weaknesses reflected in their audit reports and determining a practical process to address the weaknesses identified. This project was undertaken at seven local municipalities and excluded Buffalo City who had received an unqualified audit report. This initiative was supported by the Auditor-General's office.

The ADM's Municipal Support Unit has been hard at work in the past year in furthering the capacity and skills development of the local municipalities. Various training courses and assistance programmes have been instituted, including municipal and departmental scorecards, rolling out of the Employee Assistance Programme and HIV and Aids training, payroll systems, alignment of Institutional Establishment Plans and organograms with IDP review processes and municipal powers and functions, employment contracts and performance agreements, Workplace Skills Plan and Employment Equity Plan, uniform conditions of service, the development of operating manuals and systems for engineering departments, supply chain management and the development of a Fleet Management Policy.

Agreement has been reached with six of our local municipalities to initiate the Venus financial management system. This will assist in creating a uniform financial management system that can be shared with local municipalities. Internal funding of R16,6 million has been allocated to the projects, although co-funding will be sourced. The project will be initiated at Nkonkobe Municipality.

After the second local government elections, an induction programme was held for all councillors in the district which covered various pieces of legislation, powers and functions, rules of order, code of conduct, the IDP, performance management, budgeting processes, organizational structure, council support, policies of the ADM and supply chain management.

Tom Hopkins once wrote, "The will to achieve is not something that can be imposed on anyone from the outside; that drive must come from within." I believe I can safely say that it is astounding the level of commitment displayed by the ADM's councillors and officials in always striving to do better.

My thanks go to all councillors and staff for all their efforts in making this yet another year of success.

Sincerely



Xolela Msweli
Municipal Manager



OVERVIEW OF THE MUNICIPALITY

Extent of Amathole District Municipality

The Amathole District Municipality (ADM) is located in the mid-section of the Eastern Cape Province along the coastline of the Indian Ocean, encompassing the former homeland areas of the Ciskei and Transkei, as well as the former Cape Provincial Administration areas.

The ADM's demarcated area is made up of the following eight (8) local municipalities:

- **Buffalo City Municipality**, comprising the city of East London, the main town of King William's Town and surrounding urban centres (including the provincial capital, Bhisho, and nearby industrial centre of Dimbaza), a number of coastal towns, and numerous peri-urban and rural settlements;
- **Amahlathi Municipality**, comprising the towns of Stutterheim, Cathcart, Keiskammahoek and Kei Road, and numerous peri-urban and rural settlements;
- **Nxuba Municipality**, comprising the towns of Bedford and Adelaide and surrounding rural areas;
- **Nkonkobe Municipality**, comprising the towns of Alice, Fort Beaufort and Middledrift, the smaller towns of Hogsback and Seymour, and numerous peri-urban and rural settlements;
- **Ngqushwa Municipality**, comprising the town of Peddie, the coastal town of Hamburg, and numerous peri-urban and rural settlements;
- **Great Kei Municipality**, comprising the town of Komga, the small coastal towns of Kei Mouth, Haga Haga, Morgan's Bay and Chintsa, and a number of rural settlements;
- **Mnquma Municipality**, comprising the main town of Butterworth, the small towns of Nqamakwe and Centane, and numerous peri-urban and rural settlements; and
- **Mbhashe Municipality**, comprising the towns of Dutywa, Elliotdale and Willowvale, and numerous peri-urban and rural settlements.

Socio-Economic Characteristics

The ADM stretches along the coastline of the south-eastern part of the Eastern Cape Province, taking in the former areas of Ciskei and Transkei, as well as former Cape Provincial Administration areas. Geographically, the district is mountainous in the northern and north-western parts, sloping towards the coast in the east and south-west.

The ADM contains 25.9% of the Eastern Cape's total population, estimated at approximately 1.7 million, with an average population density of 83.5 people per square kilometre. This varies widely across the various municipalities, ranging from 167 people per square kilometre in the urban centre of Buffalo City (home to 42.2% of the district's total population) to just six people per square kilometre in Nxuba (home to 1.5% of the district's total population).

The population of the district is predominantly African (92.5%), the majority of whom are found in the former Transkei and Ciskei areas, as well as around the urban and semi-urban centres of East London and King William's Town.

Education levels are generally low. Only 16% of the district's population have matriculated or have post-matric qualifications, with about one in 10 people having received no formal schooling at all.

An estimated 66% of the district's people live in poverty. Of these, the majority are found in Buffalo City (701 890), Mbhashe (253 380), and Mngquma (287 772). The highest proportions of people living in poverty are found in Mbhashe (82%), Ngqushwa (79%), Mngquma (75.3%) and Amahlathi (72.7%).

Unemployment is estimated at about 70% of the district's total population. Of these, the majority (19.9%) live in Buffalo City. Outside the urban centres, the Mbhashe, Mngquma, Ngqushwa and Nkonkobe municipalities are among the hardest hit, also with 70% unemployment rates.

A large portion of the working population (29%) falls into the elementary unskilled category.

In terms of the economic profile of the district, the area combines elements of a sophisticated and globalised automotive industrial economy with an under-developed agricultural sector, where household production levels are reportedly declining and the majority of the population depends on state pension and welfare as primary sources of subsistence. Consequently, the district is characterised by huge discrepancies in wealth and skills.

Special Programmes

A Special Programmes Unit facilitates the integration and mainstreaming of the marginalised. As a sector plan, a Special Programmes Strategy sets the framework for the integration and mainstreaming of all the designated groups.

Economic Overview

The district is the second largest economy in the province. Agriculture provides 8,7% of formal employment and varies greatly within the district. Farming is predominantly for subsistence rather than commercial. Manufacturing provides a relatively high 14,3% (but declining from 22% in 2000) of formal employment. The automotive, food processing and textile industries are the major manufacturing sectors, in that order.

East London is an established tourism destination. The district has a rich history and the heritage resources have socio-cultural, spiritual and non-spiritual, historical and political value and meaning.

Spatial and Land Use Overview

The spatial patterns of development (i.e. settlement patterns) vary throughout the district. The urban complexes of East London / King William's Town (falling within Buffalo City) dominate the district urban settlement pattern. Apart from this dominant urban centre, the district is characterised by a number of smaller towns (some of which function as sub-regional service centres), small coastal resort towns, so-called

communal land areas where dispersed rural settlements are the dominant pattern, and areas where extensive commercial agricultural land holdings are the norm.

The Eastern Cape Provincial Spatial Development Plan aims to set normative guidelines for spatial development and related investments and will assist in the categorization of the hierarchy of towns and settlements prevailing in the district.

Environmental Overview

The ADM has many sensitive and conservation-worthy areas within its region, including a subtropical thicket, coastal areas, wetlands and river systems. The district boasts several significant cultural and heritage sites, and is home to many rare and endangered animal species.

Many areas require remedial attention with regard to the eradication of alien vegetation and erosion control, as well as areas which require special management in terms of pollution and land use. This special and varied environment also presents many opportunities for the economic development of the area.

Environmental degradation in the form of soil erosion, overgrazing and habitat destruction are key issues affecting the quality of the land, while exploitation and lack of effective control are key issues with respect to marine resources within the tidal zone.

Infrastructure Overview

*** Water Services**

The ADM is a Water Service Authority (WSA). This function includes the local municipalities of Mbhashe, Mquma, Great Kei, Amahlathi, Ngqushwa, Nkonkobe and Nxuba. Buffalo City Municipality is also a WSA and therefore does not form part of the ADM WSA area of jurisdiction.

The ADM WSA population is estimated at 962,370 people based on data from Statistics South Africa. Affordability levels are low with an estimated 68,5% of households in 2004 classified as living in poverty, against 52,6% in 1996. (Source: Global Insight 2005). The ADM is currently registering indigent consumers and the database will guide in the determination of free basic water services to be rolled out in the 2006/07 financial year.

*** Electricity Supply**

Provision of sufficient electricity supplies is vital for the general development and prosperity of the district. The ADM does not generate or distribute any electricity itself but has an interest to ensure that the provision of electricity is closely aligned to the developmental needs of the area as a whole.

*** Roads**

The ADM is currently responsible for approximately 83km of roads in the Ngqushwa Municipality area.

A well established and properly maintained road network is vital to the economy of the region as a whole. The ADM therefore endeavours to promote good cooperation between national, provincial and local authorities.

*** Solid Waste**

The ADM's reviewed Integrated Waste Management Plan (IWMP) identifies major disparities in the provision of solid waste management services in the currently established urban / peri-urban areas. In terms of the IWMP, more than 60% of the district's residents, concentrated mainly in informal rural and urban settlements, do not have access to solid waste services.

*** Transport**

The ADM's reviewed Integrated Transport Plan (ITP) reflects low levels of access in both rural and urban areas to acceptable, road-based public transport services. This is related primarily to the poor condition of roads, as well as the fragmented manner in which public transport services between urban and rural areas are provided.

The ITP recognises that more than 60% of residents in the district do not have access to public transport services and/or facilities within a 2km walking distance from their households. It is mainly the rural poor who are negatively affected by the need for a better and more regular public transport service.

*** Land and Housing**

The primary objective of the ADM's Land and Housing Unit is to ensure access to land through the Land Reform Programme (LRP), as per the National Land Policy. This unit also seeks to ensure provision of adequate and sustainable housing, in line with the provision of both national and provincial policy and legislative prescripts, as well as ensuring organised methods of settlement planning and surveys through acceptable development planning and survey legislative prescripts.

The ADM has a Land Reform and Settlement Plan (LRSP) with specific reference to the key issues of land reform and settlement development in the district.

Land reform issues within the district encompass a complex array of challenges located within the sphere of land access, land tenure and land administration. The LRP, particularly the LRSP, is crucial to unlocking such challenges

*** Building Regulations**

The ADM is currently responsible for managing the building activities for Mphashe and Nkonkobe Municipalities.

Building regulations are currently only enforced in the established urban areas and on institutional sites in rural areas due to the complexity of the rural set up, both in the form of tenure and general level of service.

Social Needs Overview

*** Primary Health Care**

The district profile is characterised with a young population. The impact of HIV and Aids is currently unknown as, not being a notifiable disease, mortality information is not available.

The ADM currently provides Primary Health Care services on an agency basis for the Provincial Department of Health through an annual renewable Service Level Agreement. The district is divided into five (5) health sub-districts. Access to health services meets the minimum norms set by the World Health Organisation of 1 clinic per 10,000 population.

The objective of Primary Healthcare Services is to provide all households with access to adequate health services through fixed and mobile clinics, to strengthen community-based care and support programmes for people infected and / or affected by HIV and Aids, and to increase access to VCT. The ADM administers provincial grant funding for HIV and AIDS programmes, including the roll-out of antiretroviral treatment.

Awareness of Voluntary Testing and Counselling (VTC) has been created and the number of VCT sites increased to ensure accessibility of antiretroviral treatment.

*** Community Safety Services**

The objective of Community Safety Services is to facilitate stakeholder coordination and cooperation. Challenges include the distances community participants have to travel to towns where meetings are held, as well as an absence of dedicated personnel in local municipalities to coordinate community safety services activities.

*** Municipal Health Services**

The ADM is the Municipal Health Services Authority and is responsible for ensuring that appropriate municipal health services such as water quality monitoring, food control, communicable diseases and environmental pollution are effectively and equitably provided.

The ADM is currently undertaking a Section 78 assessment, the outcomes of which should inform the most suitable service delivery mechanisms.

*** Disaster Management**

Disasters frequently experienced are predominantly weather-related, such as droughts, floods and severe seasonal storms.

The ADM is a pilot site for the launch of the National Disaster Management Centre's National Disaster Management System and includes nation-wide computer systems and related information, operating procedures, communication and disaster planning tools and mock-up programmes.

* Fire Services

A developmental approach has been adopted with regard to implementing the Fire Services function. In line with this, volunteers who have proven to be capable have been employed to fill vacancies, whilst decentralisation from the main centres will be addressed to take the service closer to the communities once the main centres are well established.



EXECUTIVE SUMMARY

Vision

A leading, dynamic, innovative, pioneering and focused district municipality dedicated to servicing the needs of our communities and their social and economic development.

Mission

The Amathole District Municipality (ADM) is dedicated to contributing to the betterment of its constituent communities' lives through a participatory development process to ensure they have access to socio-economic opportunities. It is dedicated to enhancing its constituent communities' lives through cooperation with relevant stakeholders, partnership-building and building the capacity of local municipalities within its jurisdiction.

Values

In implementing the above, the ADM subscribes to the following values:

- A loyal servant of the citizens of the district and the people of South Africa, with a bias towards the poorest of the poor;
- Commitment to clean, responsible and cooperative governance;
- A responsibility to provide quality transformational leadership, a disciplined work ethic and promote a culture for motivated, accountable and committed teamwork;
- Skills that will, at all times, be used for the benefit of the people and for the reconstruction and development of our country in the spirit of Batho Pele;
- A working environment that is governed by the principles of representivity, equality, mutual respect and human development;
- Recognition that people contribute to the success of the ADM and striving towards an environment which is nurturing and encouraging of individual growth;
- Courage to change and willing to learn and share with other municipalities; and
- Being part of the African continent, dedicated to long-term integrated regional security and cooperation, and to the spirit of the African Renaissance.

Guiding Principles

In carrying out its functions, the ADM is committed to:

- Coordination with other spheres of government;
- Entering into meaningful partnership with other sectors;
- Maximising participation of the community;
- Political transformation, in an inclusive manner fostering internal co-operation;
- Recognising the social needs of rural communities;
- Sustainable socio-economic, environmental and political development;
- Integrated planning; and
- Providing a better quality of life for all.

Oversight Function

*** Audit Committee**

The ADM has a functional and capacitated Audit Committee that is an independent oversight advisory body of Council.

The Audit Committee members during the 2005/06 financial year included:

- Mr M Sibam (Chairman)
- Mrs N Vazi
- Mr J Hill
- Ms Z Ndhlovu
- Ms T Mnqeta

Audit Committees are legislatively required to meet on a minimum of four (4) occasions in a financial year. The ADM Audit Committee held meetings on the following dates:

- 4 August 2005
- 5 October 2005
- 17 March 2006
- 2 May 2006

*** Performance Audit Committee**

The ADM has a functional and capacitated Performance Audit Committee, which is an independent advisory body of Council, specifically advising on matters relating to performance management.

The Performance Audit Committee included the following members during the 2005/06 financial year:

- Mr J Goldberg (Chairperson)
- Ms L Smith
- Mr C Ramoo
- Mr M Sibam
- Ms Z Ndhlovu

Performance Audit Committees are legislatively required to meet on a minimum of two (2) occasions in a financial year. The ADM Performance Audit Committee held meetings on the following dates:

- 5 September 2005
- 5 December 2005
- 19 January 2006
- 10 March 2006



BACKGROUND ON SERVICES PROVIDED BY THE MUNICIPALITY

The Integrated Development Plan (IDP) for 2005/2006, adopted by the Amathole District Municipality (ADM), set clear objectives and strategies for attaining the overall mandate of the institution. These objectives and strategies were translated into clear deliverables and informed the district and departmental scorecards, as part of the organisational Performance Management System (PMS), adopted by the ADM for the year under review.

Due to the finalisation of powers and functions of municipalities, the organisational strategy, as per the IDP and related PMS, had to be reviewed to ensure legislative compliance, as well as positioning the ADM for dealing with assigned powers and functions for the 2005/2006 financial year, and beyond.

In terms of the Municipal Systems Act 32 of 2000 (as amended) and accompanying regulations, the ADM reviewed the abovementioned IDP during the year under review. Key themes for the review included institutional arrangements, updated project lists and IDP-budget linkage.

Severe infrastructural backlogs have been inherited and constitute a major service delivery challenge within the ADM area. These include, but are not limited to:

- **Water**

As at March 2005, approximately 65% of people living within the district had access to an RDP level of service (25 litres per person per day, within a maximum of 200m walking distance). The backlog had been reduced to 31% by June 2006.

- **Sanitation**

As at March 2005, approximately 15% of people living within the district had access to an RDP level of service (waterborne sewerage or ventilated improved pit latrine). This figure increased to 16% by June 2006.

Significant financial and technical challenges exist in eradicating the service delivery backlogs. A comprehensive overview of the services provided by the ADM, the specific Key Performance Indicators in relation to the service delivery objectives and actual performance against targets set, are reported in Chapter 5.

As part of the IDP review process, the following sector plans were reviewed / developed and implemented during the year under review:

- Water Services Development Plan;
- Integrated Waste Management Plan;
- Land Reform and Settlement Plan;
- Housing Strategy;
- Integrated Environmental Plan;
- Local Economic Development Plan;
- Integrated Agricultural Plan;
- Integrated Transport Plan;
- Disaster Management Plan;
- Community Safety Plan;

- Communicable Diseases Programme; and
- District Spatial Development Framework.

Cluster Achievements

The ADM's achievements for the past financial year are reported through the four (4) operational clusters as follows:

1. Social Needs Cluster

The key focus areas for the Social Needs Cluster include primary health care, municipal health services, disaster management, fire services and community safety services.

*** Primary Health Services**

The ADM renders Primary Health Care (PHC) function on an agency basis for the Provincial Department of Health at nine (9) fixed clinics and 17 mobile clinics throughout the district. R1 million of internal project funding was allocated for the renovation of the Bolo Clinic and a number of health awareness days were held across the district as per the national health calendar. The PHC function will, however, revert back to the Provincial Department of Health in the next 24 months.

The ADM implemented the following PHC-related projects over the past year:

- Home-based care kits distributed to the five (5) local services areas in the district (R500,000).
- Enhancing traditional health practitioners capacity on HIV and Aids and health and hygiene issues (R200,000).
- Awareness campaigns on tuberculosis, HIV and Aids and other sexually transmitted infections (R150,000).
- A garden competition at Kei Road promoting nutrition awareness.
- Piloting a nutritional programme for HIV and Aids orphans (R500,000).
- Sustaining the District Aids Council (R100,000).
- District HIV and Aids newsletter informing communities about the status of HIV and Aids related programmes within the district (R100,000).

These programmes will continue with the same funding next year.

Traditional health practitioners have been trained on hygienic preparation and storage of traditional health remedies (R50,000). A booklet was developed to promote community awareness of herbs and plants available within the district. Nurseries were established at Nkonkobe, Mquma and Buffalo City Municipalities to ensure conservation and sustainability of traditional plants (R200,000).

PHC programmes to be undertaken in the 2006/07 financial year include:

- Quantifying emissions and the environmental health impact thereof; and
- Providing advice, guidance and training on hygienic preparations and storage of traditional medicines (R50,000).

*** Community Safety Services**

Community Safety Fora and various crime prevention programmes were held across the district. The highlight of these was the Mayor's Cup held in Alice January 2006 to promoted various sporting codes for the youth.

A Tourism Safety workshop was held on 30 March 2006. This endeavour was with the realisation that tourism development efforts will not come to fruition unless crime prevention programmes are put in place.

*** Disaster Management**

The ADM and Buffalo City Municipality have been selected as pilot sites for the implementation of the National Disaster Management Information Management System. The system is GIS-based and will link closely with other similar GIS projects being implemented by the ADM. It is a system where local community members will play an active role in consolidating indigenous knowledge about disaster risks in their respective areas. Once successfully implemented, the system will be rolled out to the rest of the Eastern Cape and other provinces at a national level.

Various training courses in disaster management and traumatology were held for councillors and community leaders and volunteers in the past financial year.

Disaster management activities to be undertaken by the ADM in the 2006/07 financial year include:

- Capacity building and community awareness programmes (R730,000).
- Hosting the Annual Disaster Management Institute's Conference.
- Data collection and input into the Disaster Management Information Management System (R585,000).
- Assisting local municipalities to implement disaster management plans.
- Improve institutional capacity for disaster management (R585,000).

*** Fire Services**

The ADM is responsible for fire fighting services in Mbhashe, Mquma, Great Kei and Ngqushwa Municipalities. In the past year four (4) station commanders were employed to complement the existing 10 platoon commanders and 10 fire fighters and fire fighting vehicles that are located in these municipal areas. These personnel and equipment in the four (4) municipalities provide an improved fire and emergency service to the vulnerable communities in both rural and urban areas.

An operational budget of R3,8 million and internal project funding amounting to R3,5 million has been dedicated to fire services within the ADM. The Department of Housing, Local Government and Traditional Affairs has also allocated R1,5 million in the 2006/07 financial year for the improvement of fire services in the district.

Fire service activities to be undertaken by the ADM in the 2006/07 financial year include:

- Acquisition of two (2) Hazmat / Rescue vehicles for Great Kei and Ngqushwa Municipalities.
- Establishment of two (2) satellite fire stations at Elliotdale and Centane.

- Ongoing hazmat training, awareness campaigns and additional fire fighting equipment.

2. Infrastructure Cluster

In terms of Infrastructure Cluster, the priority areas include water and sanitation, land and housing, community facilities, public transport, solid waste and building control.

*** Water and Sanitation**

In the past year, the ADM completed 83 projects and provided RDP standard water services to an additional 90,650 people within the district, bringing the total to 66,57% of our target population. Similarly, provided 57,505 people have been provided with RDP standard sanitation, bringing our total to 15,34% of our target population.

The ADM faces enormous challenges in this sector. Estimates reveal that, to meet national government's targets of providing water to all by 2008 and sanitation to all by 2010, funding of R1,8 billion is required. Funding confirmed in the next three (3) year capital programme amounts to R412,7 million, leaving a R1,4 billion shortfall.

The ADM has signed a transfer agreement with the Department of Water Affairs and Forestry (DWAFF) that effectively outlines the mechanism for the transfer of the water services from the erstwhile authority to the ADM. This agreement provides for the secondment of 169 personnel, a subsidy of R86,451 million over a six year period for the refurbishment and operations of one regional and 394 rudimentary schemes, as well as training for staff to be transferred.

*** Solid Waste**

The development of the Eastern Regional Waste Disposal Site in Butterworth is currently at construction stage. Funding for the project amounts to R29,8 million for the duration of 12 months. It is targeted to provide employment and capacity building opportunities through the Expanded Public Works Programme and is expected to be operational from 1 July 2007. This project will also include a recycling centre to pilot sustainable recycling of municipal waste.

Other projects currently being implemented in this sector include:

- Finalization of a perception survey on Solid Waste Management;
- A composting pilot project for Amahlathi Municipality;
- Closure of landfill sites in Buffalo City Municipality, including Ducats (complete) and the NU2 Mdantsane and Second Creek sites (underway);
- Upgrading of the Komga Solid Waste Site (under construction); and
- Upgrading of the Elliotdale Solid Waste Site, where the land identification process is underway with the support of Mbashe Municipality.

*** Community Facilities**

The ADM has funded and implemented the following community facility projects in the past financial year in support of settlements and social development:

- Joji Community Hall (R348,195).
- Blackwood Community Hall (R351,960).
- Mabheleni Community Hall (R383,910).
- Hillcrest Community Hall (R350,000)

- Platform Community Hall (R589,768).
- Bonvana Village Creche (R400,000).
- Xhora Community Art Centre (R830,000).
- Elliotdale Indoor Sport Centre (R2,5 million over two years).
- Prudhoe Sportsfield (R650,000).
- Macleantown Sportsfield (R650,000).
- Ducats Community Hall (R500,000).

The ADM is also committed to ensuring that all these facilities are sensitive of special categories of persons in the communities, including the disabled, the aged and the young. In partnership with the local municipalities, the ADM will ensure that these facilities are kept in a usable state so that they continue to provide the service they are intended for.

*** Land and Housing**

The ADM's Housing Strategy was adopted by Council on 10 June 2005. It is a strategic tool aimed at ensuring that the ADM and its eight (8) local municipalities perform their housing function efficiently and effectively.

The ADM is implementing nine (9) rural housing projects involving 3,620 top structures to the value of R73,4 million at a subsidy of R20,300 each. So far these projects are in excess of 75% completion. The public-private partnership with emerging contractors to ensure an economic impact on housing has been enhanced.

A total of 8,133 households across 10 villages in rural and per-urban areas benefited in the planning and surveying of their areas. These included Mount Pleasant, Komga, Dongwe, Prudhoe, Teko Springs, Slatsha, Magrangzeni, Diphini, Ngxingxolo and Makhazi.

The ADM is the implementing agent of the land restitution areas of Cata, Dwesa-Cwebe and Macleantown. Project implementation is progressing well with the support from the communities in these areas and the Land Claims Commission.

The ADM is also the administrator of the Betterment Restitution Project at nine (9) villages in Keiskammahok, including Lower and Upper Gxulu, Mthwaku, Gwilligwilli, Lower and Upper Mnyameni, Ndlovini, Ngobozana and Upper Ngqumeya. Funding of R47 million has been received and community meetings have been held to initiate the project.

3. Local Economic Development and Environment Cluster

The key focus areas for the Economic Development Cluster include agriculture, tourism, heritage, manufacturing, environment and forestry.

*** Tourism**

The ADM has provided training and marketing support to different SMMEs within the tourism sector. Furthermore, during tourism month, the ADM conducted tourism awareness programmes together with several local municipalities and the Local Tourism Organisations.

The ADM has established a partnership with the Tourism Enterprise Programme, which is a private sector initiative supporting tourism.

During the past year, the ADM initiated a programme for supporting emerging film makers within the district. Support was provided by facilitating training and supporting film makers in attending the Sithengi Film Festival in Cape Town for exposure and networking. In addition, the ADM also purchased basic film equipment which will be utilized by film makers in the district and have initiated discussions with the University of Fort Hare Audio Visual Centre to establish a Film Resource Office.

*** Agriculture**

Crop production has played an important role in ensuring food security for the rural communities for many years. In recognition of this and the potential of the soils of the region, the ADM undertook the following under the food security programme:

- Distributed 84 tractors and implements to various communities for food production (R13,9 million). Provided maintenance and fuel for the first three months and achieved an average 25% increase during the cropping seasons.
- Fenced mielie fields in the Tsomo and Elliotdale areas (R500,000).

A number of livestock improvement interventions have been undertaken by the ADM at Tsomo, Mngquma, Mbhashe and Peddie to stimulate production and to enhance the local economy (R565,000).

The ADM supplied and installed irrigation equipment in Dube, Lower Zincuka and Bongithole irrigation schemes (R1,2 million). The ADM also undertook a feasibility study during the 2005/06 financial year to establish a scheme at Ludiza Village and other possible areas of involvement in the citrus industry (R450,000).

*** Heritage**

A number of heritage projects have been developed with the aim of enhancing the Amathole Heritage Initiative and safeguarding the available heritage resources whilst simultaneously contributing to local economic development. Five (5) heritage sites are being upgraded as part of the ADM's Heritage Sites Improvement Project (R1,1 million) and includes access roads, signage, interpretation boards and rehabilitation of the actual. A further five (5) sites will be upgraded in the next financial year.

A number of community based heritage initiatives have been supported through grant funding (R1,2 million). Through this project, local communities identified heritage sites for rehabilitation, the erection of memorials and the creation of information centres and community museums. These projects are at different stages of implementation, with three (3) already completed.

A number of heritage projects are in the development phase, including the Armed Struggle Heritage Project, the Hamburg Heritage Initiative, the Mdantsane Arts Centre and the Gcaleka Cultural Centre.

*** Environment and Forestry**

The Butterworth Urban Renewal Programme has been a success despite its challenges. The senior management of both Mngquma Municipality and the ADM have established forums with set dates wherein administrative support and assistance is provided by the district to Mngquma Municipality. This initiative does not only focus on urban renewal, but is intended to eliminate constraints that frustrate the progress on service delivery within the Mngquma Municipality.

The development of the town square is proceeding to the second phase and consists of the construction of the Town Square Complex. Construction commenced in July 2006 (R2,1 million) and the proposed structure will house, inter alia, the existing Mnquma Art Centre and the Tourism Information Centre.

Internal project funding has been allocated for the implementation of the Butterworth Urban Renewal Strategy in the next financial year (R800,000).

The Imingcangathelo Development Trust in Nkonkobe Municipality has been assisted with the necessary equipment to cultivate pelargonium on 160 hectares of land. Forty short term jobs have been created and a market for selling the produce has been identified.

The Gwali Fountain of Life Development Trust was provided with a tractor, two (2) trailers and other equipment for the Gwali communities to manage their wattle jungle.

A number of alien vegetation removal projects have been implemented in the Keiskammahoek-Cata area and this community has been organized into a co-operative called Injunga. A portion of the budget for the Cata Land Restitution Fund was utilised on afforestation of new areas and the management of the wattle jungle, as well as on educating about the importance of the environment. A similar education project is being undertaken in Mhashe Municipality through an Alien Invasives Removal project that is being implemented in 10 locations. The primary aim of these programmes is to impart skills and capacity and ensure sustainable livelihoods.

The ADM's 'Let's Keep the Amathole Clean' campaign has been extended to include more rural localities and urban centres.

4. Institutional and Finance Cluster

The key focus areas in the Institutional and Finance Cluster include institutional issues such as administration, procurement and human resources, budget and treasury, internal auditing, municipal support programmes, communications and community participation, information and communication technology, municipal international relations, intergovernmental relations, and special programmes that promote the interests of the disabled, youth and gender.

*** Communications**

The ADM has actively promoted community participation in the decision making process of Council. This has been implemented in a number of different ways, including undertaking an IDP and budget roadshow to communities at all local municipalities; the Council Open Day, the imbizos in October 2005 and April 2006, as well as hosting information days at various centres within the district. In addition, a number of different forums are held on a regular basis where representatives of community structures have a direct role to play in policy decisions.

The South African Local Government Association's National Communications Conference in Tshwane earlier in 2006 presented a five (5) year programme for local government communications, which will see the strengthening of communications with ward committees and building their capacity at the grassroots level.

*** Municipal International Relations**

The 2005/06 financial year marked the consolidation of twinning programmes with two (2) sister municipalities abroad. At the beginning of the year, implementation plans for the partnerships were developed with the sister municipalities of Kampala Central Division and the City of Glasgow respectively.

*** Special Programmes**

The ADM entered into a partnership with PricewaterhouseCoopers to train a number of young disabled students in Marimba band techniques and leadership skills. More than a third of local development projects benefited the youth. The ADM also supported the launch of SAWID structures in the region. A policy framework to guide the institution on issues of children and the elderly is in the process of being finalised.

*** Supply Chain Management**

The ADM developed a Supply Chain Management (SCM) Policy which was adopted on 19 August 2005 and implemented on 1 October 2005. The policy empowers the ADM to assist in redressing the skewed distribution of wealth and assists black economic empowerment by providing a helpdesk. It sets targets for the institution and heads of departments. The SCM unit provides advice to tenderers and conducts regular workshops with all relevant stakeholders.

*** Municipal Support**

District and local municipalities are independent and autonomous categories of local government, each assigned distinctive powers and functions. District municipalities are legislatively required to assist and build the capacity of local municipalities within their demarcated area so that they perform their functions and exercise their powers.

The ADM established the Municipal Support Unit (MSU) in response to Section 83(3)(c) of the Municipal Structures Act 117 of 1998 (as amended) to provide dedicated support to local municipalities in the areas of finance, human resources, administration, technical services, development planning and performance management matters.

Besides the MSU, all departments within ADM have targets for supporting local municipalities reflected in their respective performance scorecards and are measured accordingly. The MSU utilizes human capital resources and expertise available within the ADM in their support to local municipalities.

There are departments and / or functions, however, which are not represented within the MSU. These are exceptional in that they realize specific powers and functions assigned to the ADM for implementation within local municipality demarcated areas.

The goal of the MSU is to transform local municipalities within the district to such an extent that they will in future be self-sufficient, responsive, developmental in nature and, above all, financially sustainable.

The following provides an overview of the support provided to local municipalities and the performance highlights of the MSU:

ACTIVITY	PURPOSE	AFFECTED LMs
Establish financial archiving & storage facilities	Improve record keeping / Promote a conducive working environment / Influence audit reports	Nkonkobe
Develop an ideal BTO structure / Align municipal-specific structures / Assess delegation	Legislative compliance / Awareness / Support 'medium' & 'low capacity' LMs / Identify gaps	Amahlathi / Great Kei / Mbashe / Ngqushwa / Nkonkobe / Nxuba
Update books & records / Prepare financial statements	Address backlogs / Initiate Auditor-General activities / Compliment the 'uniform FMS implementation' project	Great Kei / Nkonkobe / Nxuba
Implement a uniform financial management system within the district	Enhance district support / Initiate financial record keeping & reporting / Economies of scale / Sustainability	Amahlathi / Great Kei / Mbashe / Ngqushwa / Nkonkobe / Nxuba
Facilitate LM Finance Portfolio Councillor working sessions	Awareness / Capacity building / Communication / Coordination	All
Develop / review LM IDPs & performance management systems	Legislative compliance / Strategic planning / Monitor & evaluate IDP implementation	All
Coordinate the development of a Spatial Development Framework	Promote spatial planning / Manage spatial & land use systems	All
Align NSDP, PGDP, & IDP at a district level	Align national, provincial & district municipality planning activities	Amathole District Municipality
Facilitate the development of sector plans	Integrate sector dimensions & cross cutting issues (i.e. HIV & AIDS mainstreaming into planning activities)	All
Preside over LM disciplinary tribunals	Facilitate a stable employer & employee relationship / Address matters of work ethic	Amahlathi / Mbashe / Nkonkobe
Undertake teambuilding, diversity & change management working sessions	Facilitate political & administrative harmony / Define roles & responsibilities	Mbashe
Develop & roll out HR & labour relations booklets	Awareness / Implement new Conditions of Service & concluded Collective Agreements	All, except Buffalo City
Initiate an Employee Assistance Programme within the workplace	Awareness / Facilitate training programmes for identified personnel	Amahlathi / Mbashe / Mquma / Nxuba / Nkonkobe
Undertake assessor training at NQF level 5	Capacitate Skills Development Facilitators & HR practitioners	All, except Buffalo City
Quantify the district roads network	Information gathering / Preparation for the development of a Road Management System	All, except Buffalo City
Formulate Project Management Units	Expedite MIG funding expenditure / Facilitate project implementation	All, except Buffalo City
Provide a Licensing and Testing centre	Improve service delivery	Mquma
License Solid Waste Disposal sites	Legislative awareness / Ensure that disposal sites meet the minimum DWAF requirements	All
Distribute free basic electricity coupons	Awareness / Provide eligible communities access to free basic electricity	All
Training of treatment works operators	Improve service delivery / Capacitate water treatment plant operators	All, except Buffalo City
Facilitate a consulting engineers' working session	Awareness / Encourage registration & affiliation with relevant professional bodies	All
Coordinate the district SAICE / DPLG programme	Capacitate student engineers	All
Facilitate SCM policy development & working sessions	Awareness / Legislative compliance / Capacitation / Expedite procurement processes	All, except Buffalo City
Facilitate the development of Standing Rules	Regulate Council meetings & activities	All, except Buffalo City
Facilitate a Community Based Planning session	Awareness / Enhance community participation	All, except Buffalo City

HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT

Institutional Structure

The institutional structure of the ADM is divided into two (2) sections, namely political and administrative structures. The administrative structure is accountable to the political structure.

Political Structure

The centre of the ADM's political structure is Council, which operates through a number of committees. Listed below are the committees that assist Council in carrying out its political responsibilities and mandates:

- Rules Committee
- Audit Committee
- Standing Committees
 - Infrastructure
 - HR and Administration
 - Community Services
 - Development and Planning

The above committees are established in terms of Sections 79 and 80 of the Local Government Municipal Structures Act 117 of 1998 (as amended).

Administrative Structure

The centre of the ADM's administrative structure is the Municipal Manager, who administers the institution with departments and various units reporting directly to him / her.

The organisational and establishment plan for the ADM and the various departments is as follows:

The ADM top structure is summarised as follows:

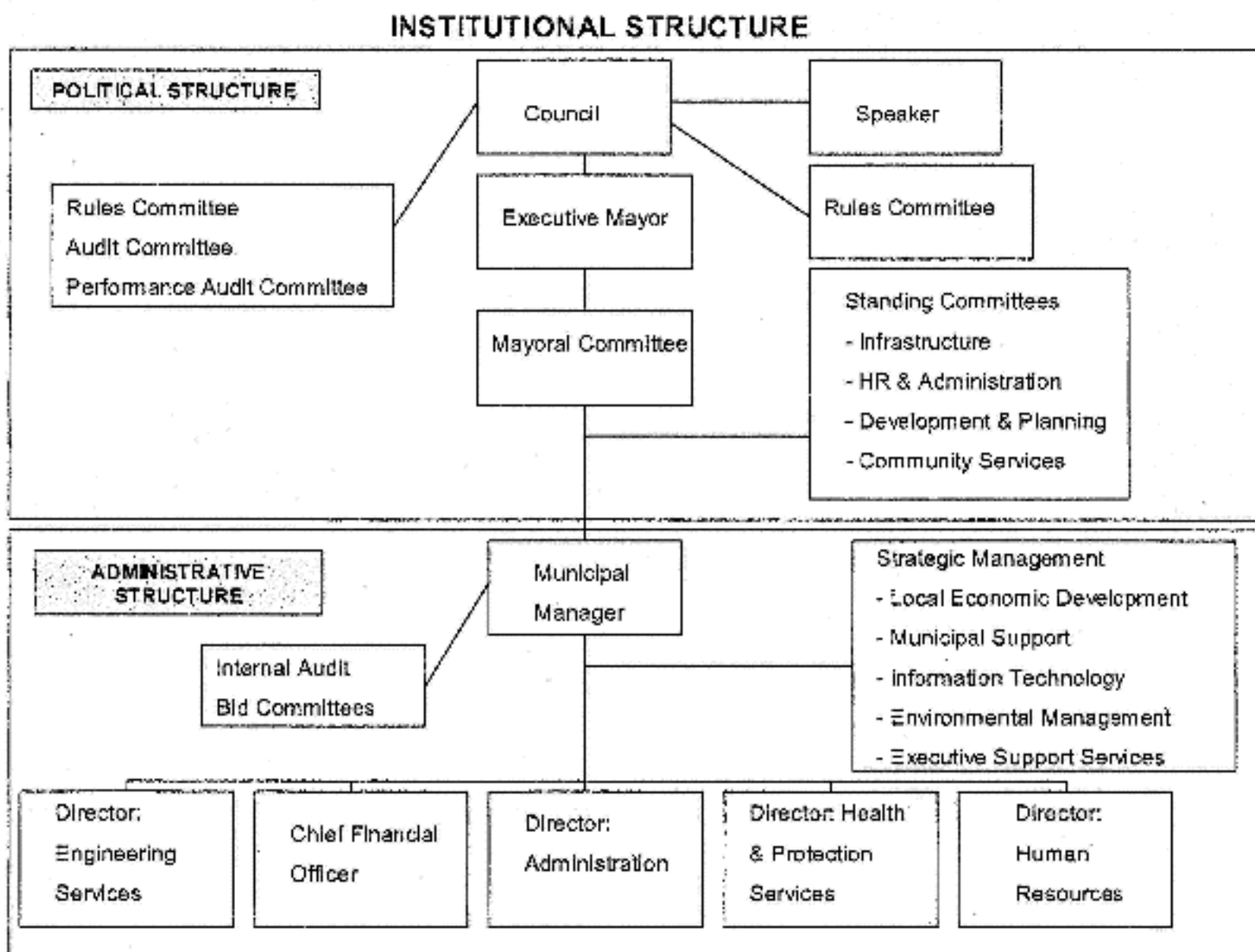
- | | |
|-------------------|---|
| Name: | Amathole District Municipality |
| Purpose: | To develop and implement an Integrated Development Plan for the Amathole District Municipality |
| Functions: | <ul style="list-style-type: none"> - Management of the municipality; - Rendering administrative services to the municipality; - Rendering financial services to the municipality; - Rendering human resources services to the municipality; - Rendering health and protection services; - Rendering engineering services; and - Rendering support to the Executive Mayor's Office. |

There are seven (7) departments established to perform the functions, namely:

- Municipal Manager's Office
- Administration
- Budget and Treasury Office

- Human Resources
- Health and Protection Services
- Engineering Services
- Executive Support Services

The ADM's institutional structure is illustrated as follows:



Organogram as at 30 June 2006

A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS			
Department	No of Posts per Division	Total	Filled
Office of the Mayor	Executive Support Services	21	15
Municipal Manager's Office	Municipal Manager	1	1
	Office Administrator: Municipal Manager	1	1
	Receptionist	1	1
	Strategic Manager	1	1
	Office Administrator: Strategic Manager	1	1
	Division: Local Economic Development	5	5
	Division: Information Systems	7	7
	Division: Municipal Support	12	11
	Division: Internal Audit	8	4
	Division: Environmental Management	4	3

A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS			
Department	No of Posts per Division	Total	Filled
	TOTAL	62	50
Administration	Director	1	1
	Secretary: Director	1	1
	Deputy Director	1	1
	Division: Supply Chain Management	6	5
	Division: Council Support & Auxiliary Services	35	35
	Division: Land & Housing	13	13
	TOTAL	57	56
Budget & Treasury Office	Chief Financial Officer	1	1
	Secretary: Chief Financial Officer	1	1
	Deputy Director	1	1
	Systems Analyst	1	1
	Division: Expenditure	9	7
	Division: Budget & General	9	5
	Division: Income	30	21
	TOTAL	52	37
Human Resources	Director	1	1
	Secretary: Director	1	1
	Deputy Director	1	1
	Division: PA & IR	7	7
	Division: Recruitment & Organisational Development	4	3
	Division: HRD & Occupational Risk Management	8	8
	TOTAL	22	21
Engineering Services	Director	1	1
	Secretary: Director	1	1
	Administration Support Management	1	1
	Receptionist	1	1
	Division: PMU	17	10
	Division: Planning & Construction	7	5
	Division: Operations & Maintenance	66	53
	Division: Building Management & Services Planning	22	17
	TOTAL	116	89
Health & Protection Services	Director	1	1
	Secretary: Director	1	1
	Deputy Director	1	1
	Division: Nursing Services	87	78
	Division: Environmental Health	44	10
	Division: Disaster Management	30	25
	Division: Safe & Healthy Environment	1	1
	TOTAL	165	117
GRAND TOTAL		474	370

Organisational Capacity Building, Occupational Health and Safety and Employee Assistance

The strategic objectives of this function are tabulated as follows:

*** Training and development**

- To equip the ADM councillors and employees with the necessary skills, knowledge and attitude for effective and efficient service delivery.
- To organise Adult Basic Education and Training for employees who want to improve their educational status.

- To organise opportunities for student trainees to do practical work in the Council when that becomes the requirement for qualification.
- To provide assistance / advice to the local municipalities on capacity building.
- To develop, implement and report on the ADM's Workplace Skills Plan.
- To develop and review all training and development-related policies.
- To ensure compliance with all legislation related to training and development.

*** Occupational health and safety**

- To implement the requirements of the Occupational Health and Safety Act and the Compensation for Injuries and Diseases Act.
- To develop and review all occupational and safety-related policies.
- To provide assistance / advice to local municipalities on workplace health and safety issues.

*** Employee assistance**

To ensure the health and safety of employees by providing the following services:

- Counselling to employees who need assistance.
- Coordinating the HIV and Aids Programme in the workplace.
- Primary and Occupational Health.
- Educating employees on Employee Assistance Programme (EAP).

Organisational Capacity Building

*** Council training programme**

The ADM is constantly making a concerted effort to ensure that sufficient skills exist to fulfill the responsibility with which it has been entrusted. To this end, the Council compiled a training programme informed by the identified training needs of Councillors and officials. Such training needs had to be aligned with the business objectives of the Council (i.e. the Integrated Development Plan), and the skills plan of the local government sector (i.e. Skills Sector Plan). The training programme formed the basis of the Workplace Skills Plan (WSP) for the Council, which was submitted to the Local Government, Water and Related Services Sector Education and Training Authorities (LGWSETA).

Although some of the training for councillors is facilitated through the South African Local Government Association (SALGA) Eastern Cape, the Council has a share of responsibility that compels it to make interventions where skills gaps not catered for by the former have been identified.

The following is a synopsis of the programme that was followed for training intervention in the 2005/2006 financial year for the ADM councillors and employees:

*** Training intervention in the 2005/06 financial year**

A total of 43 courses were conducted for both councillors and officials. Funding was proportioned in such a manner that at least 25% was spent on training in each quarter. The synopsis below seeks to highlight the training interventions that were done during the 2005/06 financial year, indicating the total number of courses and the number of councillors and officials who attended such courses.

No.	Training Courses	No. of Councillors	No. of Officials
1.	HIV and AIDS	5	25
2.	Disease Outbreak Response	-	34
3.	Basic First Aid	-	10
4.	Employee Assistance Programme	-	-
5.	Introduction to Computers	3	4
6.	Basic Word	2	7
7.	Intermediate Word	-	2
8.	Advanced Word	1	1
9.	Basic Excel	1	5
10.	Intermediate Excel	-	-
11.	Excel Macros	-	7
12.	Basic PowerPoint	-	10
13.	Intermediate PowerPoint	1	12
14.	Basic MS Project	-	6
15.	Job Description Writers	-	15
16.	Skill Audit	-	2
17.	Employment Equity	-	3
18.	Policy Formulation	-	15
19.	Payroll	-	1
20.	Finance for Non-Financial Managers	-	4
21.	Time Management	-	25
22.	How to Manage Personal Finance	-	60
23.	Conflict Management	-	45
24.	Supply Chain Management	-	120
25.	Water Services Authority	-	15
26.	Billing Codes	-	5
27.	Effective Communication / Customer Care	-	15
28.	Basic Plumbing Course	-	8
29.	Project Management	-	10
30.	Value Added Tax	-	24
31.	Change Management	-	13
32.	Municipal Finance Management Act	38	22
33.	Fleet Management	-	1
34.	Induction of Councillors	73	-
35.	Sustainable Development	10	-
36.	Monitoring and Evaluation	12	-
37.	SALGA Core Councillor Training	7	-
38.	Strategic Planning and Change Management	13	-
39.	Labour Relations Act	5	-
40.	Recruitment, Appointment, Promotion and Arbitration	-	2
41.	Venus Structure	-	1
42.	Levy	-	10
43.	Budget Processes	-	10
TOTAL		171	549

* It should be noted that certain councillors and employees attended more than one course, hence the total number of councillors and officials who received training exceed the actual number of people in the establishment.

Of the R1,086 million allocated for training, 100% expenditure was realised by June 2006.

TOTAL EMPLOYEE QUALIFICATION PROFILE											
	Highest level qualifications held by employees shown in NQF / NQF equivalent levels									TOTAL	
	Below level 1	1	2	3	4	5	6	7	8	M	F
TOTALS	45	40	30	30	110	42	44	72	25	163	275

Experiential Training Programme

The ADM has been following an experiential training programme since 2002, as part of its social responsibility focus. The purpose of this programme is to:

- Expose learners to real life situations, enable them to understand the theoretical knowledge and develop appropriate skills for future involvement.
- Bridge the gap between theory and practice and give learners the opportunity to develop insights into the real world.
- Develop and prepare a pool from which well guided and grounded recruits who understand the intricacies of local government service can be drawn.

A total of seven (7) learners from various technikons in the Eastern Cape were given the opportunity to gain practical experience by being placed in various ADM departments, including Human Resources, Administration, Engineering and the Municipal Manager's Office. The duration of this programme, coordinated by the Human Resources Department, ranges from six (6) to 18 months.

Learnership Programme

The ADM, in conjunction with the Local Government SETA, embarked on the implementation of the Local Economic Development Officer Learnership Programme at NQF level 4. This 18-month programme commenced in May 2005 with class work ending August 2006. Twelve (12) learners participated, of which four (4) were selected from the unemployed category and seven (7) from the local municipalities.

The ADM is responsible for the coordination and administration of the programme, and also plays the role of employer of all unemployed learners.

The ADM allocated funding (R600 000) to the programme, with the balance being contributed by the LGWSETA.

ABET Programme

Commencement of the Adult Basic Education and Training (ABET) programme was delayed by almost a month due to contract changes arranged by the Local Government SETA. The programme started with the service provider, Siyaphambili Adult Education Services, in April 2005. Sixteen (16) officials participated.

Despite regular motivation talks to prevent drop-outs, only 11 learners continued with the programme to December 2005, which marked the end of the academic year. Of the 11 participants who completed the programme, seven (7) passed.

A total of 17 officials have registered for the ABET programme during 2006.

Bursary Scheme for Students in Rare Skills

Further to its social responsibility programme, the ADM is engaged in awarding bursaries to students who pursue studies in rare fields like engineering, finance, information technology, etc.

To this end, two (2) female students have been awarded bursaries to study civil engineering. One (1) is doing practical work towards the completion of her studies (S6), while the other is doing her second year of study.

Employee Assistance and Wellness Programme

To show the commitment the ADM has to the health and well-being of its employees, it embarked on an Employee Assistance and Wellness Programme. The programme is aimed at providing assistance to employees in a broad range of personal concerns, including but not limited to marital, family and relationship problems, substance abuse and other addictive behaviours, dealing with the HIV and AIDS pandemic, workplace violence and trauma counselling, workplace discrimination, personal debts and financial management, stress; psychological problems, sexual harassment, chronic illnesses, etc. The programme is available to all councillors, employees, retirees, as well as spouses and dependants of employees.

The ADM councillors and management were trained on how to manage HIV and AIDS issues, and on how to manage the programme as a whole. Peer educators, who will assist in dealing with HIV and AIDS related problems, have also been trained. All departments were represented.

The Employee Assistance and Wellness Unit is currently rolling out the programme for implementation in all local municipalities within the Amathole district, excluding the Buffalo City Municipality already having such a programme. These municipalities are being financially assisted and are given appropriate advice to ensure the programme is sustainable.

Compliance with Occupational Health and Safety Legislation

In line with the Occupational Health and Safety Act (OHASA) 85 of 1993, the Occupational Health and Safety section must ensure that all the ADM councillors and employees work in a safe and healthy environment. This section also facilitates compensation for the disabled, death, injuries and diseases contracted or sustained in the course of duty, in line with the Compensation for Occupational Injuries and Diseases Act 130 of 1993.

During the 2005/06 financial year, an employee died as a result of a hijacking while on duty. Five (5) other employees were injured during the course of duty. All these incidents were reported to the Compensation Commissioner.

The Occupational Health and Safety section has continued to render assistance to the Project Management Unit in the implementation of the ADM's Health and Safety Plan for Contractors.

Assistance and advice are continuously provided to local municipalities on request, to ensure compliance with the OHASA. To this end, the following four (4) local municipalities were assisted:

- Mbashe Municipality
- Amahlathi Municipality
- Mquma Municipality
- Great Kei Municipality

Formulation and Implementation of HR Policies and Employment Equity Skills Development Plans

No	Key Initiatives	Key successes																
1.	<p>Employment Policies</p> <p>Recruitment, Promotion & Transfer, Career Succession Planning Policies & Employment Equity & Skills Development Plans</p>	<ul style="list-style-type: none"> • Motivation for filling vacant posts are done according to the Recruitment Policy. <ul style="list-style-type: none"> - The Executive Mayor and Municipal Manager approve the filling of vacant posts. - Short listing and interviewing committees are constituted according to the Recruitment Policy to ensure transparency and accountability. - Relevant competency tests have been used as and when necessary. - The roll-out strategy for the Promotion and Transfer and Career Succession Planning policies is underway. - The Employment Equity profile in the three highest levels of employment was as follows as at 30 June 2006: <table border="1"> <thead> <tr> <th>Levels of Employment</th> <th>Target</th> <th>Actual</th> <th>Variance</th> </tr> </thead> <tbody> <tr> <td>Percentage of black employees in three highest levels of management.</td> <td>55%</td> <td>78%</td> <td>23%</td> </tr> <tr> <td>Percentage of female employees in three highest levels of management.</td> <td>35%</td> <td>32%</td> <td>-3%</td> </tr> <tr> <td>Percentage number of disabled employees in three highest levels of management.</td> <td>2%</td> <td>0.2%</td> <td>1.8%</td> </tr> </tbody> </table>	Levels of Employment	Target	Actual	Variance	Percentage of black employees in three highest levels of management.	55%	78%	23%	Percentage of female employees in three highest levels of management.	35%	32%	-3%	Percentage number of disabled employees in three highest levels of management.	2%	0.2%	1.8%
Levels of Employment	Target	Actual	Variance															
Percentage of black employees in three highest levels of management.	55%	78%	23%															
Percentage of female employees in three highest levels of management.	35%	32%	-3%															
Percentage number of disabled employees in three highest levels of management.	2%	0.2%	1.8%															
2.	<p>Employee Health & Safety Policies</p> <p>Sexual and Other Harassment, Smoking, Rainy Day, Substance Abuse, HIV & Aids, Vehicle Usage and Vehicle Accidents Policies</p>	<ul style="list-style-type: none"> • Sexual and Other Harassment Policy roll-out to employees was conducted and finalized by 30 June 2004. • Smokers are complying with the smoking arrangements. Non-smoking areas have been designated. Defaulters are reprimanded accordingly. • Implementation of the Rainy Day Policy has improved the safety of employees. • Employees with problems of substance abuse problems will be referred for professional assistance. • The prevalence of the HIV and Aids pandemic has been established thus far amongst employees. • A comprehensive EAP Unit has been established. • Plans to establish staff wellness clinic are underway. • Condoms are distributed in the work place. 																

3.	Employee Capacity Building & Productivity Enhancement Policies Training & Development & Performance Management Policies	<ul style="list-style-type: none"> • 43 courses were delivered to 720 participants. • An amount of R1,086 million was spent on training. • The PMS was rolled out to post levels 2 to 15.
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Activities of the Job Evaluation Unit

In terms of the Collective Agreement concluded by the Eastern Cape Local Government Bargaining Council, the ADM and Buffalo City Municipality were commissioned to establish a Job Evaluation Unit for the Amathole District Region as demarcated by South African Local Government Bargaining Council. The municipalities budget for funding of accommodation, employment and other logistical requirements.

Financial Information on Medical Aids and Pension Funds

2005/06 EXPENDITURE ON MEDICAL AID SCHEMES		
Name of Scheme	No of Members at 30 June 2006	Annual Costs
Bonitas	107	R 1,884,813
LA Health	23	R 387,162
MuniMed	79	R 1,699,752
SAMWUMed	5	R 61,828
Hosmed	2	R 44,893
Total	216	R 4,078,448

2005/06 EXPENDITURE ON PENSION FUNDS		
Name of Fund	No of Members at 30 June 2006	Annual Costs
Cape Joint Retirement Fund	243	R 7,602,193
Cape Joint Pension Fund	14	R 236,107
SAMWU Provident Fund	48	R 411,281
GRAND TOTAL	305	R 8,249,581

TOTAL PERSONNEL EXPENDITURE ANALYSIS OVER THE PAST 3 YEARS			
Financial Year	Total Personnel Expenditure	Total Municipal Budget	Percentage Variance
2003/04	R 57,350,969	R 323,188,681	17.75%
2004/05	R 53,244,437	R 358,561,442	14.85%
2005/06	R 73,840,075	R 561,750,681	13.14%

Employee Related Costs

Remuneration of the Municipal Manager (Appointed 1 November 2004)		
	2005/06	2004/05
Annual Remuneration	R 431,622	R 287,748
Performance Bonuses	R 44,116	R 0
Acting Allowance	R 0	R 0
Cell Phone Allowance	R 13,560	R 4,168
Car Allowance	R 190,470	R 106,382
Contributions to UIF, Medical & Pension Fund	R 86,708	R 162,328
TOTAL	R 766,476	R 560,627

Remuneration of the Chief Finance Officer		
	2005/06	2004/05
Annual Remuneration	R 337,200	R 328,579
Performance Bonuses	R 87,540	R 95,086
Acting Allowance	R 0	R 0
Cell Phone Allowance	R 16,920	R 16,920
Car Allowance	R 137,903	R 125,874
Contributions to UIF, Medical & Pension Fund	R 87,586	R 88,357
TOTAL	R 667,149	R 654,817

Remuneration of the Director: Administration		
	2005/06	2004/05
Annual Remuneration	R 341,007	R 340,000
Performance Bonuses	R 82,935	R 96,087
Acting Allowance	R 0	R 23,097
Cell Phone Allowance	R 16,920	R 16,920
Car Allowance	R 141,720	R 112,620
Contributions to UIF, Medical & Pension Fund	R 83,627	R 88,950
TOTAL	R 666,209	R 677,674

Remuneration of the Director: Engineering		
	2005/06	2004/05
Annual Remuneration	R 341,007	R 340,000
Performance Bonuses	R 79,912	R 70,063
Acting Allowance	R 0	R 0
Cell Phone Allowance	R 16,920	R 16,920
Car Allowance	R 138,195	R 110,683
Contributions to UIF, Medical & Pension Fund	R 84,257	R 92,133
TOTAL	R 660,291	R 629,800

Remuneration of the Director: Human Resources		
	2005/06	2004/05
Annual Remuneration	R 341,007	R 340,000
Performance Bonuses	R 76,219	R 83,075
Acting Allowance	R 0	R 0
Cell Phone Allowance	R 8,040	R 0
Car Allowance	R 141,047	R 119,891
Contributions to UIF, Medical and Pension Fund	R 86,621	R 84,762
TOTAL	R 652,934	R 627,728

Remuneration of the Director: Health & Protection		
	2005/06	2004/05
Annual Remuneration	R 341,007	R 343,000
Performance Bonuses	R 86,023	R 85,077
Acting Allowance	R 0	R 0
Cell Phone Allowance	R 16,920	R 16,920
Car Allowance	R 152,173	R 117,308
Contributions to UIF, Medical & Pension Fund	R 70,141	R 85,470
TOTAL	R 666,264	R 647,775

Remuneration of the Strategic Manager (Appointed 1 March 2005)		
	2005/06	2004/05
Annual Remuneration	R 339,631	R 270,082
Performance Bonuses	R 18,918	R 0
Acting Allowance	R 0	R 19,853
Cell Phone Allowance	R 8,040	R 0
Car Allowance	R 148,316	R 89,358
Contributions to UIF, Medical & Pension Fund	R 79,354	R 63,094
TOTAL	R 594,259	R 442,387

Remuneration of Councillors		
	2005/06	2004/05
Executive Mayor	445,632	429,064
Speaker	366,405	363,300
Mayoral Committee Members	2,999,598	2,997,434
Councillors	2,874,288	2,574,604
Sitting Allowance	130,027	95,208
Total	6,815,950	6,459,607

In-Kind Benefits

The Executive Mayor, Speaker and Mayoral Committee members are full time positions. Each is provided with an office and secretarial support at the cost of the Council. The Executive Mayor has use of a Council-owned vehicle for official duties and has a full-time driver / bodyguard.

TAXES	2005/06	2004/05
	R 10,554,168	R 8,164,997

PAYE AND UIF	2005/06	2004/05
Opening balance	R 0	R 0
Current year payroll deductions & Council contributions	R 11,310,760	R 9,075,110
Amount paid – Current year	- R 11,310,760	- R 9,075,110
Amount paid – Previous year	R 0	R 0
Balance unpaid (included in creditors)	R 0	R 0

PENSION AND MEDICAL AID DEDUCTIONS	2005/06	2004/05
Opening balance	0	0
Current year payroll deductions & Council contributions	R 12,633,573	R 9,755,809
Amount paid – Current year	- R 12,633,573	- R 9,755,809
Amount paid – Previous year	R 0	R 0
Balance unpaid (included in creditors)	R 0	R 0

DISCLOSURE CONCERNING EXECUTIVE COUNCILLORS BY PORTFOLIO FOR PERIOD 1 JULY 2005 TO 30 JUNE 2006

Description	Speaker	Land & Housing	Community Safety	Health	Water & Sanitation	Roads & Infrastructure	Admin. Strategy & Asset Management	Economic Development	Community Liaison	Finance	Human Resources	Total
Salaries & Wages	230,927	216,467	202,869	216,467	216,182	216,467	216,182	216,079	217,243	216,467	67,915	2,220,261
Normal	224,573	210,438	197,125	210,438	210,438	210,331	211,499	210,438	57,915	210,438	57,915	2,164,071
Overtime												
Performance Bonus												
Back Pay	6,354	6,029	5,744	6,029	5,744	6,029	5,744	5,744	5,744	6,029		59,190
Council Contributions	33,107	33,704	26,753	41,337	41,337	41,337	41,337	38,749	39,252	40,754	1,014	378,633
Allowances	66,491	60,226	63,671	66,226	66,226	66,226	55,942	57,160	65,150	66,226	26,876	646,410
Travel & Motor Car	57,442	53,828	50,500	53,828	53,828	53,828	53,828	53,801	54,093	53,828	14,478	553,282
Accommodation												
Subsistence												
Cell Phone	9,049	12,398	3,171	12,398	12,398	12,398	2,114	3,349	1,057	12,398	12,398	93,128
Housing Benefits	37,378	37,378	35,015	37,378	37,378	37,378	37,378	37,378	37,604	37,378	10,378	382,087
Leaves & Advances												
Other Benefits												
Personal Facility												
Amounts Owed to Municipality												
Total Remuneration	367,903	361,775	316,308	361,408	361,123	361,408	350,791	349,352	349,309	360,826	96,188	3,630,391

* The portfolio for Human Resources was only filled in April 2006

REPORT OF THE AUDITOR-GENERAL TO THE COUNCIL ON THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS OF AMATHOLE DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2006

1. AUDIT ASSIGNMENT

The annual financial statements as set out on pages ... to ... for the year ended 30 June 2006, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004) and section 126(3) of the Municipal Finance Management Act, 2003 (Act No.56 of 2003). These annual financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these annual financial statements, based on the audit.

2. SCOPE

The audit was conducted in accordance with the International Standards on Auditing read with *General Notice 1512 of 2006*, issued in *Government Gazette No. 29326* of 27 October 2006. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used and significant estimates made by management
- evaluating the overall financial statement presentation.

I believe that the audit provides a reasonable basis for my opinion

3. BASIS OF ACCOUNTING

The municipality's policy is to prepare financial statements (and consolidated financial statements) on the basis of accounting determined by the National Treasury, as described in the addendum to this report.

4. QUALIFICATION

4.1 Policy and procedure framework

4.1.1 Non-compliance with financial statement preparation framework

The municipality must prepare financial statements in accordance with the basis of accounting determined by the National Treasury, as described in paragraph 3 above. The basis of preparation disclosed in the accounting policies of the annual financial statements indicates that the municipality has elected not to comply with accounting standards which are outside the ambit of Generally Accepted Municipal Accounting Practice (GAMAP) and Generally Recognised Accounting Practice (GRAP). This is in contravention of GRAP 3: *Accounting Policies, Changes in Accounting Estimates and Errors*, which requires that the

South African Statements of Generally Accepted Accounting Practice (GAAP), including any interpretations of such Statements issued by the Accounting Practices Board, be applied for the recognition and measurement of all transactions that do not fall within the scope of GAMAP and GRAP. The following deviations from the required basis of preparation were identified:

- a) The accounting policy for revenue does not comply with the requirements of GAMAP 9: *Revenue*. In terms of paragraph 50, levies shall be recognised as revenue when it is probable that the economic benefits or service potential associated with the transaction will flow to the entity, and the amount of the revenue can be measured reliably. Paragraph 51 continues to state that revenue will be determined from declarations actually received by due date of the payment, together with an estimate of levies due when a levy payer has not submitted a declaration in the reporting period where payment was due. Based on this requirement, the levy revenue for the 2005-06 year should be recognised irrespective of whether a declaration has been submitted by 30 June 2006. The total misstatement can not be determined.
- b) Financial instruments have not been recognised or measured in terms of International Accounting Standard (IAS) 39: *Financial Instruments: Recognition and Measurement* nor disclosed in terms of IAS32: *Financial Instruments: Disclosure and Presentation*. The financial misstatement with regards to this is unknown as the municipality would have to determine an adequate discount rate in accordance with their risk profile and the discounting period if not known would have to be estimated. This may have a material impact on current liabilities and current assets of R69 555 523 and R14 887 391 respectively.
- c) There is no accounting policy to recognise the municipality's liability for the defined benefit plan in respect of post employment benefits as required by IAS 19: *Employee Benefits*. Accordingly an actuarial gain/loss has not been recognised in the statement of financial performance and the required disclosure has not been reported.
- d) Operating lease payments have been accounted for when the payments fall due and not on a straight line basis as required by IAS17: *Leases*. The accounting policy used to account for operating leases is therefore incorrect.
- e) The municipality does not have an accounting policy for investment property as required by IAS 40: *Investment Property*. As a result, none of the disclosure required by this standard has been complied with.
- f) Leave pay and performance bonuses owing to employees, of R2 673 587 and R824 782 respectively, have been recorded as provisions, rather than accruals, which represents non-compliance with GAMAP 19: *Provisions, Contingent Liabilities and Contingent Assets*. No accrual has been recognised for service bonuses.
- g) The accounting policy for property, plant and equipment does not contain sufficient information regarding the revaluation and impairment of assets as required by GAMAP 17: *Property, Plant and Equipment*.
- h) The municipality does not have an accounting policy for its investment in the municipal entity as required by GAMAP 6: *Consolidated Financial Statements and Accounting for Controlled Entities*.

4.1.2 Capital commitments

Inadequate supporting documentation and/or calculation errors render it impossible to determine the accuracy and validity of capital commitments, disclosed at R269 778 131 in note 34 to the annual financial statements.

5. QUALIFIED AUDIT OPINION

In my opinion, except for the effect on the financial statements of the matters referred to in paragraph 4, the financial statements present fairly, in all material respects, the financial position of the municipality (and the group) at 30 June 2006 and the results of its operations and cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as described in the addendum to this report.

6. EMPHASIS OF MATTER

Without further qualifying the audit opinion, attention is drawn to the following matters:

6.1 Internal audit

The internal audit unit, required in terms of section 165 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003) did not effectively carry out its duties in the current year as only 10 percent of the planned activities for the year, as indicated in the annual risk-based internal audit plan, were achieved.

6.2 Inadequate monitoring

6.2.1 Personnel costs

The personnel budget for the current year was R80 711 155 of which R71 211 056 was spent. The difference of R9 500 099 (twelve percent) was not spent during the current year.

6.2.2 Externally funded projects

Included in note 3 to the annual financial statements, are unspent conditional grants and receipts of R181 708 294. Of these, individual projects totalling R7 573 227 (four percent) showed no movement for the financial period under review except for interest. Unspent grants and receipts totalling R2 814 352 were reallocated and/or declared as savings subsequent to year end.

Furthermore, the municipality did not spend R120 237 603 (thirty three percent) of the total allocated budget (including rollovers) in the current year.

6.2.3 Priority projects

The municipality did not spend R43 267 089 (thirty two percent) of the total available funds, which included the budget allocation and rollovers, in the current year.

7. APPRECIATION

The co-operation and assistance rendered by the staff of Amathole District Municipality during the audit is sincerely appreciated.



S.M. NGQWALA for Auditor-General

EAST LONDON

30 November 2006



ADDENDUM TO THE REPORT OF THE AUDITOR-GENERAL ON THE ANNUAL FINANCIAL STATEMENTS OF AMATHOLE DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2006

Basis of preparation

The financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) and the Standards of Generally Accepted Municipal Accounting Practices (GAMAP) prescribed by the Minister of Finance in terms of:

- *General Notice 991 of 2005, issued in Government Gazette no. 28095 of 7 December 2005; and*
- *General Notice 992 of 2005, issued in Government Gazette no. 28095 of 15 December 2005.*

The standards comprise of the following:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changes in Accounting Estimates and Errors
GAMAP 4	The Effects of Changes in Foreign Exchange Rates
GAMAP 6	Consolidated Financial Statements and Accounting for Controlled Entities
GAMAP 7	Accounting for Investments in Associates
GAMAP 8	Financial Reporting of Interests in Joint Ventures
GAMAP 9	Revenue
GAMAP 12	Inventories
GAMAP 17	Property, Plant and Equipment
GAMAP 19	Provisions, Contingent Liabilities and Contingent Asset

Accounting policies for material transactions, events or conditions not covered by the above GRAP and GAMAP Standards have been developed in accordance with paragraphs 7, 11 and 12 of *GRAP 3: ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS*. These accounting policies and the applicable disclosures have been based on the South African Statements of Generally Accepted Accounting Practices (GAAP) including any interpretations of such Statements issued by the Accounting Practices Board.



The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

30 JUNE 2006

INDEX

	PAGE
1) STATEMENT OF FINANCIAL POSITION	2
2) STATEMENT OF FINANCIAL PERFORMANCE	3
3) STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR	4
4) CASH FLOW STATEMENT	5
5) ACCOUNTING POLICIES	6 (1) - 6 (4)
6) NOTES TO THE ANNUAL FINANCIAL STATEMENTS	7 (1) - 7 (16)
7) APPENDICES	
a) <i>Schedule of External Loans</i>	8
b) <i>Analysis of Property, Plant and Equipment</i>	9 (1) - 9 (2)
c) <i>Segmental analysis of property, Plant and Equipment</i>	10 (1) - 10 (2)
d) <i>Segmental Statement of financial performance</i>	11 (1) - 11 (2)
e 1) <i>Actual versus Budget (Revenue & Expenditure)</i>	12 (1) - 12 (2)
e 2) <i>Actual versus Budget (Acquisition of Property, Plant and Equipment)</i>	13 (1) - 13 (2)
f) <i>Disclosure of Grants & Subsidies in terms of MFMA</i>	14
8) ANNEXURE	
1) <i>Conditional Grants and Receipts</i>	15 (1) - 15 (3)

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2006

MUNICIPALITY		NOTE	GROUP	
2005/06 R	2004/05 R		2005/06 R	2004/05 R
NET ASSETS AND LIABILITIES				
413,481,648	374,856,319		416,629,697	374,856,319
-	-		-	-
-	-		-	-
19,063,963	7,112,599		19,063,962	7,112,599
-	-		-	-
33,464,598	34,205,518	5.2	33,464,598	34,205,518
360,953,088	333,538,202		364,101,138	333,538,202
-	-		14,670	-
-	-	40	14,670	-
-	-		-	-
257,522,841	211,279,062		257,912,336	211,279,062
-	-		-	-
3,489,499	2,808,347	2	3,489,499	2,808,347
72,325,049	93,422,496	3, 14.5	72,541,541	93,422,496
181,708,294	115,048,219	3	181,815,553	115,048,219
-	-		85,744	-
-	-		-	-
-	-		-	-
-	-		-	-
-	-		-	-
671,004,489	586,135,381		674,556,702	586,135,381
ASSETS				
72,359,720	57,921,195		72,624,494	57,921,195
71,040,976	55,954,767	5.1	71,306,751	55,954,767
600,299	617,898	6	600,298	617,898
1,000	-	7.1	-	-
717,445	1,348,530	8	717,445	1,348,530
598,644,770	528,214,186		601,932,209	528,214,186
64,814,170	59,003,013	9	64,814,169	59,003,013
4,064,723	4,567,838	10	4,054,721	4,567,838
14,329,244	2,736,006	11, 14.5	14,098,920	2,736,007
7,349,433	9,691,386	11	7,500,876	9,691,386
351,115	517,718	8	351,114	517,718
465,451,549	400,769,979	7.2	465,451,548	400,769,979
42,294,535	50,928,246	12	45,860,862	50,928,246
671,004,489	586,135,381		674,556,703	586,135,381

.....
X.W. Msweli
MUNICIPAL MANAGER

DATE :

.....
CERTIFIED AS CORRECT
K.T. Jacoby
CHIEF FINANCIAL OFFICER

The Consolidated Annual Financial Statements of

AMATHOLE DISTRICT MUNICIPALITY

STATEMENT FOR FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2006

	Municipality Actuals		Note	Group Actuals	
	2004/05 R	2005/06 R		2004/05 R	2005/06 R
REVENUE					
Service Charges	247,748	271,375		247,748	271,375
Regional Service Charges	119,498,250	121,636,403	13	119,498,250	121,636,403
Rental of facilities & Equipment	59,923	108,316		59,923	108,316
Interest earned - external Investments	26,585,275	21,531,626		26,585,275	21,531,626
Interest earned - Outstanding Debtors	1,505,069	673,654		1,505,069	673,654
Income for agency Service	7,190,620	8,135,431	14.2	7,190,620	8,135,431
Government grants & Subsidies	297,056,175	287,980,344	14, 14.5	297,056,175	288,534,799
Other income	3,689,403	4,606,474	15	3,689,403	4,606,474
Gains on disposal of PPE	76,000	219,860		76,000	219,860
Bad debt provision	10,571,723	14,053,987		10,571,723	14,053,987
Total Revenue	466,480,184	459,217,468		466,480,184	459,998,629
EXPENDITURE					
Employee related costs	53,244,437	73,840,075	16	53,244,437	75,208,849
Remuneration of Councillors	113,910	130,027	17	113,910	210,710
Bad Debts	-	340,023		-	340,023
Collection Costs	960,558	897,129		960,558	897,129
Depreciation	3,068,512	5,412,281		3,068,512	5,452,501
Repairs & Maintenance	4,848,852	4,891,789		4,848,852	4,898,114
Interest & redemption on External Borrowings	-	-		-	-
Bulk Purchases	-	-		-	-
Contracted Services	-	-		-	-
Grants & Subsidies Paid	20,446,460	9,163,450	19	20,446,460	9,163,450
Grants & Subsidies Paid: Capital	92,771,136	42,035,891	19, 14.5	92,771,136	42,035,891
General expenses- other	296,660,661	288,665,946		296,660,661	284,647,305
Loss on disposal of PPE	263,773	354,779		263,773	354,779
Provision for Leave	-	744,305		-	744,305
Internal Charges	-	-		-	-
Total Expenditure	472,378,299	426,475,695		472,378,299	424,043,055
SURPLUS/(DEFICIT)	(5,898,115)	32,741,774		(5,898,115)	35,955,574
Taxation	-	-		-	(65,744)
SURPLUS/(DEFICIT) FOR THE YEAR	(5,898,115)	32,741,774		(5,898,115)	35,889,830

Refer to Appendix E (1) for explanation of variances

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2006 - MUNICIPALITY

	Capital Replacement Reserve	Capitalisation Replacement Reserve	Government Grant Reserve	Revaluation Reserve	Accumulated Surplus/ Deficit	Total
Balance at 1 July 2004			4,658,199		283,122,557	
Depreciation correction made			182,010		(182,010)	
Assets classified as inventory					8,180,312	
Restated opening balance			5,041,199		292,120,859	297,162,058
Assets classified as inventory					26,410,237	
Fire engine transferred to ADM					156,700	
GAMAP adjustments					23,052,339	
Re Valuation				34,494,405		
Restated balance			5,041,199	34,494,405	341,750,114	351,295,718
Surplus/deficit for the year					(5,898,115)	
Transfer to CRR	13,711,532				(13,711,532)	
Property, plant and equipment purchased	(13,711,532)				13,711,532	
Capital grants used to purchase PPE			2,855,026		(2,855,026)	
Donated/ contributed PPE					(883,135)	
Correction					135,483	
Transfer to leave reserve					(1,346)	
Offsetting of depreciation					(66,521)	
GAMAP adjustments					64,239	
Offsetting of depreciation			(783,535)	(288,887)	1,072,522	
			2,071,391	(288,887)	(8,211,902)	(5,425,399)
Balance at 30 June 2005			7,112,590	34,205,518	333,538,213	374,856,320
Opening balance			7,112,590	34,205,518	333,538,213	374,856,320
GAMAP adjustments					5,883,556	
Re Valuation						
Surplus/deficit for the year					32,741,774	
Transfer to CRR	7,980,926				(7,980,926)	
Property, plant and equipment purchased	(7,980,926)				7,980,926	
Capital grants used to purchase PPE			13,093,057		(13,093,057)	
Donated/ contributed PPE						
Disposal of asset				(33,711)	33,711	
Offsetting of depreciation			(1,141,884)	(707,208)	1,849,092	
			11,951,373	(740,919)	27,411,676	36,825,330
Balance at 30 June 2006			19,063,963	33,464,599	360,953,089	413,481,651

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2006 - GROUP

	Capital Replacement Reserve	Capitalisation Replacement Reserve	Government Grant Reserve	Revaluation Reserve	Accumulated Surplus/ Deficit	Total
Balance at 1 July 2004			4,658,199		283,122,557	
Depreciation correction made			182,010		(182,010)	
Assets classified as inventory					8,180,312	
Restated opening balance			5,041,199		292,120,859	297,162,058
Assets classified as inventory					26,410,237	
Fire engine transferred to ADM					156,700	
GAMAP adjustments					23,052,339	
Re Valuation				34,494,405		
Restated balance			5,041,199	34,494,405	341,750,114	351,295,718
Surplus/deficit for the year					(5,898,115)	
Transfer to CRR	13,711,532				(13,711,532)	
Property, plant and equipment purchased	(13,711,532)				13,711,532	
Capital grants used to purchase PPE			2,855,026		(2,855,026)	
Donated/ contributed PPE					(883,135)	
Correction					135,483	
Transfer to leave reserve					(1,346)	
Offsetting of depreciation					(66,521)	
GAMAP adjustments					64,239	
Offsetting of depreciation			(783,535)	(288,887)	1,072,522	
			2,071,391	(288,887)	(8,211,902)	(5,425,399)
Balance at 30 June 2005			7,112,590	34,205,518	333,538,213	374,856,320
Opening balance			7,112,590	34,205,518	333,538,213	374,856,320
GAMAP adjustments					5,883,556	
Re Valuation						
Surplus/deficit for the year					35,882,830	
Transfer to CRR	7,980,926				(7,980,926)	
Property, plant and equipment purchased	(7,980,926)				7,980,926	
Capital grants used to purchase PPE			13,093,057		(13,093,057)	
Donated/ contributed PPE						
Disposal of asset				(33,711)	33,711	
Offsetting of depreciation			(1,141,884)	(707,208)	1,849,092	
			11,951,373	(740,919)	30,882,932	41,773,366
Balance at 30 June 2006			19,063,963	33,464,599	384,101,145	416,829,707

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2006
ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention, except for the revaluation of land, buildings and community property, which are carried at fair value:

- Income is accrued when measurable and available to finance operations. Certain direct income is accrued when received.
- Expenditure is accrued in the year it is incurred.

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

The Municipality has transactions, events or balances that are outside the ambit of the accounting standards referred to above but which are included in Standards of International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants- Public Sector Committee, International Accounting Standards (IAS) issued by the International Accounting Standards Board or Generally Accepted Accounting Practice issued by the South African Accounting Practices Board and the South African Institute of Chartered Accounting Practice Committee. The Municipality has not complied with the measurements, recognition and disclosure of those accounting standards.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except as required or permitted by a Standard of GAMAP or GRAP.

2. PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand.

3. GOING CONCERN ASSUMPTION

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

4. RESERVES

4.1 Capital Replacement Reserve (CRR)

Amounts equivalent to the value of infrastructure, property, plant and equipment acquired are transferred from the accumulated surplus (deficit) to the CRR.

The CRR is reduced and the accumulated surplus/(deficit) is credited by a corresponding amount.

The amount transferred to the CRR is based on the municipality's need to finance future capital projects included in the Integrated Development Plan.

4.2 Government Grants Reserve

When items of property, plant and equipment are financed from government grants, a transfer is made from the accumulated surplus/ (deficit) to the Government Grants Reserve equal to the Government Grant recorded as revenue in the Statement of Financial Performance in accordance with a directive (budgeted circular) issued by National Treasury. When such items of property, plant and equipment are depreciated, a transfer is made from the Government Grant Reserve to the accumulated surplus/(deficit). The purpose of this policy is to promote community equity by ensuring that the future depreciation expenses that will be incurred over the useful lives of government grant funded items of property, plant and equipment are offset by transfer from this reserve to the accumulated surplus/(deficit). When items of property, plant and equipment financed from government grants is disposed, the balance in the Government Grant Reserve relating to such an item is transferred to the accumulated surplus/ (deficit).

4.3 Revaluation Reserve

The surplus arising from the revaluation of land and buildings is credited to a non-distributable reserve. The revalued assets are depreciated, through a transfer from the revaluation reserve to The accumulated surplus/ (deficit). On disposal, the net revaluation surplus is transferred to the accumulated Surplus/ (deficit) while gains or losses on disposal, based on revalued amounts, are credited or charged to the Statement of Financial Performance.

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
 FOR THE YEAR ENDED 30 JUNE 2006
ACCOUNTING POLICIES

5 PROPERTY, PLANT AND EQUIPMENT

- 5.1 Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses, except for land and buildings, which have been revalued as indicated below.
- 5.2 Land is not depreciated as it is deemed to have an indefinite life.
- 5.3 Items purchased less than R1000 in value, are considered to be non capital in nature and are therefore expensed.
- 5.4 The cost of an item of property, plant and equipment acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets was measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amounts of the assets given up.
- 5.5 Expenditure is capitalised when the recognition and measurement criteria of an asset is met.
- 5.6 Depreciation is calculated on cost, using the straight-line method over the estimated useful lives of the assets. The annual depreciation rates are based on the following estimated asset lives:

	<u>Years</u>		<u>Years</u>
Infrastructure	10-15	Other	
Roads and Paving	30	Buildings	30
Pedestrian Malis	30	Specialist vehicles	10
Electricity	20-30	Other vehicles	5
Water	15-20	Office equipment	3-7
Sewerage	15-20	Furniture and fittings	7-10
Housing	30	Watercraft	15
Community		Bins and containers	5
Improvements	30	Specialised plant and equipment	10-15
Recreational Facilities	20-30	Other items of plant and equipment	2-5
Security	5		
Investment Properties	30		

- 5.7 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 Statements of Financial Performance.
- 5.8 Where the carrying amount of an item of property, plant and equipment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.
- 5.9 Assets are capitalised on date of payment.
- 5.10 Major improvements to buildings, plant and equipment are capitalised. Maintenance and repairs are expensed when incurred.
- 5.11 Heritage assets, defined as culturally significant resources, are not depreciated.
- 5.12 Land and buildings are stated at revalued amounts, being net replacement costs at the date of revaluation less subsequent accumulated depreciation and impairment losses on the buildings.
- 5.13 The Strategic Framework for water services, being the approved Government policy framework, prescribes the processes and details KPI's, and associated timeframes for the transfer of all infrastructure and functions relating to water services. In accordance, the transfer of all relevant water related infrastructure is to be finalised by 30 June 2006. The ADM conforms to that which has been prescribed in terms of due process as contained in the Strategic framework.

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2006
ACCOUNTING POLICIES

6 REVENUE RECOGNITION

6.1 Levies

6.1.1 Enterprises are assessed on a monthly basis and charged an Establishment and Service charge levy using Turnover and Human Resource costs, respectively. The tariffs for levies on Turnover and Human Resources costs differ in accordance with the operating budget approval.

6.1.2 Levy income is recognised on the receipt of actual assessments. Payments received regarding undecleared figures are considered creditors in Council's records.

6.2 Services

Service income is recognised on an invoice basis.

6.3 Interest and rentals

Interest and rentals are recognised on a time proportion basis.

6.4 Agency Services

Income from agency services is recognised once such income has been received in accordance with a service level agreement.

7 INVESTMENTS

7.1 Financial Instruments, which include listed government bonds, unlisted municipal bonds, fixed deposits and short-term deposits invested in registered commercial banks, are stated at cost.

7.2 Where the carrying amount of an investment is greater than the estimated recoverable amount, it is written down immediately to its recoverable amount and an impairment loss is charged to the Statement of Financial Performance.

8 INVENTORIES

8.1 Consumables stores, raw material, work-in-progress, settlements and finished goods are valued at the lower of cost and net realisable value. In general, the basis of determining cost is the first-in, first-out method.

8.2 Unsold properties and land used for housing are valued at the lower of cost or net realisable value. Direct costs are accumulated for each separately identifiable development. Costs also include a proportion of overhead costs.

8.3.1 Housing development funding received is recognised as revenue and expenditure on the Statement of Financial Performance to the extent that the Municipality has complied with any of the criteria, obligations or conditions of the grant.

8.3.2 When housing development is financed from government grants, an amount equal to note 9 is transferred from the accumulated surplus/ (deficit) in the Statement of Changes in Net Assets and is reflected as Work in Progress Housing projects. Completed and transferred houses will be offset against the accumulated surplus/ (deficit) in the Statement of Changes in Net Assets.

9 ACCOUNTS RECEIVABLE

Accounts receivable are carried at anticipated realisable value. An estimate is made for doubtful receivables based on review of all outstanding amounts at year-end. Bad debts are written off during the year in which they are identified. Amounts that are receivable within 12 months from the reporting date are classified as current.

10 TRADE CREDITORS

Trade creditors are stated at their nominal value.

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2006
ACCOUNTING POLICIES

11 CONDITIONAL GRANTS AND RECEIPTS

Revenue received from conditional grants, donations and funding is recognised as revenue to the extent that the Municipality has complied with any of the criteria, conditions or obligations. If it has not been met it is recognised as a liability.

12 PROVISIONS

- 12.1 Provisions are recognised when the Municipality has a present or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the provision can be made. Provisions are reviewed at reporting date and adjusted to reflect the current best estimate. Non-current provisions are discounted to the present value using a discount rate based on the average cost of borrowing to the Municipality.

Leave Provision

- 12.2 The Leave Provision is utilized for the payment of leave sold during the year. An amount equivalent to the expected value of the leave accrual for the financial year is allocated to the leave provision during the year.

13 CASH AND CASH EQUIVALENTS

Cash includes cash on hand and deposits held on call with banks. For the purposes of the cash flow statements, cash and cash equivalents comprise cash on hand, deposit held on call with banks.

14 UNAUTHORISED EXPENDITURE

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

15 IRREGULAR EXPENDITURE

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

16 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the Statement of Financial Performance and where recovered, it is subsequently accounted for as revenue in the Statement of Financial Performance.

17 COMPARATIVE INFORMATION

17.1 Current year comparative:

Budgeted amounts have been included in the annual financial statements for the current financial year only.

17.2 Prior year comparatives:

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are reclassified. The nature and reason for the reclassification is disclosed.

18 LEASES

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the municipality.

Operating leases are those leases that do not fall within the scope of the above definition. Operating lease rentals in respect of the Municipality are expensed as they become due, whilst Agency operating lease rentals are accounted for on a straight-line basis over the period of the lease.

19 INVESTMENT IN SUBSIDIARY

Investments in municipal entities under the ownership control of the Municipality are carried at cost in the Municipality's unconsolidated annual financial statements. Separate consolidated financial statements are prepared to account for the Municipality's share of net assets and post-acquisition results of these investments

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
130,000	130,000	130,000	130,000
<u>130,000</u>	<u>130,000</u>	<u>130,000</u>	<u>130,000</u>
2,145,210	1,766,135	2,145,210	1,766,135
2,620,149	1,440,235	2,620,149	1,440,235
(2,100,641)	(1,061,160)	(2,100,641)	(1,061,160)
<u>824,782</u>	<u>663,137</u>	<u>824,782</u>	<u>663,137</u>
<u>3,489,499</u>	<u>2,808,347</u>	<u>3,489,499</u>	<u>2,808,347</u>
69,689,377	89,279,422	69,689,300	89,279,422
181,708,294	115,048,219	181,815,553	115,048,219
2,738,672	4,143,074	2,738,672	4,143,074
<u>254,033,543</u>	<u>208,470,715</u>	<u>254,357,094</u>	<u>208,470,715</u>

1. BANK GUARANTEES
Guarantee in lieu of Eskom and the Post office

2. LEAVE PROVISION

Staff Leave Pay
Opening Balance
Plus: Contributions during the year
Leave sold during the year
Performance Bonus
Contributions during the year
Total Provisions

The provision is an estimate of the amount due to staff at reporting date
Municipal Performance bonus calculated at 20% of annual salary- section 57 employees
Subsidiary performance bonus calculated at actual.

3. CREDITORS

Trade creditors
Short term portion of operating lease liability
Accrual - employee benefits
Conditional Grants and Receipts
Equitable Share Projects
Total

4. VAT

The ADM is registered on the invoice basis for VAT

5.1 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of Carrying Value	MUNICIPALITY					Total
	Investment	Infrastructure	Community	Heritage	Other	
	R	R	R	R	R	R
Carrying values as at 1 July 2005	617,898	3,617	4,112,433	-	51,838,717	56,572,664
Cost	617,898	3,617	4,112,433	-	51,838,717	56,572,664
Revaluation	528,165	4,794	777,806	-	28,925,941	29,708,241
Accumulated depreciation	10,267	1,177	3,448,558	-	30,417,682	34,484,405
Acquisitions	-	12,938,047	113,631	-	7,504,906	7,629,982
Capital under Construction	-	-	820,073	-	7,315,863	21,073,983
Increases/decreases in revaluation	-	-	-	-	-	-
Depreciation based on cost	17,800	466,833	215,078	-	4,712,769	5,412,280
Depreciation based on revaluation	-	460,833	20,204	-	4,217,946	4,705,072
Carrying value of disposals	17,600	-	194,784	-	484,824	707,208
Cost/revaluation	-	-	-	-	593,094	593,094
Accumulated depreciation	-	-	-	-	1,727,737	1,727,737
	-	-	-	-	1,134,843	1,134,843

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Note 5.1 continued	Investment	Infrastructure	Community	Heritage	Other	Total
	R	R	R	R	R	R
Carrying values as at 30 June 2006	600,298	12,474,830	4,717,427	-	53,848,717	71,641,273
Cost	-	12,942,841	1,597,579	-	34,514,087	49,054,487
Revaluation	628,165	-	3,448,558	-	30,417,682	34,494,405
Accumulated depreciation	27,867	468,010	326,710	-	11,083,032	11,907,619
Cost	-	468,010	133,926	-	10,588,208	11,190,144
Revaluation	27,867	-	194,784	-	494,824	717,475

Carrying values as at 1 July 2004	-	6,876	254,130	-	11,513,902	11,774,908
Cost	-	9,582	283,738	-	16,223,150	16,526,450
Revaluation	-	-	-	-	-	-
Accumulated depreciation	-	2,686	39,608	-	4,709,248	4,751,542
Cost	-	2,686	39,608	-	4,709,248	4,748,856
Revaluation	-	-	-	-	-	-
Acquisition	-	(4,768)	483,768	-	13,232,532	13,711,532
Capital under construction	-	-	-	-	-	-
Increase/decreases in revaluation	-	-	-	-	-	-
Depreciation based on cost	628,165	-	3,448,558	-	30,417,682	34,494,405
Depreciation based on revaluation	10,267	(1,508)	74,023	-	3,019,341	3,102,123
Carrying value of disposals	-	(1,508)	10,974	-	2,822,208	2,831,674
Cost/revaluation	-	-	63,049	-	197,133	270,449
Accumulated depreciation impairment losses	-	-	-	-	306,058	306,058
Cost/revaluation	-	-	-	-	529,741	529,741
Accumulated depreciation impairment losses	-	-	-	-	223,683	223,683
Carrying values as at 30 June 2005	617,898	3,617	4,112,433	-	51,838,716	56,572,664
Cost	-	4,794	777,506	-	28,925,941	29,708,241
Revaluation	628,165	-	3,448,558	-	30,417,682	34,494,405
Accumulated depreciation	10,267	1,177	113,631	-	7,504,907	7,629,982
Cost	-	1,177	50,582	-	7,307,774	7,359,533
Revaluation	10,267	-	63,049	-	197,133	270,449

GROUP

30-Jun-06	Investment	Infrastructure	Community	Heritage	Other	Total
	R	R	R	R	R	R
Carrying values as at 1 July 2005	617,898	3,617	4,112,433	-	51,838,717	56,572,664
Cost	-	4,794	777,506	-	28,925,941	29,708,241
Revaluation	628,165	-	3,448,558	-	30,417,682	34,494,405
Accumulated depreciation	10,267	1,177	113,631	-	7,504,906	7,629,982
Acquisitions	-	12,938,047	820,073	-	7,621,868	21,379,978
Capital under Construction	-	-	-	-	-	-
Increase/decreases in revaluation	-	-	-	-	-	-
Depreciation based on cost	17,600	466,833	215,076	-	4,752,989	5,452,500
Depreciation based on revaluation	-	466,833	20,264	-	4,258,165	4,745,292
Carrying value of disposals	-	-	194,784	-	494,824	707,208
Cost/revaluation	-	-	-	-	593,094	593,094
Accumulated depreciation	-	-	-	-	1,727,737	1,727,737
Accumulated depreciation	-	-	-	-	1,134,543	1,134,543

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

Note 5.1 continued	Investment R	Infrastructure R	Community R	Heritage R	Other R	Total R
Carrying values as at 30 June 2006	600,298	12,474,830	4,717,427	-	54,114,492	71,907,048
Cost	-	12,942,841	1,597,579	-	34,820,062	49,360,482
Revaluation	628,165	-	3,448,558	-	30,417,682	34,494,405
Accumulated depreciation	27,867	468,010	328,710	-	11,123,252	11,947,839
Cost	-	468,010	133,926	-	10,625,428	11,230,364
Revaluation	27,867	-	194,784	-	494,824	717,475
Carrying values as at 1 July 2004	-	6,876	254,130	-	11,513,902	11,774,908
Cost	-	9,562	293,738	-	16,223,150	16,526,450
Revaluation	-	-	-	-	-	-
Accumulated depreciation	-	2,686	39,608	-	4,709,248	4,751,542
Cost	-	2,686	39,608	-	4,709,248	4,748,856
Revaluation	-	-	-	-	-	-
Acquisition	-	(4,768)	483,768	-	13,232,532	13,711,532
Capital under construction	-	-	-	-	-	-
Increases/decreases in revaluation	-	-	-	-	-	-
Depreciation	628,165	-	3,448,558	-	30,417,682	34,494,405
based on cost	10,207	(1,508)	74,023	-	3,019,341	3,102,123
based on revaluation	-	(1,508)	10,974	-	2,822,208	2,831,674
Carrying value of disposals	10,267	-	63,049	-	197,133	270,449
Cost/revaluation	-	-	-	-	306,058	306,058
Accumulated depreciation	-	-	-	-	529,741	529,741
Impairment losses	-	-	-	-	223,683	223,683
Carrying values as at 30 June 2005	617,898	3,617	4,112,433	-	51,838,716	56,572,664
Cost	-	4,794	4,226,064	-	28,925,941	33,156,799
Revaluation	628,165	-	-	-	30,417,682	31,045,847
Accumulated depreciation	10,267	1,177	113,631	-	7,504,907	7,629,982
Cost	-	1,177	50,582	-	7,307,774	7,358,533
Revaluation	10,267	-	63,049	-	197,133	270,449

The Municipality has taken advantage of the requirements of GAMAP 12 and reclassified previously disclosed assets as inventory if the requirements are met

Land and buildings were revalued to fair value by using depreciated replacement values. The effective date of the revaluation was 1 December 2004.

No restriction on title exists on any assets held; No Property, Plant or Equipment have been pledged as security against liabilities

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
34,205,518	-	34,205,518	-
(25,646)	34,494,405	-	34,494,405
(33,711)	(288,887)	(725,046)	(288,887)
18,438	-	(33,711)	-
33,464,599	34,205,518	33,464,599	34,205,518

5.2 The revaluation surplus is reconciled as follows;

Balance at beginning of year	-
Surplus realised	34,494,405
Less Depreciation	(288,887)
Less: Disposal of asset	(33,711)
Balance at end of year	34,205,518

Refer to Appendix B for more detail on property, plant and equipment
Revaluation conducted by independent valuator

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
617,898	617,898	617,898	617,898
(17,600)	(17,600)	(17,600)	(17,600)
600,298	600,298	600,298	600,298
628,165	628,165	628,165	628,165
(10,267)	(10,267)	(10,267)	(10,267)
617,898	617,898	617,898	617,898

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
1,000	-	-	-
1,000	-	-	-
1,000	-	-	-

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
1,000	-	-	-
100%	-	-	-
290,944	-	-	-

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
465,451,548	400,769,978	465,451,548	400,769,978
465,451,548	400,769,978	465,451,548	400,769,978

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
7,143,644	7,231,326	7,143,644	7,231,326
10,318,356	10,314,329	10,318,356	10,314,329
10,086,918	10,257,479	10,086,918	10,257,479
13,094,740	13,278,375	13,094,740	13,278,375
11,152,975	11,074,860	11,152,975	11,074,860
11,095,610	10,039,099	11,095,610	10,039,099
10,032,658	-	10,032,658	-
10,044,603	-	10,044,603	-
10,176,438	-	10,176,438	-
-	308,205	-	308,205
-	14,357,833	-	14,357,833
-	13,083,556	-	13,083,556
-	13,090,060	-	13,090,060
-	11,234,797	-	11,234,797
-	12,237,945	-	12,237,945
-	12,265,595	-	12,265,595
12,268,104	13,385,342	12,268,104	13,385,342
13,206,273	10,345,205	13,206,273	10,345,205
10,200,356	-	10,200,356	-

6. INVESTMENT PROPERTY

Balance at beginning of year

Additions/ Revaluation

Less: Depreciation

Total Investment Property

7. INVESTMENTS

7.1 Unlisted

Investments in Municipal Entities - at cost

Total Unlisted

Council's valuation of unlisted Investments

Investments in Municipal Entities

Investments in Municipal Entities

30 June 2006

Amathole Economic Development Agency (Pty) Ltd

Issued Share Capital (1 000 ordinary shares of R 1 each)

Percentage owned by Council

Indebtedness of Municipal Entities

Agency was established on 1 September 2005

7.2 Financial Instruments

Call / investments / deposits

Total Investment

Call / Investments / deposits

Institution Account No

STANDARD BANK

PEOPLES BANK

INVESTEC

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY

2005/06

2004/05

	R
10,210,082	10,164,493
10,182,178	10,133,288
10,045,370	10,111,233
7,111,070	-
10,046,000	-
10,182,178	-
13,054,974	13,329,452
10,040,986	10,187,781
12,234,740	12,209,589
15,127,233	15,404,486
10,042,575	10,326,411
10,149,589	10,228,477
2,016,225	-
10,042,000	-
10,153,425	-
10,191,096	10,285,945
10,042,192	10,068,055
8,123,616	8,204,362
12,099,666	12,258,559
12,029,195	12,231,781
12,197,014	12,099,090
8,060,263	-
10,186,110	-
10,043,096	-
12,215,556	12,081,074
12,264,230	12,083,326
12,085,575	12,242,482
10,140,055	10,283,836
10,041,137	10,160,274
14,050,490	14,060,871
2,015,764	-
10,042,493	-
10,177,699	-
465,451,548	400,769,978

Mixte 7 continued

1100-176303-451	1100-176303-451
1100-176303-451	1100-176303-451
1100-176303-451	1100-176303-451
1100-176303-451	1100-176303-451
1100-176303-451	1100-176303-451
1100-176303-451	1100-176303-451
2057-082-476	2057-082-476
2059-800-124	2059-800-124
2057-067-401	2057-067-401
2069-488-868	2069-488-868
2062-856-304	2062-856-304
2064-823-579	2064-823-579
2065-284-051	2065-284-051
2065-364-471	2065-364-471
2065-565-418	2065-565-418
FD06G24007	FD06G24007
FD06J05005	FD06J05005
FD06H11001	FD06H11001
FD06I15015	FD06I15015
FD06J12003	FD06J12003
FD06H04004	FD06H04004
FD06I22010	FD06I22010
FD06H03007	FD06H03007
FD06K17001	FD06K17001
03/7881714026/000039	03/7881714026/000039
03/7881714026/000038	03/7881714026/000038
03/7881714026/000043	03/7881714026/000043
03/7881714026/000041	03/7881714026/000041
03/7881714026/000046	03/7881714026/000046
03/7881714026/000041	03/7881714026/000041
03/7881714026/000042	03/7881714026/000042
03/7881714026/000045	03/7881714026/000045
03/7881714026/000040	03/7881714026/000040
Standard Bank Call 88643816001	
Stanf/b Call: Accru 700615564	

FNB

NEDBANK

Standard Bank Call 88643816001
 Stanf/b Call: Accru 700615564

GROUP

2005/06

2004/05

	R	R
10,210,082	10,164,493	10,164,493
10,182,178	10,133,288	10,133,288
10,045,370	10,111,233	10,111,233
7,111,070	-	-
10,046,000	-	-
10,182,178	-	-
13,054,974	13,329,452	13,329,452
10,040,986	10,187,781	10,187,781
12,234,740	12,209,589	12,209,589
15,127,233	15,404,486	15,404,486
10,042,575	10,326,411	10,326,411
10,149,589	10,228,477	10,228,477
2,016,225	-	-
10,042,000	-	-
10,153,425	-	-
10,191,096	10,285,945	10,285,945
10,042,192	10,068,055	10,068,055
8,123,616	8,204,362	8,204,362
12,099,666	12,258,559	12,258,559
12,029,195	12,231,781	12,231,781
12,197,014	12,099,090	12,099,090
8,060,263	-	-
10,186,110	-	-
10,043,096	-	-
12,215,556	12,081,074	12,081,074
12,264,230	12,083,326	12,083,326
12,085,575	12,242,482	12,242,482
10,140,055	10,283,836	10,283,836
10,041,137	10,160,274	10,160,274
14,050,490	14,060,871	14,060,871
2,015,764	-	-
10,042,493	-	-
10,177,699	-	-
465,451,548	400,769,978	400,769,978

8. LONG-TERM RECEIVABLES

Car loans	964,528	1,728,757
Deposits	49,530	54,500
Loans to Local Municipalities	54,500	82,980
	1,068,558	1,866,246
Less: Short term portion transferred to current assets	351,114	517,717
Car loans	344,399	517,717
Loans to Local Municipalities	6,715	-
Total	717,445	1,348,529

Car loans	964,528	1,728,757
Deposits	49,530	54,500
Loans to Local Municipalities	54,500	82,980
	1,068,558	1,866,246
Less: Short term portion transferred to current assets	351,114	517,717
Car loans	344,399	517,717
Loans to Local Municipalities	6,715	-
Total	717,445	1,348,529

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY

2005/06
R

2004/05
R

GROUP

2005/06
R

2004/05
R

CAR LOANS

Senior staff are entitled to car loans which attract interest at 0% per annum and which are payable over maximum period of 6 years. These loans are expected to be redeemed in full by 30 June 2010.

9. INVENTORY

Consumable stores - at cost
 Maintenance materials - at cost
 Spare parts - at unauthorized value
 Housing Projects
 Unsold properties held for resale: Settlements
Total Inventory

223,517	295,915
38,180,446	32,296,890
26,410,207	26,410,207
54,814,159	59,003,012

223,517	295,915
38,180,446	32,296,890
26,410,207	26,410,207
54,814,159	59,003,012

Housing Projects

Unsold properties held for resale: settlements

In accordance with GAMAP 12 land owned for housing, selling or other developments have to be transferred from PPE to Inventory at the lower of cost and current replacement cost. A project to identify all Council's land and improvements was undertaken.

10. CONSUMER DEBTORS

Service debtors
 Levies
 Water
 Sewerage
 Less: Provision for bad debts
Total

5,750,399	5,962,640
5,750,399	5,962,640
(1,394,802)	(1,394,802)
4,054,721	4,567,838

5,750,399	5,962,640
5,750,399	5,962,640
(1,394,802)	(1,394,802)
4,054,721	4,567,838

RSC levy has been abolished w.e.f. 1 July 2006, however transactions relating to the prior year are still in progress at the time of the completion of these financial statements and are therefore unable to calculate and determine all income and transactions that might relate to the year under review.

The ageing of debtors is as follows:-

Levies
 Current
 30 - 60 Days
 60 - 90 Days
 90 - 120 Days
 120 - 365 Days
Total

722	303,247
379,966	391,227
180,155	272,269
463,467	185,912
752,737	1,789,219
3,391,355	2,789,603
5,168,401	5,731,478

722	303,247
379,966	391,227
180,155	272,269
463,467	185,912
752,737	1,789,219
3,391,355	2,789,603
5,168,401	5,731,478

Days outstanding in debtors amount to 17 days. (2004/05 : 17 days)

Bad Debt Provision

The bad debt provision is calculated on the ageing of debtors. Council's policy is to provide 50% on all debtors' balances which have been outstanding for more than 12 months.

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY

2005/06	2004/05
R	R
22,306,952	27,121,027
5,639,603	3,375,653
7,348,433	9,691,386
9,317,916	3,905,232
(628,275)	10,148,755
21,678,677	12,427,393

GROUP

2005/06	2004/05
R	R
22,228,070	27,121,027
5,408,279	3,375,653
7,500,875	9,691,386
9,317,916	3,905,232
(628,275)	10,148,755
21,599,795	12,427,393

11. OTHER DEBTORS

Other Debtors
Current Debtors
Vat
Department of Public Works
Department of Health
Less: Provision for bad debtors
Total

Department of Public Works

The debtor originated as a result of lack of funding received for the operations of the Roads division
 A provision for bad debt has been created in the event of the Department of Public Works not
 honoring the debt. This debt has subsequently been recovered resulting in the reduction of the provision.

Department of Health

The debtors originated as a result of lack of funding received dating back as far as the 1998/1999
 financial year. This amount has been recovered after financial year end, resulting in the reduction in the provision.

12. BANK, CASH AND OVERDRAFT BALANCES

The Municipality has the following bank accounts:

Current Account	12,161,035	20,924,846
Call Account	30,000,000	30,000,000
Imprest Account	2,400	3,400
Plus: Cancelled cheques	131,100	131,100
Total Cash Reserves	42,294,535	50,928,246
Current Account (Primary Bank Account)	17,620,471	22,324,877
MEEG BANK	17,601,478	17,601,478
Account No 4063093498		
East London		
5200		
STANDARD BANK	18,993	18,993
Account No 081093454		
East London		
Main Branch		
Call Account	30,000,000	30,000,000
MEEG BANK		
Account No 9157439416		
Call Account		
STANDARD BANK		
Account No 88643816001		
		15,000,000

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY	2005/06	2004/05	GROUP	2005/06	2004/05
	R	R		R	R

14.4 Changes in levels of government grants
 Based on the allocations set out in the Division of Revenue Act, Act 1 of 2005) significant changes in the level of government grant funding are expected over the forthcoming 3 financial years due to the allocation of funding to replace the loss of revenue due to the abolishment of HSC levies/revenue

14.5 Retrospective restatement of errors
 During 2006, it was discovered that a grant received from IDC for establishing an agency was not disclosed in Council's records. This error arose due to the fund being held by an attorney firm, and payments were effected by this firm. The council's accounting 2006 records shows the following transactions, which should have been recognised in 2005:

	569,292	569,292	569,292
	569,292	569,292	569,292
	230,708	230,708	230,708
	230,708	230,708	230,708

15. OTHER INCOME
 Sale of housing
 Other income
 Recovery of unauthorized, irregular, fruitless and wasteful expenditure (Note 22)
 Interest Current Account
 Administration fees
Total Other Income

	3,293,206	2,180,029	3,293,206	2,180,029
	748,534	719,140	748,534	719,140
	1,313,288	790,234	1,313,288	790,234
	5,355,008	3,689,403	5,355,008	3,689,403

16. EMPLOYEE RELATED COSTS
 Employee related costs- Salaries and Wages
 Employee related costs- Contribution for UIF, pensions and medical aid.
 Travel, motor car, accommodation, subsistence and other allowances
 Housing benefits and allowances
 Overtime payments
 Bonus
 Long-service awards
 Any other type of benefit or allowance related to staff
Total Employee Related Costs

	46,498,125	36,971,265	46,498,125	36,971,265
	9,291,463	8,701,633	9,291,463	8,701,633
	4,668,736	4,097,007	4,668,736	4,097,007
	348,723	709,284	348,723	709,284
	458,282	243,417	458,282	243,417
	2,586,939	2,021,404	2,586,939	2,021,404
	3,211,785	2,374,537	3,211,785	2,374,537
	67,064,052	55,118,546	67,064,052	55,118,546

Remuneration of the Municipal Manager
 Annual Remuneration
 Performance Bonuses
 Acting Allowance
 Cell Phone Allowance
 Car Allowance
 Contributions to UIF, Medical and Pension Fund
Total

	431,622	287,748	431,622	287,748
	44,116	0	44,116	0
	0	0	0	0
	13,500	4,168	13,500	4,168
	190,470	106,382	190,470	106,382
	88,708	162,328	88,708	162,328
	766,476	560,627	766,476	560,627

Post of Municipal Manager vacant for the period 1 April 2004 to 31 October 2004
 Post filled from 1 November 2004

Remuneration of the Chief Finance Officer
 Annual Remuneration
 Performance Bonuses
 Acting Allowance
 Cell Phone Allowance
 Car Allowance
 Contributions to UIF, Medical and Pension Funds
Total

	337,200	328,579	337,200	328,579
	87,540	95,096	87,540	95,096
	0	0	0	0
	16,920	16,920	16,920	16,920
	137,903	125,874	137,903	125,874
	87,586	88,357	87,586	88,357
	667,149	654,817	667,149	654,817

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY	GROUP	
	2005/06 R	2004/05 R
Note 16 continued		
Remuneration of the Director: Administration		
Annual Remuneration	341,007	340,000
Performance Bonuses	82,935	96,087
Acting Allowance	0	23,087
Cell Phone Allowance	16,920	16,920
Car Allowance	141,720	112,620
Contributions to UIF, Medical and Pension Fund	83,627	85,950
Total	666,209	677,674
Remuneration of the Director: Engineering		
Annual Remuneration	341,007	340,000
Performance Bonuses	79,912	70,063
Acting Allowance	0	0
Cell Phone Allowance	16,920	16,920
Car Allowance	138,195	110,683
Contributions to UIF, Medical and Pension Fund	84,257	92,133
Total	660,291	629,800
Remuneration of the Director: Strategic Management		
Annual Remuneration	339,631	270,082
Performance Bonuses	18,918	0
Acting Allowance	0	19,853
Cell Phone Allowance	8,040	0
Car Allowance	148,316	89,358
Contributions to UIF, Medical and Pension Fund	79,354	63,094
Total	594,259	442,387
Remuneration of the Director: Human Resources		
Annual Remuneration	341,007	340,000
Performance Bonuses	76,219	83,075
Acting Allowance	0	0
Cell Phone Allowance	8,040	0
Car Allowance	141,047	119,891
Contributions to UIF, Medical and Pension Fund	86,621	84,762
Total	652,934	627,728
Remuneration of the Director: Health & Protection		
Annual Remuneration	341,007	343,000
Performance Bonuses	86,023	85,077
Acting Allowance	0	0
Cell Phone Allowance	16,920	16,920
Car Allowance	152,173	117,308
Contributions to UIF, Medical and Pension Fund	70,141	85,470
Total	666,264	647,775
Remuneration of Agency Chief Executive Officer		
Salary	255,910	-
Allowances	83,356	-
Bonus	26,472	-
Total	345,738	-

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY

2005/06 R
 2004/05 R

Note 16 continued

GROUP

2005/06 R
 2004/05 R

Remuneration of Agency Chief Financial officer

Salary	150,756	-
Allowances	42,644	-
Bonus	22,440	-
Total	215,840	-

The chief financial officer was employed from 1 March 2006.

Remuneration of Agency Strategic Projects Specialist

Salary	62,378	-
Allowances	19,042	-
Bonus	-	-
Total	81,420	-

The Strategic projects specialist was employed from 1 May 2005

Remuneration of Agency Business Partnership Specialist

Salary	105,546	-
Allowances	44,284	-
Bonus	8,900	-
Total	158,730	-

The business partnership specialist was employed from 1 February 2006

17. REMUNERATION OF COUNCILLORS

Executive Mayor	429,064	429,064
Speaker	363,300	363,300
Mayoral Committee Members	2,997,434	2,997,434
Councillors	2,574,288	2,574,288
Councillors pension contribution	95,204	95,204
Total Councillors' Remuneration	7,081,336	6,459,607

Agency Directors Remuneration

ME Tom	20,877	-
S Kondlo	14,050	-
CV Kakana	17,625	-
YP Ralfour	12,000	-
MEP Loyisane	10,331	-
Total Directors Remuneration	80,683	-

In-kind Benefits

The Executive Mayor, Speaker and Mayoral Committee Members are full time. Each is provided with an office and secretarial support at the cost of the Council. Mayor has use of a 2 council owned vehicles for official duties. The Executive Mayor has one full-time driver/bodyguards

18. TAXES	8,164,997	8,164,997
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Taxes are paid in full during the course of the financial year

10,554,168	6,459,607	8,164,997
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The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY		GROUP	
2005/06	2004/05	2005/06	2004/05
R	R	R	R
16,005,236	16,483,997	16,005,236	16,483,997
11,404,190	22,532,202	11,404,190	22,532,202
3,731,462	4,743,717	3,731,462	4,743,717
3,512,645	14,444,447	3,512,645	14,444,447
8,331,515	34,975,441	8,331,515	34,975,441
2,892,509	7,216,999	2,892,509	7,216,999
4,404,313	9,087,494	4,404,313	9,087,494
917,411	3,723,288	917,411	3,723,288
51,199,341	113,217,595	51,199,341	113,217,595

19 GRANTS AND SUBSIDIES PAID

EC121	16,005,236	16,005,236
EC122	11,404,190	11,404,190
EC123	3,731,462	3,731,462
EC124	3,512,645	3,512,645
EC125	8,331,515	8,331,515
EC126	2,892,509	2,892,509
EC127	4,404,313	4,404,313
EC128	917,411	917,411
Total Grants and Subsidies	51,199,341	51,199,341

The grant paid to all LM's is in terms of the District Municipality's Integrated Development Plan.

20 GRANTS AND SUBSIDIES OUTSTANDING

EC121	9,478,739	9,478,739	502,360
EC122	10,494,284	10,494,284	3,055,172
EC123	2,283,097	2,283,097	-
EC124	483,071	483,071	50,000
EC125	1,068,830	1,068,830	345,087
EC126	534,306	534,306	181,100
EC127	2,742,209	2,742,209	9,354
EC128	1,387,435	1,387,435	-
Total Grants and Subsidies	28,421,971	28,421,971	4,143,073

21. AUDIT FEES PAID

Audit fees was paid in full in the relevant financial year

	933,073	933,073	450,356
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22. UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISSALLOWED

22.1 Unauthorised expenditure

Reconciliation of unauthorised expenditure			
Opening balance	0	-	0
Unauthorised expenditure current year	0	-	0
Approved by Council or condoned	0	-	0
Transfer to receivables for recovery	0	-	0
Unauthorised expenditure awaiting authorisation	0	-	0

22.2 Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Opening balance	0	-	0
Fruitless and wasteful expenditure current year	0	28,881	0
Condoned or written off by Council	0	-	0
To be recovered- not yet condoned	0	(26,881)	0
Fruitless and wasteful expenditure awaiting condonement	0	0	0

22.3 Irregular expenditure

Reconciliation of irregular expenditure

Opening balance	0	-	0
Irregular expenditure current year	6,097	257,537	0
Condoned or written off by Council	0	(231,791)	0
Transfer to receivables for recovery- not yet condoned	0	(25,746)	0
Irregular expenditure awaiting condonement	0	0	0

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY
 2005/06 R
 2004/05 R

GROUP
 2005/06 R
 2004/05 R

23. CHANGE IN ACCOUNTING POLICY-IMPLEMENTATION OF GAMAP

The following adjustments were made to amounts previously reported in the annual financial statements of the Municipality arising from the implementation of GAMAP

23.1 Loans Redeemed and Other Capital Receipts		
Balance previously reported	5,041,199	5,041,199
Transferred to Government Grant Reserve as at 1 July 2004		
Transferred to Donations and Public Contribution Reserve		
Transferred to Accumulated Surplus/(Deficit)		
Total	5,041,199	5,041,199
23.2 Inventory		
Balance reported as at 30 June 2005	295,916	
Implementation of GAMAP 112: Housing developments 2003/04	9,180,312	
Implementation of GAMAP 112: Housing developments 2004/05	23,116,578	
Adjusting for land not previously disclosed	26,410,207	
Total adjustments	59,003,012	

2003/04 comparative figure was adjusted in the relevant financial year

Title deeds held as well as land registered in Amathole District Municipality's name were identified and valued, and recorded in Council's records at cost of valuation.

23.3 Accumulated Surplus/(Deficit)

Implementation of GAMAP	6,551,000	
Transfer from AFF	26,410,207	
Adjustments to inventory: Settlements	23,116,578	
Adjustments to inventory: Housing Developments	166,700	
Fire engine transferred to ADM due to change in powers & functions		
Total	56,245,185	

24. CASH UTILISED BY OPERATIONS

Surplus for the year	32,741,774	35,855,573	(5,898,115)
Prior year adjustments			
Adjustments for:			
Gain on disposal of property, plant and equipment	134,919	134,919	187,773
Depreciation	5,412,281	5,452,501	3,066,512
Contributions to provisions - current	2,781,794	2,781,794	1,440,235
Contribution to bad debt provision	(13,764,484)	(13,764,484)	(10,571,723)
Non cash flow items inclusion of inventory	-	-	26,410,207
Non cash flow item taking over of fire services	-	-	166,700
Cash receipts utilised	-	-	(527,646)
Non cash flow recognition of assets	-	-	23,052,339
Deferred lease payments	-	20,213	-
Depreciation added back due to funding	-	-	(1,016,538)
Non cash flow Property Plant and Equipment purchased from CRBT	(13,093,057)	(13,093,057)	13,711,532
Investment income	(21,531,626)	(21,531,626)	(26,585,275)
Interest earned	(673,657)	(900,359)	(1,505,069)
Operating surplus before working capital changes	(7,992,054)	(4,044,527)	21,932,932

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	MUNICIPALITY		GROUP	
	2005/06 R	2004/05 R	2005/06 R	2004/05 R
	72,389	(49,645,480)	72,389	(49,645,480)
	5,025,315	(9,080,052)	5,105,198	(9,080,052)
	86,661,075	(29,903,772)	66,767,331	(29,903,772)
	(21,097,447)	19,753,199	(20,856,408)	19,753,199
	(2,100,641)	1,042,212	(2,100,641)	1,042,212
	40,588,648	(45,900,951)	44,013,265	(45,900,961)
25. CASH AND CASH EQUIVALENTS				
Balance at the end of the year	42,294,535	50,928,246	45,660,862	50,928,246
Balance at the beginning of the year	50,928,246	54,580,396	50,928,246	54,580,396
Net decrease in cash and cash equivalents	(8,633,711)	(3,652,150)	(5,267,384)	(3,652,150)
26. INCREASE/DECREASE IN SHORT TERM INVESTMENTS				
Investments made/realised	(64,681,570)	24,097,828	(64,681,570)	24,097,828
Net increase in short term investments	(64,681,570)	24,097,828	(64,681,570)	24,097,828
27. PAYE AND LUF				
Opening balance	-	-	-	-
Current year payroll deductions	10,932,464	9,075,110	11,216,441	9,075,110
Amount paid-current year	(10,932,464)	(9,075,110)	(11,177,623)	(9,075,110)
Amount paid-previous year	-	-	-	-
Balance unpaid (included in creditors)	0	0	38,818	0
28. PENSION AND MEDICAL AID DEDUCTIONS				
Opening balances	-	-	-	-
Current year payroll deductions and Council Contributions	12,633,573	9,755,809	12,633,573	9,755,809
Amount paid-current year	(12,633,573)	(9,755,809)	(12,633,573)	(9,755,809)
Amount paid-previous year	-	-	-	-
Balance unpaid (included in creditors)	0	0	0	0
29. NON-COMPLIANCE WITH SECTION 17(3)(1) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Municipality failed to consider the budget of the Municipal Entity on tabling it in Council.				
30. NON-COMPLIANCE WITH SECTION 32(2) and 32(4) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Municipality failed with the reporting and recovery processes as required.				
31. NON-COMPLIANCE WITH SECTION 65(2) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Internal Audit did not function as prescribed.				
32. NON-COMPLIANCE WITH SECTION 75(1) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Municipality failed to place the prescribed information on its website.				
33.1 NON-COMPLIANCE WITH SECTION 84(2) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Municipality failed to adhere to the legislative requirements before the establishment of a Municipal Entity.				
33.2 NON-COMPLIANCE WITH SECTION 87(10) OF THE MUNICIPAL FINANCE MANAGEMENT ACT				
The Municipality failed to adhere to make public the budget of the Municipal Entity.				

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

MUNICIPALITY	GROUP
2005/06 R	2005/06 R
2004/05 R	2004/05 R

33.2 NON-COMPLIANCE WITH SECTION 82(a) OF THE MUNICIPAL FINANCE MANAGEMENT ACT
The Municipality failed to determine the upper limits of the employee benefits and monitor the cost of the managers of the Municipal Entity

34. NON-COMPLIANCE WITH SECTION 129(3) OF THE MUNICIPAL FINANCE MANAGEMENT ACT
The Municipality failed to make public it's oversight within seven days of its adoption.

35. CAPITAL COMMITMENTS

Commitments in respect of capital expenditure

- Approved and contracted for			
Infrastructure	129,746,242	129,746,242	63,849,726
Community	128,338,702	128,338,702	63,849,726
Heritage	1,407,539	1,407,539.48	-
Other	-	-	-
Investment Properties	-	-	-
- Approved but not yet contracted for			
Infrastructure	140,031,889	140,031,889	96,282,135
Community	137,782,359	137,782,359	96,282,135
Heritage	2,249,530	2,249,530.00	-
Other	-	-	-
Investment Properties	-	-	-
Total	269,778,131	269,778,131	160,131,861
<i>Note 34 continued</i>			
This expenditure will be financed from:			
- External Loans	-	-	-
- Capital Replacement Reserve	-	-	-
- Government Grants	266,121,061	266,121,061	160,131,861
- Own resources	3,657,069	3,657,069	-
- District Council Grants	-	-	-
	269,778,131	269,778,131	160,131,861

36. RETIREMENT BENEFIT INFORMATION

All Employees belong to one of the 2 defined contribution retirement funds, namely Cape Joint Retirement Fund and SAMWU National Provident Fund or the 1 defined benefits pension fund, namely Cape Joint Pension Fund. Both Cape Joint Funds are administered by Verso Financial Services (PTY) LTD and the SAMWU Fund is administered by Lekana Employee Benefit Solutions.
All councillors belong to a defined contribution retirement fund, namely Old Mutual Orion Fund, which is administered by Old Mutual. An amount of R4,2 million (2004:4,5 million) was contributed by Council in respect of Councillor and employees retirement funding. These contributions have been expensed.

37. RELATED TRANSACTIONS: MUNICIPAL ENTITIES

Amathole Economic Development Agency (Pty) Ltd

Grants allocated to Agency
Less: Grant Deferred
Grant Income realised in Agency

5,000,000	-
(2,967,094)	-
2,032,906	-

Amount advanced on behalf of Agency

Balance at 30 June 2006

Balance is included in current debtors- note 17

290,944	-
290,944	-

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

	MUNICIPALITY		GROUP	
	2005/06 R	2004/05 R	2005/06 R	2004/05 R
38. CONTINGENT LIABILITIES				
Eskom	-	1,364,389	-	1,364,389
Pension Fund top up claim: Department of Public works	-	4,830,444	-	4,830,444
Dept of Health- Legal costs	-	650,000	-	650,000
Iliso Consulting	93,588	-	93,588	-
Refund Claims:				
Inter Dealer Transfers:				
Finance Partners	-	1,036	-	1,036
Meyers Motors KWT	-	16,039	-	16,039
Meyers Delta	-	71,808	-	71,808
Meyers Chevrolet	-	6,604	-	6,604
	93,588	6,941,520	93,588	6,941,520

Eskom
A judgment ruling was made that Eskom is not entitled to any refunds

Pension Fund top up claim: Department of Public works

The high court ruled in favour of the plaintiffs. They were paid after year end, and the money was subsequently recovered from the relevant department

Department of Health

The debt has been settled during the year reported on

Iliso Consulting

Iliso Consulting demanded from Council an amount of R93 587.79 for services rendered in the Ngqushwa Municipality's Makhahlano Water Supply Project. Council's attorneys responded to the Iliso Consulting's attorneys telling them that the council was not liable, and if any summons were issued against Council we would defend.

Council's attorneys are awaiting a meeting between the stakeholders in this matter. As per agreement between legal representatives in this matter, matters are held in abeyance pending further instructions from Iliso to their attorneys. They require instructions regarding our contention that they were not supposed to demand from the ADM, rather from Ngqushwa Local Municipality.

39. EVENTS AFTER THE REPORTING DATE AS AT 30 JUNE 2006

ADM as the WSA centralised all water and sanitation functions as from 1 July 2006.

40. OPERATING LEASE LIABILITY

Operating lease liability deferred	-	20,213
Less: Short term portion	-	(5,543)
	-	14,670

The borrowing relates to the smoothing of the operating lease payments in accordance with the requirements of IAS 17.

APPENDIX A

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

SCHEDULE OF EXTERNAL LOANS - GROUP AND MUNICIPALITY
AS AT 30 JUNE 2006

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 01/07/2004	Received during the period	Redeemed written off during the period	Balance at 30/06/2005
LONG-TERM LOANS			R	R	R	R
Total long-term loans			0	0	0	0
SHORT-TERM LOANS:- ANNUITY LOAN						
GOVERNMENT LOANS						
Total Government Loans			0	0	0	0
LEASE LIABILITY						
TOTAL EXTERNAL LOANS			0	0	0	0

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 ANALYSIS OF PROPERTY PLANT AND EQUIPMENT - MUNICIPALITY
 AS AT 30 JUNE 2006

Classification	Cost/Revaluation				Accumulated Depreciation				Carrying Value
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Revalue	Disposals	
INFRASTRUCTURE									
Water	4,794	12,938,047	-	12,942,841	1,177	456,833	-	-	488,010
Reservoirs & Tanks	4,794	9,077,950	-	9,082,744	1,177	273,445	-	-	274,622
Water - Other		3,860,097	-	3,860,097		193,388			193,388
COMMUNITY									
Clinics & Hospitals	1,884,675	820,073	-	5,046,137	113,631	20,294	194,784	-	328,710
Fire Stations	3,392			1,884,675	42,159	1,001	114,895		158,055
Museum & Art Galleries	2,353,732	812,270		3,392	527	130			657
Security System	4,265	7,002,633		3,180,002	66,661	18,363	79,869		164,950
INVESTMENT PROPERTIES									
Administration	628,165	-	-	628,165	10,267	-	17,600	-	27,867
OTHER									
LAND AND BUILDINGS									
Administration	59,343,623	7,315,883	1,727,737	84,931,750	7,504,906	4,217,945	494,824	1,134,843	11,083,032
Housing Schemes	22,031,481		33,712	31,784,357	309,612	10,916	494,524	-	815,352
Workshops & Depots	25,062			22,091,481	69,367	1,062	211,530		302,000
Land	4,535,143			25,062	3,895	902	9,120		13,977
Office Equipment	5,166,363		33,712	4,535,143	125,769	8,871	265,374		400,014
Air Conditioners	6,970,094	2,055,697	343,167	5,132,671	90,590,92		8,800		99,361
Computer Hardware	53,019			6,970,094	3,394,617	1,191,274	-	240,108	4,345,924
Computer Software	6,225,506	1,712,375	335,065	53,019	43,826	5,268			48,894
Office Machines	1,101,412	214,736		6,225,506	2,255,388	1,000,269		233,293	3,022,364
Furniture and Fittings	590,157	129,566	7,223	1,101,412	762,119	147,485			909,603
Cabinets & Cupboards	1,423,153	710,563	88,595	590,157	333,705	36,251			365,652
Chairs	587,266	142,036	12,750	1,423,153	382,825	326,756		65,981	953,600
Furniture and Fittings - Other	117,312	75,877	1,814	587,266	145,694	75,129		6,646	214,177
Tables & Desks	350,376	326,576	58,237	117,312	36,445	21,034		1,297	58,382
Plant and Equipment									
Compressors	7,717,693	2,235,534	98,357	7,717,693	7,717,693	949,325	-	59,667	1,597,621
Medical Equipment	5,070			5,070	503	1,015			1,518
Fire Equipment	145,177	51,901		145,177	13,994	11,994			13,994
Fire Arms	6,957		5,182	6,957	3,235	11,994			15,229
Laboratory Equipment	13,500	1,755	1,800	13,500	2,201	1,038		1,464	1,775
Lawnmowers	53,014	16,514	10,573	53,014	10,477	2,299		1,020	11,756
Plant & Equipment - General	188,154	220,364	77,385	188,154	31,499	24,444		10,573	45,369
Tractors	7,241,490	1,945,000		7,241,490	68,889	98,226		43,193	143,921
Radio Equipment	42,745		2,538	42,745	625,155	808,752			1,433,907
Telecommunication Equipment	879		879	879	31,121	1,578		2,538	30,161
Motor Vehicles	11,414,615	2,314,059	7,163,596	11,414,615	2,599,579	7,739,564		768,808	3,570,535
Motor Vehicles	1,379,333	648,672	112,915	1,379,333	514,914	316,281		112,915	718,280
Fire Engines	4,185,685		1,050,072	4,185,685	158,447	251,967			410,404
Trucks & Bakkies	5,846,597	1,664,397		5,846,597	1,926,316	1,171,426		655,893	2,441,950
TOTAL	64,202,646	21,073,983	1,727,737	83,548,892	7,620,982	4,705,072	707,206	1,134,643	11,907,619

APPENDIX B

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 ANALYSIS OF PROPERTY PLANT AND EQUIPMENT - MUNICIPALITY
 AS AT 30 JUNE 2006

Classification	Cost/Revaluation				Accumulated Depreciation				Carrying Value	
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Revalue	Disposals		Closing Balance
INFRASTRUCTURE	4,794	12,938,047	-	12,942,841	1,177	466,833	-	-	468,010	12,474,830
Water										
Reservoirs & Tanks	4,794	9,077,950		9,582,744	1,177	273,445			274,622	9,009,122
Water - Other		3,860,097		3,860,097		193,388			193,388	3,666,708
COMMUNITY	4,226,064	820,973	-	5,046,137	113,631	20,294	184,784	-	328,710	4,717,427
Clinics & Hospitals	1,864,675			1,864,675	42,159	1,001	114,885		158,055	1,706,620
Fire Stations	3,392			3,392	527	130			657	2,735
Museum & Art Galleries	2,353,732	812,270		3,166,002	66,681	18,363	79,889		164,953	3,001,050
Security System	4,265	7,802,63		12,068	4,265	780			5,045	7,022
INVESTMENT PROPERTIES	628,165	-	-	628,165	10,267	-	17,800	-	27,867	600,298
Administration	628,165			628,165	10,267		17,800		27,867	600,298
OTHER	59,343,623	7,621,858	1,727,737	65,237,745	7,504,906	4,258,165	494,824	1,134,643	11,123,252	54,114,493
LAND AND BUILDINGS	31,918,069	-	33,712	31,784,357	399,612	10,916	494,524	-	815,362	30,969,000
Administration	22,091,481			22,091,481	89,307	1,062	211,500		302,369	21,789,481
Housing Schemes	25,062			25,062	3,695	962	9,120		13,977	11,085
Workshops & Depots	4,535,143			4,535,143	125,789	8,871	265,374		400,014	4,135,129
Land	5,166,383		33,712	5,132,671	90,560.92		8,800		99,361	5,033,310
Office Equipment	6,970,084	2,274,035	343,187	8,440,942	3,394,837	1,218,727	-	240,188	4,373,377	4,467,566
Air Conditioners	53,019			53,019	43,626	5,268			48,894	4,125
Computer Hardware	5,225,506	1,842,289	335,965	6,731,830	2,255,366	1,024,691		233,293	3,045,766	3,685,044
Computer Software	1,101,412	214,736		1,316,148	762,119	147,485			909,603	406,545
Office Machines	690,157	157,010	7,223	739,945	333,705	41,282		6,885	368,093	371,852
Furniture and Fittings	7,423,153	858,220	88,695	7,992,678	392,825	339,523		65,981	666,367	1,526,411
Cabinets & Cupboards	567,288	142,038	12,750	696,554	145,694	75,129		6,046	214,177	402,376
Chairs	117,312	75,877	1,614	191,374	38,445	21,034		1,297	59,162	133,192
Furniture and Fittings : Other	350,378	474,233	59,237	766,374	72,105	180,608		49,109	203,654	562,720
Tables & Desks	388,197	166,073	15,794	538,475	136,080	67,702		8,929	190,353	345,123
Plant and Equipment	7,717,893	2,235,534	98,357	9,654,870	807,954	949,335		59,667	1,697,621	9,157,248
Compressors	5,070			5,070	503	1,015			1,518	3,552
Medical Equipment	17,767			17,767	13,904				13,994	3,773
Fire Equipment	145,177	51,901		197,078	3,235	11,984			15,220	161,858
Fire Arms	8,957		5,102	1,775	2,201	1,038		1,464	1,775	0
Laboratory Equipment	13,500	1,755	1,800	13,455	10,477	2,299		1,020	11,756	1,699
Lawnmowers	50,014	16,514	10,573	58,954	31,490	24,444		10,573	45,389	13,585
Plant & Equipment : General	188,154	220,364	77,385	331,133	86,889	98,226		43,190	143,921	167,212
Tractors	7,244,430	1,945,000		9,189,430	625,155	808,752			1,433,907	7,755,523
Radio Equipment	42,745		2,536	40,207	31,121	1,578		2,536	30,161	10,046
Telecommunication Equipment	879		679	0	879			679	0	(0)
Motor Vehicles	17,474,675	2,314,069	1,163,886	17,564,797	2,598,679	1,739,664		768,908	3,670,535	9,994,263
Motor Vehicles	1,378,333	646,672	112,915	1,915,090	514,914	316,281		112,915	710,260	1,796,810
Van Engines	4,188,685			4,188,685	156,447	251,957			410,404	3,778,261
Trucks & Bakkies	5,848,597	1,655,397	1,050,972	6,401,022	1,326,316	1,171,426		655,893	2,411,850	4,919,172
TOTAL	64,202,646	21,379,978	1,727,737	83,854,887	7,629,962	4,745,292	707,208	1,134,643	11,947,839	71,907,049

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
 SEGMENTAL OF FIXED ASSETS PER DEPARTMENT - MUNICIPALITY
 AS AT 30 JUNE 2006

Department	Cost/Revaluation				Accumulated Depreciation				Carrying Value			
	Opening Balance	Transfer In / (Out)	New Opening Balances	Additions	Disposals	Closing Balance	Transfer In / (Out)	New Opening Balances		Additions	Disposals	Closing Balance
RATES AND GENERAL	64,202,850	(21,470)	64,181,172	21,073,983	1,727,737	83,927,417	(21,583)	7,608,399	4,705,072	1,134,643	11,886,036	71,641,381
Council General	1,812,460	-	1,812,455	449,070	6,620	2,122,905	(87,277)	455,074	278,324	3,001	790,398	1,362,509
Mayoral Committee	300,420	(1)	300,428	40,784	6,226	422,385	78,839	325,005	75,390	1,742	108,813	224,353
Mayor's Committee Support	350,888	0	350,666	108,387	30,526	470,507	(48,077)	164,233	81,593	30,026	219,253	257,217
Municipal Manager				38,917	-	38,917	-	-	4,823	-	4,823	31,994
P/WAFS				47,734	-	47,734	(14,484)	15,629	73,991	-	30,821	303,810
Internal Audit	308,700	(3)	346,807	1,882,284	51,611	3,017,829	87,832	741,468	349,815	51,011	1,539,873	7,839,256
Local Economic Development	7,517,245	-	7,517,246	73,845	-	235,383	47,304	47,304	32,034	-	79,338	156,625
Municipal Support Unit	320,780	(182,118)	158,662	58,780	2,400	214,831	(412,213)	57,064	30,975	899	107,141	107,141
Strategic Management Unit	2,013,741	0	2,013,741	872,271	4,203	2,901,019	(28,328)	948,111	339,892	3,149	1,339,814	1,562,196
Information Comm Technology	23,241,236	(15,812,021)	3,428,725	305,472	107,479	3,828,717	(148,074)	451,305	344,835	57,720	934,703	2,792,015
Administration	5,035,704	22,816,837	27,892,541	277,012	100,225	27,859,127	8,579	186,899	44,315	34,023	533,831	27,325,497
Land and Housing	7,207,030	(1,597,034)	5,369,202	73,562	-	5,442,764	66,577	191,075	17,827	-	442,871	5,300,084
Buildings	1,880,738	(258,077)	1,462,661	1,257,916	573	3,000,007	5,075	82,994	50,823	073	193,797	2,906,213
Library & Treasury Office	2,128,043	(1)	2,128,042	35,834	183,410	2,394,438	(287,328)	1,046,944	371,793	171,749	1,245,125	1,369,212
Human Resources	441,804	0	441,804	745,153	7,485	1,204,442	(24,944)	208,211	104,307	5,918	397,201	372,276
Engineering Services	2,084,852	(31,562)	2,053,290	190,154	444,079	1,758,385	(87,313)	1,269,052	303,017	355,360	1,212,703	585,626
Building and Services Planning	682,547	(0)	682,546	38,919	130,247	853,315	20,611	223,525	184,875	50,307	357,523	495,895
Management of WSP	834,408	0	834,408	322,287	197,369	759,466	31,513	129,175	172,727	113,377	188,525	570,531
Mhhasane EC 121				876,819	-	876,819	-	-	24,816	-	24,816	251,587
Mhhasane EX DWAF Schemes				2,326,691	-	2,326,691	-	-	118,345	-	118,345	2,210,547
Mogema EC 122	1,224	(0)	1,224	200,886	-	201,620	0	203	23,647	-	23,850	177,978
Mogema EX DWAF Schemes				6,528,381	-	6,528,381	-	-	148,828	-	148,828	6,381,452
Steel Kel EC 123				34,577	-	34,577	-	-	772	-	772	33,805
Amahlani EC 124				46,498	-	46,498	-	-	588	-	588	46,458
Amahlani EX DWAF Schemes				208,303	-	208,303	-	-	10,495	-	10,495	197,808
Nqolushwa EC 125	1,224	(0)	1,224	158,012	-	158,236	0	203	20,548	-	21,152	138,084
Nqolushwa EX DWAF Schemes				887,671	-	887,671	-	-	44,384	-	44,384	843,286
Nkankobe EC 127	6,294	(0)	6,294	155,306	-	155,306	0	706	20,506	-	21,632	180,177
Nkankobe EX DWAF Schemes				2,917,157	-	2,917,157	-	-	145,850	-	145,850	2,771,299
Nxuba EC 128				20,014	-	20,014	-	-	876	-	876	20,036
Water Service Authority	138,284	(0)	138,284	31,994	-	170,278	60,734	89,120	21,362	-	110,512	56,786
Project Management Unit	301,816	0	301,816	168,461	27,589	522,710	130,206	157,395	66,458	8,059	214,735	907,975
Health and Protection Services	503,267	0	503,267	30,337	124,840	458,984	(48,782)	383,611	58,713	123,881	361,663	107,301
Traffic Management	610,288	-	610,288	17,673	57,589	670,375	92,901	273,879	108,142	-	335,354	234,029
Municipal Health	1,033,731	0	1,033,732	25,990	153,538	1,213,260	(155,523)	182,482	212,653	-	320,231	669,913
Fire Services	4,333,882	0	4,333,882	249,193	-	4,263,021	(1)	181,682	200,300	-	442,082	4,140,989
Purvey Health Care												
SUBSIDISED SERVICES												
ECONOMIC SERVICES												
TRADING SERVICES												
TOTAL	64,202,850	(21,470)	64,181,172	21,073,983	1,727,737	83,927,417	(21,583)	7,608,399	4,705,072	1,134,643	11,886,036	71,641,381

The Consolidated Annual Financial Statements of
 AMATHIDLE DISTRICT MUNICIPALITY
 SEGMENTAL OF FIXED ASSETS PER DEPARTMENT - MUNICIPALITY
 AS AT 30 JUNE 2006

Department	Cost/Revaluation				Accumulated Depreciation					Carrying Value			
	Opening Balance	Transfer In / (Out)	New Opening Balances	Additions	Disposals	Closing Balance	Opening Balance	Transfer In / (Out)	New Opening Balances		Additions	Disposals	Closing Balance
RATES AND GENERAL	64,202,650	(21,479)	64,181,172	21,073,983	1,727,737	83,627,447	7,623,981	(21,583)	7,602,398	4,705,072	1,134,643	11,866,036	71,861,381
Council General	1,632,454	1	1,632,455	448,070	6,620	2,122,085	547,400	(52,327)	495,074	270,324	9,007	730,395	1,332,509
Mayor's Committee	300,429	(1)	299,428	48,764	6,226	422,885	46,166	78,839	125,005	75,360	9,142	190,613	224,353
Mayor's Committee Support	388,888	0	388,888	108,367	30,526	476,587	213,230	(49,017)	164,213	86,843	38,626	219,289	257,217
Municipal Manager				38,817	-	38,817				4,823	-	4,823	31,924
PRIMS				47,734	-	47,734	31,123	(14,494)	16,629	73,993	-	90,621	303,313
Internal Audit	7,547,245	(2)	7,547,243	1,882,764	51,611	8,377,579	603,676	87,832	741,488	849,815	51,611	1,539,937	7,839,256
Social Economic Development				73,645	-	73,645				32,034	-	73,338	156,825
Municipal Support Unit	320,490	(162,119)	158,371	58,769	2,400	214,321	460,237	(412,273)	57,024	86,975	889	197,791	197,791
Strategic Management Unit	2,013,741	0	2,013,741	872,271	4,203	2,884,810	251,782	726,320	976,111	334,882	3,149	1,309,614	1,572,136
Information Com Technology	23,211,335	(19,812,812)	3,398,523	395,473	167,470	3,828,717	906,379	(146,074)	451,305	344,000	57,720	658,793	2,732,315
Administration	5,885,704	22,318,837	27,682,541	277,072	103,225	27,858,127	177,909	8,979	186,000	64,316	34,023	533,831	2,732,315
Land and Housing	7,307,308	(1,307,834)	6,000,474	73,582	-	6,074,056	122,477	68,577	181,055	17,527	-	442,871	5,900,994
Buildings	1,999,739	(258,077)	1,742,662	1,257,918	573	3,000,107	77,939	5,053	42,884	371,700	578	193,727	2,908,210
Category Museum	2,198,013	(1)	2,198,012	351,034	183,410	2,301,928	1,397,410	(351,308)	1,046,084	371,700	977,748	1,248,125	1,368,312
Budget & Treasury Office	441,909	0	441,909	245,163	7,465	678,577	232,515	(24,394)	208,211	104,007	5,918	307,231	372,376
Human Resources	2,094,352	(31,582)	2,062,770	190,104	441,979	2,756,853	1,359,365	(87,313)	1,272,052	303,007	288,300	1,212,760	505,826
Engineering Services	952,547	(0)	952,547	39,819	139,247	859,216	203,044	20,511	223,555	184,870	64,907	357,263	695,695
Building and Services Planning	634,489	0	634,489	322,267	197,329	756,456	97,662	31,513	129,175	172,727	113,577	190,525	570,901
Management of WSP				316,813	-	316,813				24,816	-	24,816	291,887
Mtshathe EC 121				2,328,864	-	2,328,864				116,340	-	116,340	2,210,547
Mtshathe EC 122	1,224	(0)	1,224	200,568	-	200,568	204	0	203	23,647	-	23,851	171,970
Mtshathe EC 123				6,526,363	-	6,526,363				140,329	-	140,329	6,381,452
Mtshathe EC 124				34,577	-	34,577				722	-	722	33,855
Greek Xet EC 125				46,426	-	46,426				978	-	978	45,448
Amathithi EC 126				206,303	-	206,303				10,415	-	10,415	197,888
Amathithi EX DWAF Schemes				150,012	-	150,012	203	0	203	20,040	-	21,152	138,084
Ngqolweni EC 128	1,224	(0)	1,224	807,671	-	807,671				44,384	-	44,384	843,288
Ngqolweni EX DWAF Schemes				196,390	-	196,390				20,098	-	21,612	168,077
Ngqolweni EC 127	8,284	(0)	8,284	2,817,167	-	2,817,167	798	0	796	145,868	-	145,868	2,771,299
Ngqolweni EX DWAF Schemes				26,014	-	26,014				378	-	378	26,036
Ngqolweni EC 126				31,684	-	31,684				21,372	-	10,312	59,766
Water Service Authority	139,284	(0)	139,284	156,481	-	295,765	79,388	60,734	140,120	21,372	-	110,748	307,975
Physical Management Unit	391,819	0	391,819	30,337	27,588	419,407	27,173	130,238	167,385	66,438	8,088	214,735	307,975
Health and Protection Services	503,267	0	503,267	408,064	124,840	936,171	412,373	(49,782)	362,591	58,713	120,661	501,883	707,207
Treasury Management	610,285	0	610,285	57,673	57,588	677,933	193,088	32,881	230,969	160,142	45,667	308,364	234,089
Municipal Health	1,053,751	0	1,053,751	25,090	153,538	1,232,379	349,318	(155,523)	193,795	212,553	78,814	326,231	568,679
Fire Services	4,333,082	0	4,333,082	248,120	-	4,581,202	181,693	(1)	181,692	290,390	-	447,062	4,440,859
Primary Health Care													
SUBSIDISED SERVICES													
ECONOMIC SERVICES													
TRADING SERVICES													
DEVELOPMENT AGENCY													
TOTAL	64,202,650	(21,479)	64,181,172	21,378,978	1,727,737	83,833,412	7,623,981	(21,583)	7,602,399	4,745,282	1,134,643	11,826,256	71,807,156

APPENDIX D

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE- MUNICIPALITY
 FOR THE YEAR ENDED 30 JUNE 2006

	2004/05 Actual Income	2004/05 Actual Expenditure	2004/05 Surplus/ (Deficit)	2005/06 Actual Income	2005/06 Actual Expenditure	2005/06 Actual Surplus/ (Deficit)	2005/06 Budgeted Surplus/ (Deficit)
	R	R	R	R	R	R	R
RATE AND GENERAL SERVICES	466,480,180	472,378,295	(2,286,644)	349,716,935	428,475,694	(78,758,760)	115,215,382
Community Services	459,267,327	463,166,031	(2,286,644)	341,629,596	418,288,945	(76,659,349)	119,216,392
Levies	119,458,250	8,206,361	119,498,250	12,135,670	8,237,683	12,135,670	102,720,000
Council General	10,585,000	5,071,506	2,378,709	14,585,207	5,245,080	6,347,714	47,287,005
Mayoral Committee	52,440	-	(5,813,262)	5,000	-	(5,883,744)	(8,225,719)
Grants-in-aid	1,718	3,637,526	31,705,373	4,799	4,475,539	(4,471,743)	(7,985,854)
Executive Support Services	33,577,924	1,812,281	1,239,784	26,001,735	3,109,984	23,091,772	6,219,836
Municipal Manager	-	1,239,784	(1,239,784)	884,858	364,858	34,887	1,150,071
PI/MMS	-	4,028,238	(4,028,238)	34,887	1,066,053	(1,045,166)	(3,796,883)
Internal Audit	3,277,969	7,601,611	(2,425,475)	2,693,064	5,005,118	(2,316,054)	(2,257,507)
Local Economic Development	5,285,336	911,484	(835,472)	2,125,372	5,144,883	(3,018,658)	(3,568,783)
Municipal Support Manager	76,012	2,004,521	(1,654,242)	4,203	1,405,476	(1,408,476)	(1,813,412)
Strategic Manager	263,379	135,879,230	(135,879,530)	-	3,576,398	(3,572,100)	(3,951,573)
Information Com Technology	-	7,794,522	(7,791,614)	1,002,618	99,100,938	(99,101,508)	(82,500,005)
Projects	712,908	2,137,020	(2,124,330)	-	10,162,279	(9,990,882)	(9,984,016)
Administration	12,720	24,339,076	(1,255,720)	5,989,641	8,810,497	(2,954,858)	(3,274,381)
Land and Housing	23,182,292	220,102	(215,782)	81,341	1,764,120	(1,892,779)	(1,877,519)
Buildings	4,383	11,068,320	(6,819,845)	45,204	284,007	(263,789)	(732,164)
Calgary Museum	2,189,419	-	-	66,619	10,258,792	(10,193,180)	(12,513,633)
Financial Services	-	7,004,228	(5,613,073)	1,159,326	1,156,326	-	-
Budget Reform	471,213	181,495,920	(2,886,267)	459,374	6,067,560	(5,608,187)	(8,060,885)
Human Resources	101,509,620	2,777,643	2,886,267	164,362,224	164,140,582	210,642	(276,878)
Engineering Services	6,009,345	59,149,309	2,610,608	5,480,576	4,403,113	1,074,463	(148,811)
Building and Services Planning	60,559,107	1,520,283	7,808,726	87,870,048	59,846,495	27,023,293	(8,417,731)
Water Services	1,564,578	11,118,938	(1,752,207)	-	3,275,835	2,173,284	103,511
Project Management Unit	9,368,871	4,337,400	547,134	6,309,999	3,717,833	811,401	(65,747)
Health and Protection Services	4,894,894	2,409,373	6,755,867	3,460,620	3,560,515	(90,695)	(80,687)
Disaster Management	15,165,270	1,335,688	3,851,384	51,527	7,376,395	(7,324,868)	(16,997,658)
Municipal Health Services	5,217,073	-	-	4,229,001	3,720,389	500,612	139,032
Fire Services	-	-	-	-	-	-	-
Subsidised Services	7,212,254	7,212,254	0	8,187,350	8,187,350	-	3,000
Ambulance and Rescue Services	-	-	-	-	-	-	-
Health Nursing Services	-	-	-	0,107,350	9,187,350	-	3,000
Economic Services	-	-	-	-	-	-	-
Bus Service	-	-	-	-	-	-	-
HOUSING SERVICE	-	-	-	-	-	-	-
TRADING SERVICES	-	-	-	-	-	-	-
TOTAL	466,480,180	472,378,295	(2,286,644)	349,716,935	428,475,694	(78,758,760)	(15,215,382)

APPENDIX E (1)

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) - MUNICIPALITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

	2005/06 Actual R	2005/06 Budget R	2005/06 Variance R	2005/06 Variance %	Explanation for Significant Variances greater than 10% vs Budget
REVENUE					
Service Charges	271,375	33,945,252	(33,673,877)	-48%	Centralisation of water only in 2006/07
Regional Service Charges	121,636,403	102,720,000	18,916,403	18%	Database cleansing project completed
Rental of facilities & Equipment	108,316	-	108,316	100%	Calgary conference facility rented out internally and externally
Interest earned - external investments	21,531,626	6,000,000	15,531,626	259%	Low levels of project spend and investment policy
Interest earned - Outstanding Debtors	673,654	800,000	(126,346)	-16%	Refer to collection increase
Income for agency Service	8,135,431	8,135,431	-	0%	
Government grants & Subsidies	287,980,344	104,119,020	183,861,324	177%	Grant funds spend during year, refer DWAF assets and annexe 1
Other income	4,606,474	103,712,226	(99,105,752)	-96%	Operating income from previous years included in budget
Bad debt provision	14,053,987	-	14,053,987	100%	Bad debt recovered from Dept Health previously provided for
Public donated/ contributed PPE	-	-	-	0%	
Gains on disposal of PPE	219,860	-	219,860	100%	Assets disposed of during year
Total Revenue	459,217,468	359,431,929	99,785,540	28%	
EXPENDITURE					
Employee related costs	73,840,075	80,711,155	(6,871,080)	-9%	Non filing of posts due to Sec 78 process
Remuneration of Councillors	130,027	200,000	(69,973)	-35%	Resulting from less meeting attendance than anticipated
Bad Debts	340,023	3,005,612	(2,665,589)	-89%	Bad debt recovered from Dept Health. Total provision sufficient
Collection Costs	897,129	1,272,000	(374,871)	-29%	Services contracted out & lower % collection fees negotiated
Depreciation	5,412,281	3,951,238	1,461,043	37%	Purchase of tractors funded by priority projects
Repairs & Maintenance	4,891,789	6,512,293	(1,620,504)	-25%	Extended WSP function
Interest on External Borrowings	-	802,426	(802,426)	0%	
Bulk Purchases	-	-	-	0%	
Contracted Services	-	-	-	0%	
Grants & Subsidies Paid	9,163,450	12,170,795	(3,007,345)	-25%	Low levels of spending vs expected level
Grants & Subsidies Paid: Capital	42,035,891	67,450,517	(25,414,626)	-38%	Low levels of spending vs expected level
General expenses- other	289,410,251	182,085,035	107,325,216	59%	Conditional grants-conditions met
Loss on disposal of PPE	354,779	-	354,779	100%	Assets disposed of during year
Total Expenditure	426,475,694	358,161,071	68,314,623	19%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	32,741,774	1,270,858	31,470,917		

APPENDIX E (1)

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY
ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) - MUNICIPALITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

	2005/06 Actual R	2005/06 Budget R	2005/06 Variance R	2005/06 Variance %	Explanation for Significant Variances greater than 10% vs Budget
REVENUE					
Service Charges	271,375	33,945,252	(33,673,877)	-99%	Centralisation of water only in 2006/07
Regional Service Charges	121,636,403	102,720,000	18,916,403	18%	Database cleansing project completed
Rental of facilities & Equipment	108,316	-	108,316	100%	Calgary conference facility rented out internally and externally
Interest earned - external Investments	21,758,331	6,000,000	15,758,331	263%	Low levels of project spend and investment policy
Interest earned - Outstanding Debtors	673,654	800,000	(126,346)	-16%	Refer to collection increase
Income for agency Service	8,135,431	8,135,431	-	0%	
Government grants & Subsidies	288,534,799	104,119,020	184,415,779	177%	Grant funds spend during year, refer DWAF assets and annexure 1
Other income	4,606,474	103,712,226	(99,105,752)	-96%	Operating income from previous years included in budget
Bad debt provision	14,053,987	-	14,053,987	100%	Bad debt recovered from Dept Health previously provided for
Public donated/ contributed PPE	-	-	-	0%	
Gains on disposal of PPE	219,860	-	219,860	100%	Assets disposed of during year
Total Revenue	459,998,629	359,431,929	100,566,700	28%	
EXPENDITURE					
Employee related costs	75,298,849	80,711,155	(5,412,306)	-7%	Non filling of posts due to Sec 78 process
Remuneration of Councillors	210,710	200,000	10,710	5%	Resulting from less meeting attendance than anticipated
Bad Debts	340,023	3,005,612	(2,665,589)	-89%	Bad debt recovered from Dept Health. Total provision sufficient
Collection Costs	897,129	1,272,000	(374,871)	-29%	Services contracted out & lower % collection fees negotiated
Depreciation	5,452,501	3,951,238	1,501,263	38%	Purchase of tractors funded by priority projects
Repairs & Maintenance	4,598,114	6,512,293	(1,614,179)	-25%	Extended WSP function
Interest on External Borrowings	-	802,426	(802,426)	0%	
Bulk Purchases	-	-	-	0%	
Contracted Services	-	-	-	0%	
Grants & Subsidies Paid	9,163,450	12,170,795	(3,007,345)	-25%	Low levels of spending vs expected level
Grants & Subsidies Paid: Capital	42,035,891	67,450,517	(25,414,626)	-38%	Low levels of spending vs expected level
General expenses- other	285,391,610	182,085,035	103,306,575	57%	Conditional grants-conditions met
Loss on disposal of PPE	354,779	-	354,779	100%	Assets disposed of during year
Total Expenditure	424,043,055	353,161,071	65,881,984	18%	
Taxation	(65,744)	-	65,744		
NET SURPLUS/(DEFICIT) FOR THE YEAR	35,889,930	1,270,858	34,684,716		

APPENDIX E (2)

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT)- MUNICIPALITY
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

	2005/06 Actual R	2005/06 Budget R	2005/06 Variance R	2005/06 Variance %	Explanation for Significant Variances greater than 10% vs Budget
LAND AND BUILDINGS					
Administration	-	7,000	(7,000)	-100%	Building Amendments not undertaken
Housing Schemes	-	-	-	0%	
Workshops & Depots	-	-	-	0%	
Land	-	7,000	(7,000)	-100%	
INFRASTRUCTURE					
Reservoirs & Tanks	9,077,950	13,018,700	(3,940,750)	-30%	Water Projects, Reservoirs & Tanks
Water Other	3,860,097	-	3,860,097	100%	Combined with Water Projects, Reservoirs & Tanks
	12,938,047	13,018,700	(80,654)	-1%	
COMMUNITY					
Clinics & Hospitals	-	-	-	0%	
Fire Stations	-	-	-	0%	
Museum & Art Galleries	812,270	814,997	(2,727)	0%	Construction started in April 2005 & could not be completed
Security System	7,803	-	7,803	100%	Combined with Tools/Equipment
INVESTMENT PROPERTIES					
	820,073	814,997	5,076	1%	
OTHER					
Air Conditioners	-	-	-	0%	
Computer Hardware	1,712,375	2,049,701	(337,326)	-16%	Combined with software
Computer Software	214,736	-	214,736	100%	Combined with Hardware
Office Machines	128,586	476,512	(347,926)	-73%	Equipment. Environmental Health officers not appointed & fire equipment not purchased due to uncertainty of powers & functions
Cabinets & Cupboards	142,038	758,527	(616,489)	-81%	Combined with cabinets, chairs, furniture & fittings tables and desks fire arms, lab equipment
Chairs	75,877	-	75,877	100%	Combined with cabinets, chairs, furniture & fittings tables and desks fire arms, lab equipment
Furniture and Fittings : Other	328,578	-	328,578	100%	Combined with cabinets, chairs, furniture & fittings tables and desks fire arms, lab equipment
Tables & Desks	168,073	-	168,073	100%	Combined with cabinets, chairs, furniture & fittings tables and desks fire arms, lab equipment
Medical Equipment	-	-	-	0%	
Fire Equipment	51,901	-	51,901	100%	Combined with Tools/Equipment
Laboratory Equipment	1,755	-	1,755	100%	Combined with Tools/Equipment
Lawnmowers	16,514	-	16,514	100%	Combined with Tools/Equipment
Compressors	-	-	-	0%	
Plant & Equipment : General	220,364	355,121	(134,757)	-100%	Tools and equipment
Fire Engines	-	-	-	0%	Transferred from Local Municipalities for which ADM is equity
Radio Equipment	-	-	-	0%	Combined with equipment
Telecommunication Equipment	-	-	-	0%	
Motor Vehicles	648,672	-	648,672	100%	Combined with trucks and bakkies
Tractors	1,945,000	-	1,945,000	100%	All purchased from priority project funding
Trucks & Bakkies	1,665,397	4,155,796	(2,490,399)	-60%	Combined with vehicles
	7,315,863	7,795,657	(479,794)	-6%	
TOTAL	21,073,983	21,636,354		0%	

APPENDIX E (2)

The Consolidated Annual Financial Statements of
 AMATHOLE DISTRICT MUNICIPALITY
 ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY PLANT AND EQUIPMENT) - MUNICIPALITY
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

	2005/06 Actual R	2005/06 Budget R	2005/06 Variance R	2005/06 Variance %	Explanation for Significant Variances greater than 10% vs Budget
LAND AND BUILDINGS					
Administration	-	7,000	(7,000)	-100%	Building Amendments not undertaken
Housing Schemes	-	-	-	0%	
Workshops & Depots	-	-	-	0%	
Land	-	7,000	(7,000)	-100%	
INFRASTRUCTURE					
Reservoirs & Tanks	9,077,959	13,018,700	(3,940,750)	-30%	Water Projects, Reservoirs & Tanks
Water Citar	3,060,097	-	3,060,097	100%	Combined with Water Projects, Reservoirs & Tanks
	12,938,047	13,018,700	(80,654)	-1%	
COMMUNITY					
Clinics & Hospitals	-	-	-	0%	
Fire Stations	-	-	-	0%	
Museum & Art Galleries	812,270	814,997	(2,726)	0%	Construction started in April 2005 & could not be completed
Security System	7,803	-	7,803	100%	Combined with Tools/Equipment
INVESTMENT PROPERTIES					
	820,073	814,997	5,076	1%	
OTHER					
Air Conditioners	-	-	-	0%	
Computer Hardware	1,942,289	2,246,701	(404,412)	-18%	Combined with software
Computer Software	214,736	-	214,736	100%	Combined with Hardware
Office Machines	157,010	616,512	(459,502)	-75%	Equipment, Environmental Health officers not appointed & fire equipment not purchased due to uncertainty of power & functions
Cabinets & Cupboards	142,038	943,527	(801,489)	-85%	Combined with cabinets, chairs, furniture & fittings, tables and desks for arms, lab equipment
Chairs	75,877	-	75,877	100%	Combined with cabinets, chairs, furniture & fittings, tables and desks for arms, lab equipment
Furniture and Fittings : Other	474,233	-	474,233	100%	Combined with cabinets, chairs, furniture & fittings, tables and desks for arms, lab equipment
Tables & Desks	166,073	-	166,073	100%	Combined with cabinets, chairs, furniture & fittings, tables and desks for arms, lab equipment
Medical Equipment	-	-	-	0%	
Fire Equipment	51,901	-	51,901	100%	Combined with Tools/Equipment
Laboratory Equipment	1,755	-	1,755	100%	Combined with Tools/Equipment
Lawnmowers	16,514	-	16,514	100%	Combined with Tools/Equipment
Compressors	-	-	-	0%	
Plant & Equipment : General	226,364	355,121	(134,757)	-100%	Tools and equipment
Fire Engines	-	-	-	0%	Transferred from Local Municipalities for which ALM is authority
Radio Equipment	-	-	-	0%	Combined with equipment
Telecommunication Equipment	-	-	-	0%	
Motor Vehicles	648,672	-	648,672	100%	Combined with trucks and bakkies
Tractors	1,945,000	-	1,945,000	100%	All purchased from priority project funding
Trucks & Bakkies	1,666,397	4,155,798	(2,489,399)	-40%	Combined with vehicles
TOTAL	21,379,976	22,158,354	(695,799)	-6%	

APPENDIX F

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITY

DISCLOSURE OF GRANTS & SUBSIDIES IN TERMS OF MFMA - MUNICIPAL AND GROUP
AS AT 30 JUNE 2006

Name of Grant	Name of Origin of State	QUARTERLY RECEIPTS				QUARTERLY EXPENDITURE				GRANTS & SUBSIDIES DELAYED/WITHHELD						Reason for non-compliance	Compliance with DORA	Reason for delay/withheld
		March 05	June 05	Sept 05	Dec 05	March 06	June 05	Sept 05	Dec 05	March 06	March 05	June 05	Sept 05	Dec 05	March 06			
MEBIS	MLG&TA	1,113,000		750,000	1,196,333	350,000		1,807,848	582,614	166,186	1,654,706	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Budget Reform	Nat Treasury							1,012,142	58,361	12,234	971,969	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MSP Project Management	DHLG&TA		1,200,000	7,108,000		551,156		1,012,142	58,361	12,234	971,969	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sala	LSW Seta			18,400	284,023	458,400		1,012,142	58,361	12,234	971,969	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Land Use Management	DHLG&TA					377,055			1,325,482	2,768,747	3,160,747	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community Develop Program	DHLG&TA							88,275	311,855	1,145,115	48,778	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COM AWARE PPOC	DHLG&TA							19,310				N/A	N/A	N/A	N/A	N/A	N/A	N/A
Disaster Management Funds	DHLG&TA			2,500,000				910,424				N/A	N/A	N/A	N/A	N/A	N/A	N/A
HIV/AIDS Funds	DHLG&TA				75,000			723,147				N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dep Health	Dep Health							308,000				N/A	N/A	N/A	N/A	N/A	N/A	N/A
Siband Funds	DHLG&TA							(16,215)				N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community Develop Workers	DHLG&TA				1,029,573			27,877				N/A	N/A	N/A	N/A	N/A	N/A	N/A
FED	DHLG&TA	187,083			788,000	1,883,000		27,877				N/A	N/A	N/A	N/A	N/A	N/A	N/A
FHP Funds	DHLG&TA	312,046		120,000	15,288,437	1,250,858		5,053,730	1,757,483	376,488	2,127,997	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nkonkobe Drought Relief	DHLG&TA				2,000,000							N/A	N/A	N/A	N/A	N/A	N/A	N/A
Support to DM	UNWAF			280,241								N/A	N/A	N/A	N/A	N/A	N/A	N/A
Land Reform & Settle Plan Proj	UDSA	387,132			258,894	422,500		507,908	290,241	220,178	244,841	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EDDT Funds	DLA	3,615,000			49,784,200	7,030,080		571,457	86,229	918,800	78,060	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dept Spor	EDDOT				1,710,000							N/A	N/A	N/A	N/A	N/A	N/A	N/A
Budget Eradication	DSASC							585,495				N/A	N/A	N/A	N/A	N/A	N/A	N/A
TRIP	MLG&TA	816,000				4,483,000		412,510				N/A	N/A	N/A	N/A	N/A	N/A	N/A
UNWAF	MLG&TA	43,862,754		28,111,474	50,929,470	24,309,555		35,882,487	34,805,773	41,937,884	44,828,846	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	UNWAF	1534,257				10,205,957		5,649,227	1,334,888	532,153	2,192,891	N/A	N/A	N/A	N/A	N/A	N/A	N/A

ANNEXURE 1

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITYGRANT FUNDING
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/07/2005	Contributions during the Year	Other Income	Transfer on movements	Expenditure during the Year	Balance at 30/06/2006
Asset Management	156,500	(501)	-	-	156,999	-
Performance Management	437,229	-	-	-	106,710	241,819
Contract Management	27,800	(25,560)	-	-	2,400	-
Reviewed IDP	59,062	72,109	35,583	-	227,458	-
Garap Implementation	30,483	(30,483)	-	-	-	0
MSIG Interest	105,178	-	-	78,677	126,592	55,163
Feasibility study - LMs Flays	145,974	(90,007)	-	-	-	55,967
By-Law Implementation LMs	14,267	-	-	-	10,518	3,439
Rule of Order Dev LMs	35,075	-	-	-	36,075	-
LABOUR FORUM TRAINING	10,974	-	-	-	-	10,974
IND TARIFF POLICY LMS	90,976	-	-	-	77,265	15,011
Labour Intensive Practices	1,037	(1,037)	-	-	-	(0)
Engineering Services Awareness	8,667	(8,667)	-	-	-	(0)
Engineering Prof Act Awareness	15,160	(10,160)	-	-	-	-
Water & Sewerage Treatment Operators Operators & Maintenance Systems	40,000	59,700	-	-	85,167	13,543
Ngqushwa Isini Build Change & On Management	3,070	(3,070)	-	-	-	0
Establishment Plans Renewals	15,566	-	-	-	-	15,566
Ward Com Participation	40,720	-	-	-	-	40,720
PIMMS	159,000	-	-	-	34,475	132,028
MSIG : Mthatha	625,071	-	640,000	-	303,541	201,531
MSIG : Mquma	-	-	27,744	-	-	27,744
MSIG : Great Ke	-	-	34,307	-	34,307	-
MSIG : Amathole	-	-	43,624	-	39,000	4,624
MSIG : Buffalo City	54,000	(25,552)	-	-	18,448	-
MSIG : Ngqushwa	-	-	48,135	-	-	48,135
MSIG : Nkomo	-	-	58,817	-	58,284,00	533
MSIG : Nkomo	55,000	(38,551)	-	-	19,448	-
MSIG : Nkomo	8,062	-	10,381	-	15,096	2,748
PMS : Mthatha	44,514	(30,602)	-	1,226	-	15,140
PMS : Mquma	44,514	-	-	2,521	17,486	29,547
PMS:Great Ke	44,514	-	-	2,521	-	47,035
PMS:Amathole	44,514	-	-	2,225	11,998	34,791
PMS:Buffalo City	44,514	-	-	2,821	-	47,035
PMS:Ngqushwa	44,514	-	-	2,821	-	47,035
PMS:Nkomo	44,514	-	-	2,821	-	47,035
PMS:Nkomo	44,514	-	-	2,821	-	47,035
PMS:Amathole	44,511	-	100,000	2,460	-	147,871
Mthatha IDP	72,255	-	132,826	5,812	40,797	170,187
Mquma IDP	65,803	-	132,826	4,021	202,840	-
Great Ke IDP	56,375	-	132,826	4,266	190,413	3,155
Amathole IDP	81,552	-	132,826	7,073	2,811	215,740
Buffalo City IDP	50,885	-	132,826	5,200	25,890	163,011
Ngqushwa IDP	1,183	-	132,826	2,049	38,485	76,184
Nkomo IDP	81,552	-	132,826	5,566	60,233	154,210
Nkomo IDP	81,557	-	132,826	4,763	116,086	101,180
ADM IDP	52,614	-	132,826	4,256	90,587	98,208
Skills Development Centre	2,472,845	-	-	140,000	-	2,612,875
MSP, Project Management	411,000	-	7,109,000	-	7,260,000	286,400
Budget Reform	1,810,100	-	1,500,000	150,116	1,195,229	2,103,954
SETA Implementation	291,038	-	972,136	21,772	309,830	316,108
Dev Inter-Gov Framework	133,674	-	-	7,567	-	141,141
Skilling Retrenched Staff	80,537	-	-	3,004	72,420	11,121
By-Laws	2,846	-	-	53	2,768	(0)
Vino Awards	750,000	-	-	40,210	117,456	574,715
Training Mun Officials	1,620,001	-	-	69,896	1,144,332	544,997
Special Investigator H&LG	824,319	-	-	45,138	32,776	536,681
Identify WCCom Respos	57,164	-	-	1,966	30,006	29,334
Info Financial statements of Naubs	-	100,000	-	-	87,267	82,733
DWAF Once Off Training	-	600,000	-	-	-	600,000
DWAF Once Off Accommodation	-	500,000	-	-	-	500,000
LG-SETA-MSU	-	-	45,000	-	-	45,000
Leamership SETA	80,000	-	47,443,20	5,674	-	143,117
Land Use Management	-	-	400,400	3,605	-	404,005
Community Development Program	1,870,281	-	1,405,725	28,811	1,617,601	1,747,335
COM AWARE PROG	41,071	(14,889)	-	1,131	27,204	-
Disaster Management	52,931	(16,877)	-	1,377	37,331	-
Provision of Firebrigade	1,306	(1,401)	-	75	-	0
Effective DM Framework	269,351	-	-	15,236	-	284,286
Disaster Management Plans	540,599	-	-	30,618	10,280	561,037
Disaster Management Contn	1,240,498	-	-	57,093	530,658	963,922
Disaster : Ring fence	109,786	(56,653)	-	5,086	38,091	-
Disaster : Rebuild Fund	5,704,000	-	-	293,496	1,194,009	4,802,627
Disaster Management Forums	140,300	-	-	6,500	59,503	87,298
Disaster Risk Assessment 05/06	-	-	300,000	9,517	304,874	4,642
Contingency Fund For incidents	-	-	800,000	22,467	2,175	820,282
Capacity Building COG	-	80,568	150,000	3,071	119,477	223,062
Train and Equip Volunteers	-	-	150,000	4,964	133,889	21,089
Capacitate and Resources Center	-	-	200,000	11,117	36,424	274,683
Training Equipment	-	-	180,000	7,120	-	187,120
Stipends	-	-	245,000	11,494	143,540	213,754
Protective Clothing	-	-	384,400	12,506	47,629	329,387
Operational costs	-	1,401	100,000	3,336	67,008	37,730
HIV/AIDS NCO's	179,066	(91,825)	-	20,206	60,649	300,270
HIV/AIDS Laboratory Services	286,235	-	-	13,299	241,778	57,759
Vol Stipend-Aids : Nkomo	52,041	(51,764)	-	(277)	-	(0)
Vol Stipend-Aids : Amathole	95,005	(85,009)	-	-	-	(0)
Vol Stipend-Aids : Mquma	60,237	-	-	3,751	-	68,988
Vol Stipend-Aids : B/City	282,368	-	-	14,857	-	277,222
Vol Stipend-Aids : Mthatha	45,062	(45,062)	-	-	-	(0)
District Aids Council	1,967	-	-	111	-	2,078

ANNEXURE 1

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITYGRANT FUNDING
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

CONDITIONAL GRANTS AND RECEIPTS	Balance at 30/06/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2006
Tertiary Institutional Training	29,279	-	-	1,257	-	30,537
Stipend to Volunteers	1,475,453	-	-	83,550	-	1,559,003
Stipend for Personal Sallars	733,450	-	-	41,533	-	774,983
Duncan Village - Youth Proj	182,552	-	-	9,854	6,520	183,886
ECSEDC HMAIDS	-	-	70,000	1,400	-	76,400
LTO - BUFFALO CITY	34,504	-	-	1,230	36,739	-
LTO: NKONKOE	33,472	-	-	1,566	36,039	-
LTO: AMALATI	15,334	-	-	485	15,819	-
LTO: NOLUBA	3,176	-	-	320	6,130	366
Regional Tourism	82,059	-	-	2,763	82,898	904
Memorial Gift Project	4,400	-	-	249	-	4,649
Siyazama Agric Project	257,200	-	-	9,626	251,113	16,715
Headtown/Lamyeri Spring Water	233,696	-	-	16,135	70,769	279,064
Gcalaka Cultural Village	2,148,426	-	350,000	123,607	34,016	2,592,019
Youth Fund	266,506	-	-	14,034	199,282	82,157
Monitor LED Projects	639,513	-	-	34,847	10,000	664,361
Dube Communal Veg Garden	403,037	-	350,000	19,396	283,056	489,377
Printing Project Mdantsane Art Centre	187,063	-	-	9,821	81,080	115,815
MK Veterans	-	-	560,000	23,205	37,039	546,166
Hermitage Heritage Initiative	-	-	400,000	16,649	83,897	332,753
Dept Agric. Assist & Upgrade Farms	1,091	-	-	56	1,148	0
Kasikamahak Intgalion Scheme	35,447	-	-	743	36,190	-
Bawa Falls LED Project	172,520	-	-	6,550	127,031	52,078
Rock Climbing Dept Env Affairs	20,159	-	-	851	20,590	-
Poverty Alleviation Ncedu	15,770	-	-	963	16,432	-
Poverty Alleviation Mngqasha	15,087	-	-	634	15,721	-
Establish LED from	5,530	-	-	257	5,787	518
District Economic Forum	85,765	-	-	3,079	30,713	58,031
Neerha Boler	141,559	-	-	1,140	145,708	-
Pinsard Dairy Goat	46,960	-	-	300	47,174	-
Kai Bridge	368,700	-	-	17,408	368,001	27,227
Ngchigwane Lorraine Community	143,897	-	-	4,297	51,079	87,016
RKH Dairy Scheme Phase I	447,058	-	-	16,916	381,080	61,994
Lower Wolf River Irrigation	205,857	-	-	11,013	134,337	82,534
Beekeeping Project	-	-	234,000	1,121	-	235,121
Mini Waize Project	-	-	200,000	958	-	200,958
Rabbit Production	-	-	583,000	2,712	-	585,712
Development Plan: Haga Haga	741	-	-	35	776	0
Kamantshi	214,432	-	-	10,697	155,228	89,801
Teko Springs	172,877	-	-	4,136	140,187	37,597
Needs Camp	604,341	120,229	-	20,749	573,675	141,345
Plocob	139,787	-	60,000	5,597	139,284	-
Dongwa	137,650	(7,410)	80,000	2,893	193,080	235
Hogback	431,734	-	-	16,130	139,970	310,894
Haga Haga	164,337	-	89,473	6,391	-	233,171
Wilowvale	231,680	-	-	1,031	11,258	233,171
Elliotside	270,037	-	-	15,255	3,862	281,440
Lower Blinkwater	231,454	-	-	12,070	3,301	241,229
Symor (Standburgh)	192,983	-	-	10,697	2,757	201,028
Ndevana	46,070	-	-	2,532	8,294	40,376
Kwaseven	-	308,000	-	2,834	-	310,834
New reel	-	269,500	-	2,532	-	272,032
Eskat	-	46,200	-	634	-	46,834
Noamakwe	-	134,000	-	1,447	-	155,447
Msoomvu	-	300,000	-	2,894	-	310,894
Xujwa	-	154,000	-	1,447	-	155,447
Herzog	-	154,000	-	1,447	-	155,447
Layoff Plan - Amahole	110,025	-	-	5,180	118,116	-
Layoff Plan - Bolo	110,329	-	-	5,182	115,451	-
Planning: Tshabo Village	240,389	-	-	11,621	259,984	-
Survey: Tshabo Village	6,551	-	-	307	6,857	-
Macleanstown Eng Des	-	(2,416)	34,850	418	22,630	-
Nandi Prudce Eng Design	34,222	-	-	2,074	6,086	30,210
Dongwa Eng Design	82,124	-	-	2,650	48,799	36,002
Teko Springs Eng Design	24,661	(783)	-	371,58	24,330	-
Nandi Prudce Survey Fees	-	-	75,000	-	75,000	-
Dongwa survey fees	-	-	75,000	-	75,000	-
Teko Springs survey fees	-	-	90,000	-	90,000	-
Macleanstown infra	-	-	376,331	9,400	390,367	57,372
Kubuse Establishment Grant	125,664	-	115,765	6,607	27,331	221,995
Ndovini Establishment Grant	15,629	-	-	881	293	18,150
Ducals Establishment Grant	75,698	-	46,054	3,975	17,395	111,273
Maclean Estab Grant	13,367	2,419	18,809	725	17,375	18,930
Nandi Prudce Estab Grant	95,934	-	-	5,188	15,832	85,285
Dongwa Prudce Estab Grant	23,040	-	90,285	1,432	16,425	101,921
Teko Springs Estab Grant	12,418	763	47,778	2,608	3,838	59,844
Needs Camp Estab Grant	82,606	-	14,607	4,077	2,894	88,000
Teko Springs Top Structure	2,772,395	-	1,417,183	187,430	224,637	4,132,421
Nandi Prudce Top Structure	219,414	-	2,346,577	42,565	124,059	2,481,498
Dongwa Top Structure	1,585,408	-	2,342,711	191,980	919,420	3,330,601
Needscamp Top Structure	893,808	-	2,133,435	59,510	900,481	1,846,272
Ducals Top Struc Subsidy	2,803,098	-	2,145,028	135,916	1,657,753	4,287,217
Kubuse Top Structure	2,557,000	-	4,501,818	185,830	1,191,821	6,132,918
Macleanman Top Structure	541,866	-	359,033	32,407	-	933,906
Ndovini Top Structure	42,200	-	453,600	8,946	107,289	389,714
Lilyvale Kayb Establishment Grant	13,040	-	-	536	10,397	3,178
Kaysers beach Housing Project	-	-	338,970	2,270	-	331,240
KVA TRC Reception	7,359	-	-	367	6,206	-
Fingolani Regional Authority	181,176	-	-	10,820	-	202,001
Mngqasha Great Place	65,257	-	-	3,690	-	68,902
Ngadu Great Place	130,901	-	-	5,370	94,150	50,110

ANNEXURE 1

The Consolidated Annual Financial Statements of
AMATHOLE DISTRICT MUNICIPALITYGRANT FUNDING
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006

CONDITIONAL GRANTS AND RECEIPTS	Balance at 31/03/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2006
Line Mapping	240,794	-	-	12,340	73,173	180,001
Kogabek IDP LDO	93,321	-	-	1,552	34,830	-
Water services Infra System	1,722,421	-	-	97,535	720,200	1,099,752
Nkonkobe Drought Relief	253,831	-	-	12,741	23,900	233,742
Nkonkobe Drought Relief doig	-	-	1,000,000	20,340	-	1,020,340
Ngqushwa Drought relief	-	-	1,000,000	20,340	-	1,020,340
Rural Access Roads	667,728	-	-	36,510	-	731,238
Cherla Development Fund	6,417,417	-	-	344,423	508,800	6,253,148
Dwesa Dwesa Restitutions	2,075,547	-	7,030,090	177,826	481,336	8,792,214
DESA Support to DM	-	-	999,075	2,138	755,950	245,253
Grants in aid (cept trans)	-	-	1,200,000	22,405	-	1,222,405
Planning Grants da	-	-	2,453,760	57,270	-	2,511,030
Rehabilitation Award da	-	-	47,940,520	1,104,922	-	48,445,442
Sanitation Projects	-	1,420,000	-	38,037	5,800	1,441,207
Land Reform & Settle Plan Proj	622,389	13,200	-	22,237	182,701	376,225
CMIP VAT Savings	558,940	-	-	36,414	504,950	508,396
Ndlovini (CMIP VAT)	71,158	-	-	-	17,120	54,038
EDOT Funds	7,327,303	481,281	510,000	(97,588)	2,581,758	5,649,330
Depr Spou 2005/04	16,553	-	-	685	-	17,238
Sportsfields	62,585	-	-	3,704	66,324	31,365
6 Village Green Projects	109,183	-	-	10,820	-	120,163
Peddie Sport Facility	334,034	-	-	32,487	-	360,161
Depr Spou 2004/05	2,730,768	-	-	127,682	668,828	2,187,640
H&LQ Survey Phase	1,030,188	-	-	45,689	505,829	569,047
H&LQ Development Planning	2,546,770	(324,445)	-	112,625	246,475	1,889,379
DFW: Accumulated Interest	80,580	-	-	3,226	86,815	-
Lower Goumashe bridge	118,063	-	-	4,436	123,499	-
Replace Roadsigns	435,744	-	-	16,238	451,980	-
Road Repair Ndekesazi	1,762	-	-	68	1,828	0
Bucket Eradication	138,430	-	10,050,000	243,023	5,457,072	5,028,378
CBWP 1	(59,187)	-	-	1,342	(127,180)	68,315
DWAF	5,031,225	-	10,305,427	(936,664)	4,530,870	9,678,755
CMIP	35,425,370	1,603,062	126,815,968	1,208,604	145,304,839	21,638,084
TOTAL: GRANTS & RECEIPTS	116,046,219	6,063,991	246,884,206	6,731,689	181,638,821	101,700,254

RESPONSE TO ISSUES RAISED IN THE AUDIT REPORT

4.1.1 Non-compliance with financial statement preparation framework

The municipality did not apply the mentioned standards in the compilation of the annual financial statements. The statements have been compiled in accordance with the instructions and guidelines received from National Treasury. Due to uncertainties that were caused by conflicting communications from National Treasury (Accountant General) and the Office of the Auditor-General, management applied the specimen annual financial statements as distributed by National Treasury. Unfortunately the aforementioned uncertainties were only resolved by National Treasury on 4 November 2006, i.e. 65 days after the statements had to be submitted for audit in accordance with the MFMA. It was therefore not possible to comply with the relevant statements.

Management is currently engaged in assessing the amendments required to the books of account and information to ensure future compliance. The aforementioned also includes an assessment of the current accounting policies and where so required, amendments to such.

4.1.3 Capital commitments

The shortcoming in the accounting of capital commitments is acknowledged and has been identified as a priority area for immediate addressing, bearing in mind all the concerns raised by audit.

6.1 Internal audit

The plan was prepared, presented and approved, based on the assumption that the three (3) internal audit posts that have been budgeted for will be filled during the period under audit. It transpired during the year that these posts have not been included in the organogram and this put a strain on the ability of the unit to implement the plan according to schedule.

Further legislative requirements of audits on the performance management system (i.e. quarterly) were introduced during the year and this put a further strain on the available audit staff.

The unit has lost two staff members during the year, and the process of filling the vacancies as a result thereof took its own course. This was a further contributor to the limitations and challenges of implementing the plan as approved. The Audit Committee agenda has a standing item of progress against plan and all of the above has been consistently communicated both to the Municipal Manager and the Audit Committee.

The municipality submits a Workplace Skill Plan (WSP) once a year and the training budget is centralized in the Human Resources department. All the available staff members joined the unit well after the WSP had been developed.

The Internal Audit Unit will ensure participation in the allocation of the training budget managed by Human Resources. This will help ensure implementation of the development plan as planned and ensure compliance with the Continuing

Professional Development requirements of the Standards for Professional Practice of Internal Auditing.

The Internal Audit Charter has since been reviewed in May 2006 and the revised version caters for the requirement stated in the finding.

6.2.1 Personnel costs

The primary contributors to this underspending being:

Council General – Underspent by R1.01 million. This is in part due to the fact that in terms of the councillors, budgeted increases are set at a high enough level to cater for gazetted increases, which are only gazetted after the budget process is complete. Council takes the stand of ensuring that sufficient budget is set aside for these increases, as it would be a very difficult situation not be able to honour the gazetted increases.

Executive Support Services – Underspent by R1.78 million, due to the fact the two posts, at levels 1 and 2 in this section, were not filled. The level 2 post was advertised and no suitable candidate could be found. Thereafter the level 1 post appointment was also put on hold.

Internal Audit – Underspent by R918,428. This was largely due to appointments not being able to be made due to a lack of office space to house all the proposed new appointees.

Project Management Unit – Underspent by R1.68 million.

Municipal Health – Underspent by R1,08 million, due to powers and functions not been finalised timeously.

Primary Health Care – Underspent by R2,32 million. Appointments were delayed largely due to the delay in signing of service level agreements and uncertainty about the future of PHC, with staff being appointed on contract basis.

6.2.2 Externally funded projects

DESCRIPTION	BALANCE AT 01/07/05	INTEREST	BALANCE AT 30/06/06	PROJECT MANAGER	COMMENTS
Labour Forum Training	10,974	-	10,974	B Abrahams	Project is complete, Approval to re-allocate funds was granted by the Department of Provincial and Local Government. The re-allocation was done in October 2006.
Ngqushwa team Build Change & Div Mgt	15,566	-	15,566	B Abrahams	Project is complete, Approval to re-allocate funds was granted by the Department of Provincial and Local Government. The re-allocation was done in October 2006.

DESCRIPTION	BALANCE AT 01/07/05	INTEREST	BALANCE AT 30/06/06	PROJECT MANAGER	COMMENTS
Establishment Plans Renewals	40,720	-	40,720	B Abrahams	There is a shortfall of funding and a request for re-allocation has been submitted.
PMS: Great Kei	44,514	2,521	47,035	B Abrahams	Due to the new PMS regulations the funding will be utilized for the reviewal of the PMS Framework, and during the quarterly PMS assessment sessions.
PMS: Buffalo City	44,514	2,521	47,035	B Abrahams	Due to the new PMS regulations the funding will be utilized for the reviewal of the PMS Framework, and during the quarterly PMS assessment sessions.
PMS: Ngqushwa	44,514	2,521	47,035	B Abrahams	Due to the new PMS regulations the funding will be utilized for the reviewal of the PMS Framework, and during the quarterly PMS assessment sessions.
PMS: Nkonkobe	44,514	2,521	47,035	B Abrahams	Due to the new PMS regulations the funding will be utilized for the reviewal of the PMS Framework, and during the quarterly PMS assessment sessions.
PMS: Nxuba	44,514	2,521	47,035	B Abrahams	Due to the new PMS regulations the funding will be utilized for the reviewal of the PMS Framework, and during the quarterly PMS assessment sessions.
Skills Development Centre	2,472,845	140,030	2,612,875	M Fundam	The project has not been able to start due to the inability to secure accommodation for the center. A factory owned by ECDC has been identified for the center. ECDC had committed to make the center available but have delayed for more than a year to present a lease agreement to ADM.
Dev Inter-Gov Framework	133,574	7,567	141,141	M Mxokiswa	An item was submitted to the Strategic Manager for the approval of the appointment of a service provider to assist with the development / reviewal of

DESCRIPTION	BALANCE AT 01/07/05	INTEREST	BALANCE AT 30/06/06	PROJECT MANAGER	COMMENTS
					the IGR policy. The plan is to utilize the funds in February 2007.
Effective D/M Framework	269,051	15,236	284,286	Nicky Hansen	Delays in the starting of the Disaster Management Project was influenced by the following factors: 1. Waiting for the National Framework to be gazetted so as to ensure the terms of reference were not contrary to the Framework. 2. Requiring an external service provider to write the Terms of Reference. 3. Tender processes which include external valuation of tenders received. Due to the initial delays, an application to extend the contract to August 2006 was approved by ADM, an amount of R269,051 has now been paid to the service provider.
Vol Stipends-Aids : Mnguma	66,237	3,751	69,988	Sizeka Taleni	Permission to disburse unspent funds for 2004/05 financial year amounting to R2,177,611 for the payment of stipends was sought from the Department of Health. Approval was granted. The disbursement was done in October 2006. Busy with the process of funding NGO's.
Vol Stipends-Aids :B/City	262,366	14,857	277,222	Sizeka Taleni	
District Aids Council	1,967	111	2,078	Sizeka Taleni	
Tertiary Institutional Training	29,279	1,657	30,937	Sizeka Taleni	
Stipend to Volunteers	1,475,453	83,550	1,559,003	Sizeka Taleni	
Stipend to Personal Sellars	733,450	41,533	774,983	Sizeka Taleni	
Memorial Quilt Project	4,400	249	4,649	Mpumi Fundam	
Fingoland Regional Authority	191,176	10,826	202,001	Z Sawuti	Land transactions for the purchase of the property were delayed due to insufficient documents from the owner to conclude the process of winding up estate of the late Mr. Mdayi by the Court Sheriff of Butterworth. In September 2004, an amount of

DESCRIPTION	BALANCE AT 01/07/05	INTEREST	BALANCE AT 30/06/06	PROJECT MANAGER	COMMENTS
					R160,471 was determined as the purchase price and paid to the Sheriff for the purchase of the property and subsequent finalization of the transfer in the name of the Tribal Authority. This will allow the rent "owners" to take ownership of the property and a portion of the balance be utilized for transfer costs to be determined once the transfer is finalized. ADM is awaiting the Sheriff of the Butterworth High Court for the transfer cost to be paid as well as the Title Deed, then the balance will be transferred to the funder.
Mngqesha Great Place	65,257	3,695	68,952	S Sobopha	A claim which was supposed to have been submitted before end-June was only submitted in September 2006. This claim has since been processed. The balance of R8,981 is due to VAT implications, therefore declared as savings.
Rural Access Roads	697,726	39,510	737,236	N/A	Balance left over from the Roads Department. ADM needs to decide what should be done with these funds.
Dept Sport 2003/04	16,553	685	17,238	D Luhring	1. The Department is regularly informed on the non financial status of the Sports Projects. 2. The Department has requested additional work to be undertaken for the Healdtown Cricket Stadium. The request is to guarantee the water supply to the stadium for irrigation purposes. Due to the nature of work the O&M division is coordinating these activities. Work ongoing with delays due to Eskom cuts.

DESCRIPTION	BALANCE AT 01/07/05	INTEREST	BALANCE AT 30/06/06	PROJECT MANAGER	COMMENTS
6 Village Green Projects	109,183	10,920	120,103	Dieter Luhring	Department is aware of the available funding through reports. Latest verbal indication was that the funds should be transferred to the department, still waiting for a written request.
Peddie Sport Facility	334,634	33,467	368,101	D Luhring	Under the 2004/05 Sports Programme, BCM is implementing a Boxing Arena. This project is currently in the tendering phase. It is anticipated that there will be a shortfall on the budget. General understanding that any remaining balance from the Sports programme be utilized for top up to the Mdantsane Boxing Arena. This does also relate to the 2003/04 balance.
TOTAL	7,152,980	420,247	7,573,227		

In terms of the three (3) year capital plan, the list of MIG funded projects did not agree with the budget in 2005/06. This situation was amended in 2006/07, as the list of projects was complete and included in detail in the 2006/07 budget, whereas in the 2005/06 budget a globular amount was budgeted for in total as indicated in DoRA.

The DWAF operating and capital subsidies are required by NT to be included in our budgets in their totality in order for the schedules to agree, but it is important to note that this is a conditional grant, and if conditions are not fully met, the grant is not fully paid out – In this case transfer of DWAF schemes in their totality.

Underspending on both internally and externally funded projects is a problem, but the level of spending has improved in the past year. Numerous factors play a role in this, including delays in registering MIG projects, problems with contractors, etc.

6.2.4 Priority projects

Underspending on both internal funded projects continues to remain a challenge, but the level of spending has improved in the past year, due to the fact that the ADM was the implementing agent for all new projects.

In terms of the priority project balance carried over, the level decreased from R52,792,134 in 2004/05 to R33,206,348 in 2005/06, representing a 37% decrease in unspent funds year on year.

In terms of budgeting for multi year projects, the actual unspent amounts will be included in the adjustments budget, scheduled for January 2007, to reflect actual balances remaining in respect of internally funded projects.

Initiatives to curb under spending

- Monthly Municipal Manager's Project Management Forum meetings.
- Monthly Technical and Full cluster meetings.
- Budget Steering Committee (BSC) to reallocate unutilised monies.
- IDP linkage to projects forces proper planning.
- Task team led by BTO continuously liaising with LMs on the submission of claims (e.g. writing letters to LMs requesting commitments / plans on all unspent funds).



FUNCTIONAL AREA SERVICE DELIVERY REPORTING

This section of the report deals with financial and non-financial performance information about the various functions performed by the ADM.

Each function has been reported on in terms of:

- Overview
- Description of the activity
- Analysis of the function
- Key performance area

The ADM has the following functions in respect of service delivery:

- Water Services Authority for Amahlathi (EC124), Great Kei (EC123), Mbashe (EC 121), Mquma (EC 122), Ngqushwa (EC12), Nkonkobe (EC127) and Nxuba (EC128) Municipalities;
- Roads / Transport Authority for Ngqushwa (EC 126) Municipality;
- Planning Authority for Transportation; and
- Planning and Monitoring Function for Solid Waste

The electricity function is currently shared between Eskom and local municipalities.

Performance Highlights

During the year under review, the Amathole District Municipality (ADM) attained a number of achievements and successes, inter alia:

Water Services

* Divisional Function Overview

The function of the Water Services Planning and Construction (WSA) Division is the planning of water services and ensuring the effective, efficient, affordable, economical and sustainable access to water services infrastructure, which promote sustainable livelihoods and economic development.

In addition to this primary function, the division is also responsible for the regulation of water services provision and water services providers within the ADM's area of jurisdiction and within the policy and regulatory frameworks set by DWAF through enactment of by-laws and the regulation of contracts.

In order to deliver on this function, the Division has to undertake different planning exercises such as Water Services Development Planning and feasibility studies. The Division is also involved in implementing various projects for interim water services provision such as its Drought Programme.

The Water Services Planning and Construction Division experienced historical challenges in the areas of the provision and supply of water services. In 2005 all schools and clinics were supposed to have gained access to water. In December 2007 the bucket system should be eradicated; in 2008 all people should have access to basic water and by 2010 all people should have access to basic sanitation.

*** Water Services Development Plan**

The Water Services Development Plan (WSDP) is required by the Water Services Act and it forms part of and provides input into the IDP of the municipality, as required by the Municipal Systems Act 32 of 2000 (as amended).

In terms of Section 3(3) of the Municipal Systems Act, a WSDP should provide for measures to realise each citizen's rights to basic water supply and basic sanitation. The principles and planning, control and review cycle – as described in the Municipal Systems Act – envisages that a WSDP should, as part of the IDP process, identify priorities, objectives, key performance indicators and targets for water services within the area of jurisdiction of the municipality for which the plan is prepared. This should form part of an overall performance management system for the municipality.

The WSDP is reviewed annually. The 2005/06 review was a minor one. The 2006/07 review is anticipated to be significant to account for the March 2006 local government elections, as well as the nearing of national targets in respect of water (2008) and sanitation (2010).

*** Water Services Feasibility Studies**

The ADM prepared its first WSDP in 2000, which was reviewed in 2003. The outcomes of the 2000 WSDP showed that there were gaps in terms of the water services information. Most gaps were identified in the areas of Mbashe and Mquma Municipalities, where 60% of the backlog in water and sanitation is being experienced.

Feasibility studies have been undertaken in most parts of these municipalities including, most recently, the Butterworth and Great Kei feasibility studies, completed during the 2005/06 financial year.

The Gcaza West feasibility study and Alternative Water Supply Provision Options study are due to be carried out during the current financial year. Investigations during these studies will include examining rainwater harvesting, surface water and ground water potentials, sustainable sanitation solutions based on DWAF ground water protocol standards, capital costs, operating and maintenance costs, water resources, bulk distribution, scheme boundaries and proposed phased implementation.

*** Drought Relief Programme**

Recent droughts experienced in parts of the Eastern Cape have necessitated the allocation of disaster relief to communities to assist in the provision of their basic need for water.

According to the Government Gazette Volume 474 of December 2004 (No. 27124) emergency funding was allocated in terms of the Division of Revenue Act (DoRA) No. 5 of 2004. In the ADM, the Amahlathi, Mbashe and Mquma Municipalities were the first to be identified as areas affected by drought. Projects addressing the situation have been implemented since 2005 throughout the affected areas. Recently Ngqushwa and Nkonkobe Municipalities were also identified as affected areas and projects addressing the situation in these areas are in progress.

*** Water Services Authority Capacity Building Business Plan**

The ADM was assigned responsibility for potable water supply systems and domestic waste-water and sewerage disposal systems in terms of the provisions of Chapter 5, Section 84 of the Municipal Structures Act 117 of 1998 (as amended).

The ADM had not had this function or responsibility before. Consequently, it did not possess all the necessary structures, systems and resources to manage these functions and responsibilities. In view of this, the Department of Water Affairs and Forestry (DWAF) has undertaken a programme to assist municipalities to develop the required Water Services Authority (WSA) capacity.

A business plan was commissioned as part of the programme which would:

- Identify the status quo of existing WSA capacity;
- Identify gaps and problems to be addressed for the municipality to efficiently and effectively fulfil its WSA responsibilities;
- Set out the objectives formulated to address WSA capacity gaps identified;
- Set out the strategies developed to achieve these objectives;
- Set out the ADM's Implementation Plan, including actions, programmes and projects to give effect to strategies developed to achieve the objectives; and
- Set out an overall budget.

Implementation of the Action Plan was completed in 2005. However, two (2) outstanding issues, namely the adoption of the Water Services Policy and the implementation of the Water Management Information System, will be carried over to a new Water Services Business Plan to be developed during the 2006/07 financial year.

*** BoTT Programme**

The BoTT programme is a three-year R60 million contract programme dealing with both urban and rural water services (i.e. water and sanitation) implemented in the Mhashe and Mngoma Municipalities, started in January 2004. In February 2006, a decision was taken to implement some projects outside the BoTT contract, so as not to exceed the ceiling amount of R60 million, by calling for individual competitive construction bids.

During the 2005/06 financial year, the BoTT Programme has accelerated its delivery, with total spending of R26.35 million. In the process 10 villages have been provided with basic water supply and 12 villages with basic sustainable double pit urine diversion VIP toilets, which has benefited 31,923 people. When this programme comes to an end in December 2006 another nine (9) villages would have received services through the BoTT Programme, with a total of 61,800 people having benefited directly. The BoTT Programme would also have provided bulk mains designed to extend most of the water systems to other villages in the areas for future projects.

Municipal Health Services

*** Communicable Diseases Control**

Health and hygiene awareness campaigns took place in various local municipalities. There were four (4) campaigns in Ngqushwa Municipality and two (2) in Nkonkobe Municipality, and three (3) school health promotion campaigns took place at Centane, Butterworth and Ngqamakwe.

A *baswa le metse* competition was held in Buffalo City Municipality. The competition covered drama, poetry, music, praise singing and poster categories.

Three (3) traditional health practitioners' workshops were held. Community members who seek treatment for various ailments and communicable diseases regularly consult traditional health practitioners. The aim of these workshops was to bring the western and traditional medicine approaches together in combating the spread of communicable diseases. This was in line with the Traditional Health Practitioners Act 36 of 2004. One (1) traditional health medicinal plant nursery has been established.

Swine fever awareness campaigns were held at pay points, taxi ranks, informal settlements and schools in Buffalo City, Mquma and Mbashe Municipalities. This was in terms of regulations for the control of environmental conditions constituting a danger to health or a nuisance, in response to a swine fever outbreak.

The ADM, working together with the Department of Agriculture, embarked on an anti-rabies campaign at Mpukane Administrative Area in Mquma Municipality. The campaign included vaccination of dogs and cats, information on the nature of the disease, mode of transmission and preventative measures. This was in response to a reported case of a rabid dog in the area.

The ADM printed and distributed 9,000 pamphlets in isiXhosa and English as part of an awareness campaign on meningococcal meningitis. Road shows were conducted in Nkonkobe and Nxuba Municipalities covering Middledrift, Alice, Fort Beaufort, Seymour and Adelaide villages.

*** Water Quality Monitoring Programme**

The Water Quality Monitoring Programme continued uninterrupted throughout the 2005/06 financial year. A total of 1,023 water samples were taken from 95 sampling sites in all local municipalities. Out of the water samples taken, 788 complied with SABS (77% compliance). Where samples did not comply, further investigations were carried out to determine the reasons for non-compliance, and remedies were affected.

The most common contributing factor causing non-compliance was aged infrastructure. This also contributed to the 20 complaints received from communities about water which did not meet common aesthetic standards. A total of nine (9) emergency samples were taken to ensure community safety. Relevant departments are working together to continuously improve the infrastructure and the quality of drinking water.

*** Food safety programme**

A total of 54 samples of used frying oil were analysed. Of these, 52 complied with the Foodstuffs, Cosmetics and Disinfectants Act, No. 54 of 1972.

A total of 605 food handlers were trained, including caterers. There are 60 registered dairies in the Amathole district. A total of 228 milk samples were taken for testing, of which 178 complied with R1555 (78% compliance). A common cause of non-compliance is the lack of good hygiene practices on the dairy farms. The registered dairies had their dairy cows tested for TB, as required by R1555.

*** Pauper burials**

A total of eight (8) pauper burials were coordinated by the ADM during the year under review.

*** Exhumation**

A total of three (3) exhumations and reburials were coordinated by the ADM during the year under review, one (1) in Amahlathi Municipality and two (2) in Great Kei Municipality.

*** Annual events**

National Water Week celebrations were held from 27 – 31 March 2006 in Mbhashe, Great Kei and Amahlathi Municipalities, with the main event held at Mnquma Municipality. An annual celebration, Water Week, is an awareness campaign which serves as a mechanism re-iterating the value of water, the need for sustainable management of this scarce resource and the role water plays in eradicating poverty and underdevelopment.

Sanitation and Hygiene Week celebrations took place from 13 – 17 March 2006 at Amahlathi Municipality. The main objective was to raise the profile of sanitation and to encourage municipalities and communities to prioritise sanitation, health and hygiene. The 2005/06 international theme was "putting women at the centre of water supply, sanitation and hygiene" (WASH). The national theme was "washing of hands for healthy lives".

National Arbour Week celebrations took place in Amahlathi and Ngqushwa Municipalities from 1 – 7 September 2005. The aim of these celebrations was to promote awareness of the benefits of planting and growing indigenous trees.

*** Devolution of Municipal Health Services**

Municipal Health Services / Environmental Health is in the process of being devolved to metropolitan and district municipalities. The Municipal Systems Act 32 of 2000 (as amended) states that a municipality must review and decide on the appropriate mechanism to provide a municipal service when a new municipal service is to be provided.

This review process, known as a Section 78 Assessment, was carried out and completed during 2005/06. The ADM Council had to choose between two options, namely internal or external mechanisms to provide this service. Council opted for an internal mechanism.

The establishment of a Waste Management Stakeholder Forum – with the short term goal of normalising waste services in the district – is ensuring a legitimate approach to waste management. This forum will realise the objective of being a centre for information dissemination and planning.

The solid waste disposal by-law was adopted by the ADM Council on the 26 May 2006, as per requirements of Section 21 of the Constitution. It is currently with the Government Gazette for promulgation. The by-law should enable efficient and effective regulation of waste management activities in the district.

All municipalities in the district dispose of their waste in landfill sites. In terms of the Environmental Conservation Act, sites are required to be engineered and operated under license issued by DWAF / DEAT. The number of licensed or permitted sites has increased from seven (7) in 2002 to 13 sites in 2005, out of 25 operational sites in the district.

Local Economic Development

*** Tourism**

During the year under review, the tourism programme focused on marketing and development of the tourism sector with the aim of increasing the volume of tourists that visit the area and the time they spend in the area. As part of tourism marketing, the following activities were carried out:

- Developing a comprehensive marketing brochure.
- Exhibiting the district as a tourist destination at the Durban Tourism Indaba.
- 'Getaway' shows in George, Bloemfontein and Queenstown.
- Advertising in different tourism magazines.

Over and above these activities, the ADM in partnership with local municipalities hosted festivals as a means of attracting visitors to the area. Even though there are no statistics kept it is believed that these initiatives contribute towards promoting the district. The following festivals were held:

- Hamburg Beach Festival
- Hogsback Christmas in July Festival
- Great Kei Heritage Festival
- Amahlathi Craft Mania

*** Business Development**

The ADM has partnered with Buffalo City Municipality in setting up a One Stop Shop in Mdantsane. The centre provides business development services to SMMEs and co-operatives.

During the year under review, partnerships were developed with different business association such as Border Kei Chamber of Business, National Federated Chamber of Commerce (Nafcoc) and the Black Management Forum. The ADM supported the Border Kei Chamber of Business in hosting South African Chamber Business (Sacob) National Conference.

Support was provided to emerging entrepreneurs to exhibit their products at the Durban Tourism Indaba and Grahamstown National Arts Festival. A programme aimed at supporting co-operatives was strengthened.

*** Economic development agency**

An economic development agency, the Amathole Economic Development Agency (AEDA) was established in an effort to support business development and increase the capacity of the ADM to deliver on its mandate of promoting economic development. The agency is wholly owned by the District Municipality and is responsible for implementing key strategic economic development initiatives that are aimed at promoting economic growth and development.

*** Heritage**

A number of heritage sites have been upgraded as part of the Heritage Sites Improvement Project. The project consists of access roads, signage, erection of interpretation board and the actual site rehabilitation. This project is continuous and other sites will be done in forthcoming financial years.

A number of community-based heritage initiatives have been supported through grant funding support. Through these projects, local communities identified heritage sites for rehabilitation, erected memorials and created information centres and community museums.

Research paving the way for the mounting of a pictorial exhibition about the identified individuals that formed the first phase of the Early Modern African Intellectuals Heritage Trail Project was conducted. The pictorial exhibition, officially opened in June 2005, has travelled throughout the district. From December 2006 it will be housed at Robben Island Museum for three (3) months as there is a historical connection and partnership between the two institutions.

The ADM coordinated a Wreath Laying Ceremony at Dr. W.B.M. Rubusana's grave and a Memorial Lecture as an integral part of the short term deliverables of the Early Modern African Intellectuals Heritage Trail Project.

The main highlight was the undertaking of the archeological investigation and historical research about the unearthed mortal remains in King Williams Town, as the remains were housed at the Amathole Museum for 13 years with lots of uncertainties as to whom they belonged to. The investigations helped to produce more knowledge about the remains and culminated in cleansing and reburial ceremonies, and the memorialisation of the Cattle Killing Mass Grave.

The ADM also developed the draft District Heritage Resources Policy and Heritage Strategy. These documents provide an in-depth assessment of work that needs to be undertaken to streamline the district's heritage resources and the legal and financial instruments to safeguard the available heritage resources in the district for present and future generations.

Municipal Infrastructure Grant

The ADM administers the Municipal Infrastructure Grant (MIG) through the Project Management Unit (PMU). The unit is responsible for implementation of the MIG registered projects, which are IDP compliant and are entailed in the ADM's Three (3) Year Capital Plan.

The main target of MIG funds is to provide at least a basic service to all South Africans by the year 2013. MIG funding is aligned to the powers and functions of the ADM and therefore provides funding for the following basic services:

- Water supply
- Sanitation
- Local Economic Development
- Municipal roads (Ngqushwa Municipality)
- Solid waste disposal sites
- Street lighting
- Community facilities
- Public transport facilities

During the 2005/06 financial year the PMU started implementation of Expanded Public Works Programme (EPWP) compliant projects. Implementation of an Expanded Public Works Learnership Programme (EPWLP) was also initiated through the signing of a Memorandum of Agreement with the Department of Public Works and the Construction Education and Training Authority (CETA). The unit committed itself to engaging at least 10 learner contractors and 20 construction supervisors in the learnership programme when it is implemented during the 2006/07 financial year.

*** MIG allocations**

For the 2005/06 financial year, the ADM received a MIG allocation of R148,259,000. By the end of March 2006, the PMU had spent R121,610,329 (82%). An additional three (3) month grace period was authorised, with the ADM undertaking to spend 100% of the total allocation by the end of May 2006.

The ADM was responsible for the implementation of 108 projects during the 2005/06 financial year. These projects are broken down per area as follows:

LM	ACTIVE PROJECTS 2005/06
Amañlathi	16
Great Kei	15
Mbhashe	16
Mnquma	23
Ngqushwa	18
Nkonkobe	15
Nxuba	3
Buffalo City	2
TOTAL	108

The PMU was challenged by the slow MIG registration process of the former DWAF projects, and other MIG projects in general, which were regarded as non-expenditure projects, whereas the unit was spending against these projects subsequently registered in May 2006.

*** Support to local municipalities**

The PMU is currently divided into three (3) operational area grouped as follows:

AREA	L.Ms
Area 1	Amahlathi / Mnquma
Area 2	Great Kei / Mbhashe
Area 3	Nkonkobe / Ngqushwa / Nxuba

These areas are managed by specific area managers and their relevant staff members. As MIG is a multi-year programme, it has been projected that six (6) of seven (7) local municipalities will be receiving their MIG allocations during the 2006/07 financial year. In view of this, the ADM has started a process of engaging these municipalities to prepare them for receiving these funds in 2006/07.

For the 2005/06 financial year only two (2) local municipalities, namely Ngqushwa and Mnquma Municipalities, received MIG funds. The ADM was responsible for guiding these municipalities to enable them to carry out the MIG registration and implementation processes.

*** Operating budget**

The PMU received an operational budget of R5,329 million in the 2005/06 financial year, being R3,029 million from the total MIG allocation and R2,3 million from the ADM's equitable share allocation. The full R3,029 million MIG allocation had been spent by the end of March 2006 and was within the 0,5% to 5% of MIG funds allocated to the PMU operating budget, as per MIG guidelines.

*** Future allocations**

The ADM's projected MIG allocations for the 2005/06, 2006/07 and 2007/08 medium term expenditure framework (MTEF) period were as follows:

YEAR	05/06 Actual	06/07 (Indicative)	07/08 (Indicative)
Allocation	R148,259,000	R157,975,577	R183,598,000

By the end of March 2006, the ADM's MIG commitments for the 2005/06 and two (2) outer financial years were as follows:

YEAR	05/06	06/07	07/08
COMMITMENT	100%	100%	106%



Function:	
Function:	Executive and Council
Sub Function:	N/A

Reporting Level	Detail	Total
Overview:	ADM has Mayoral Committee consisting of 10 members, including the Executive Mayor and 9 Portfolio Concillors.	
Description of the Activity:	All matters adopted at the Mayoral Committee are reported to Council. Matters beyond the mandate of the Mayoral Committee (for example: raising of loans, approval of annual budgets, approval / adoption of the Integrated Development Plan, appointment of the Municipal Manager and Senior Managers) are referred	
	<i>The Human Resources and Administration Committee deals with the following:</i>	
	<ul style="list-style-type: none"> • Personnel and Industrial related matters • Administration • Resources Management and Council assets • Land Transactions • Building Maintenance and Administration • Insurances 	
	<i>The Community Services Committee deals with the following:</i>	
	<ul style="list-style-type: none"> • Nursing Services • Municipal Health Services • Disaster Management • Solid Waste • Transport • Community Facilities • Safety and Security • Environmental Management Issues 	
	<i>The Development and Planning Committee deals with the following:</i>	
	<ul style="list-style-type: none"> Land Administration and Housing Local Economic Development Land Reform and Settlement Plans 	
	<i>The Infrastructure Committee deals with the following:</i>	
	<ul style="list-style-type: none"> Electricity Engineering Services Municipal Infrastructure Water and Sanitation Roads 	
	<i>Bid Committee deals with the following:</i>	
	<i>The Audit Committee deals with the following:</i>	
	<ul style="list-style-type: none"> i) Monitor and review Performance Management System. ii) Audit the performance measurements. iii) Make recommendations to the Executive Mayor regarding management of the valuation of the adequacy and efficiency of the internal control system, risk management, accounting practices, information systems and auditing processes applied in the daily management of the municipality. iv) Interview members of senior management, advisors, consultants and employees of Council and to deal directly with external auditing functionaries, the office of the Auditor-General and any other external parties it may deem 	

	The Strategic objectives of this function are to	
	Facilitate the decision-making process by the Mayoral Committee as well as	
	The key issues for 2005/2006 are	
	i) To reduce mistakes and number of corrections made at meetings to minutes ii) Develop a Council decision - making guideline. iii) Council Open Day that was held on 15 May 2006.	
Analysis of the Function:	Statistical Information:	Target
	Councillor Details:	
	1 Total number of Councillors	73
	Number of Councillors on Mayoral Committee	10
	2 Ward Details:	
	Total number of Wards	N/A
	Number of ward meetings	N/A
	3 Number and Type of Council and Committee meetings:	
	Council	6
	Mayoral Committee	16
	Human Resources and Administration Committee	9
	Development and Planning Committee	9
	Infrastructure Committee	9
	Community Services Committee	9
	Bid Committees (SCM has provided the information)	
	*Bid Specification	40
	*Bid Evaluation	24
	*Bid Adjudication	24
	Audit Committee	5
	Performance Audit Committee	5

Function:	Finance and Administration		
Sub-Function:	Finance		
Reporting Level	Detail	Total	
Overview:	Includes all activities relating to the finance function of the municipality. Note: grants information is contained in Chapter 4 in Financial Statements.		
Description of the Activity:	The function of finance within the municipality is administered as follows and includes:		
	Strategic financial management and reporting internally and externally for all stakeholders		
	These services extend to include accounting for all funds received, but do not take account of legislative decision making which resides within the jurisdiction of national government.		
	The municipality has a mandate to:		
	Collect taxes from businesses within its jurisdiction.		
	The strategic objectives of this function are to:		
	Ensure maximum collection of rates		
	Ensure all gathered funds are received		
	Assist in identifying any other possible sources of revenue		
	Facilitate applications for additional funding e.g. U.S.A. co-funding		
	Report on movement of all funds received		
	Manage the entire revenue process & reporting thereof		
	Compile and have an approved budget 1 month before start of new financial year, with all funding pockets available clearly identified to guide budgeting expenditure processes		
	Ensure strategic alignment of funding with the challenges of the organisation as reflected in the IDP		
	Ensure all expenditure is in line with the approved procurement processes		
	Adherence to all legislative requirements		
	Provide monthly reconciles cash book to bank statements to assist with cash flow forecasts		
	Provide ongoing detailed expenditure and income analysis of all projects identified for current year as well as for work in progress on old projects		
	Prepare financial statements within 2 months of financial year end		
	Facilitate the external audit annually		
	Prepare consolidated APS by end of September 2005		
	The key issues for 2005/06 are:		
	Continuation of Section 72 assessments for Municipal Health and Water		
	Compliance with the requirements of the MFMA. Compiling APS in terms of GMAAP and DFSP, including consolidated financial statements, being necessary with the formation of the Limpopo Economic Development Agency		
	Take on of all DWAF assets. Budgeting for previously controlled DWAF and LM schemes. Preparing to take on all meter staff by 1 July 2005, as well as setting up receiving points at all LM's to accommodate receiving of meter income		
Analysis of the Function:	<Provide statistical information on (as a minimum) >		
	1 Debtor billings: number and value of monthly billings:	R (000s)	
	Function: RSC Levies	2005	2004
		Jul 05	14,159
		Aug	13,749
		Sep	15,282
		Oct	13,577
		Nov	13,233
		Dec	13,497
		Jan 06	12,469
		Feb	12,538
		Mar	13,217
		Apr	13,722
		May	13,824
		Jun	13,765
			103,259
			121,565

2 Debtor collections: value of amount received and interest:		R (000s)	R (000s)
Function - RSC Levies		<table>	<table>
	Jul 05	10,120	
	Aug	9,997	
	Sep	10,151	
	Oct	9,870	
	Nov	10,343	
	Dec	8,345	
	Jan 06	12,180	
	Feb	11,289	
	Mar	10,076	
	Apr	8,416	
	May	10,052	
	Jun	10,470	
		123,316	
3 Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:		R (000s)	
Function - RSC Levies			
	0 - 30 Days	677	
	30 - 60 Days	177	
	60 - 90 Days	308	
	90 - 120 Days	147	
	120 - 330 Days	761	
	Over 330 Days	3,089	
	Debtors Balance - 30th June 2006	4,778	
4 Write off of debts: number and value of debts written off:			R (000s)
Function - RSC Levies: June 2006		11	39
5 Property rates (Residential):			R (000s)
	- Number and value of properties rated	NA	NA
	- Number and value of properties not rated	NA	NA
	- Number and value of rate exemptions	NA	NA
	- Rates collectible for the current year		NA
Reporting Level	Detail	Total	
6 Property rates (Commercial):			R (000s)
	- Number and value of properties rated	NA	<table>
	- Number and value of properties not rated	NA	NA
	- Number and value of rate exemptions	NA	NA
	- Rates collectible for the current year		NA
7 Regional Service Council (RSC) levies:			R (000s)
	- Number and value of returns	163,268	121,683
	- Total Establishment levy		82,197
	- Total Services levy		39,996
	- Levies collected for the current year		129,376
8 Property valuation:			
	- Year of last valuation	NA	
	- Regularity of valuation	NA	
9 Indigent Policy:			
	- Quantity (number of households affected)	<table>	
	- Quantum (total value across municipality)	<table>	
10 Creditor Payments:		R (000s)	
No creditors outstanding as at 30 June 2006		0	NA
Note: create a suitable table to reflect the five largest creditors individually, with the amount outstanding over 30, 60, 90 and 120 plus days			
11 Credit Rating:			
Long term 2aBBB - adequate capacity to repay liabilities. Short term 2aA2 - strong capacity to repay short term debt. SA indicating that the rating is on the SA national scale relative to other SA obligors.			May 06
Yes Council does have a credit rating as listed above from CA-Rating appointed to assess Council's credit worthiness. Report submitted to Council on 18 August 2006 before being gazetted. Rating based May 2006.			

12	External Loans	R (000s)	R (000s)
	- Total loans received and paid during the year	N/A	N/A
	Note: Create a suitable table to reflect the balance of each external loan at the beginning of the year, new loans raised during the year and loans repaid during the year as well as the balance at the end of the year. Interest rates payable on each loan, together with the date of repayment should be also disclosed in the table.		
13	Delayed and Default Payments:		
	List delayed and default payments here	N/A	N/A
	List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature		
	Note: This information need not be reported here if reported as notes to the accounts.		
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
1. DEVELOPMENT:			
Financial performance	To maintain a positive working capital - liquidity ratio	1:1	3:1
	To ensure that levy debt turnover does not exceed 30 Days	18 days	14-34
	To ensure that levy debtors <180 days	25.00%	83.6%
	To increase the levy revenue of Council by 5% per annum	13.00%	6.1%
	To maintain a favourable cashflow	3:1	6:1
Sound Financial Control	To support the municipality to improve financial controls	None	N/A
2. SERVICE DELIVERY:			
Financial reporting	To monitor and report on municipal financial performance annually and periodically as required in terms of legal requirements	1	1
		1	1
		1	1
		4	4
		12	12
Free basic services	To develop a district-wide database for purposes of recording indigent consumers	Nil	1
	To co-ordinate the implementation of FBS and indigent support policies	Nil	100%
Financial performance	To pay creditors within 30 days	30 days	30 days
	To send all levy invoices (RSC4s) within 7 days after the end of each month	100%	100%
3. RESOURCE MANAGEMENT:			
Procurement	To meet the HDI targets set for capital and non-capital projects as per SCM policy	N/A	53%
Employment Equity	To fill 60% of available positions in Levels 1 - 6 with black (black, coloured, Indian) people	N/A	100%
	To fill 50% of available positions in Levels 1 - 6 with women	N/A	50%
	To fill 1% of available positions in the department with disabled people	N/A	Nil
Skills Development	To comply with the approved skills development plan	100%	100%
	To provide training impact reports to HR about staff who underwent training	Nil	100%
Performance management	To ensure performance management is operational in the department	100%	100%
WSP performance	To incentivize WSP to meet the financial requirements of the service contracts	None	100%
External revenue	To ensure that all gazetted (DORA) and promised funds for departmental services are applied for	100%	100%
Working environment	To improve communication between management and employees	45%	N/A
Staff absenteeism	To minimise staff absenteeism in the department	2%	Nil
Audit reports	To achieve an unqualified audit report every year	Nil	N/A
	To ensure that all financially related projects financed from levies are fully implemented by 30 June 2006	100%	100%

4. GOVERNANCE:			
Support to Local Municipalities	To get all municipalities to submit financial statements of the previous year by the end of the following financial year	0	5
	To contribute towards the achievement of unqualified Auditor-General's reports by LMs	None	100%
	To ensure legislative compliance by LMs	None	75%
	To implement finance related capacity building projects in LMs	Nil	100%
WSP interim contract	To have interim contracts with all current WSPs	7	7
Risk management	To compile quarterly departments risk assessment reports	Nil	4
Interdepartmental relations	To strengthen the interdepartmental relations	41%	N/A
Coordination in the district	To participate in quarterly district functional forum meetings	4	4

Function:	Finance and Administration		
Sub Function:	Other Administration (Supply Chain Management)		
Reporting Level	Detail		Total
Overview:	Includes all activities relating to overall procurement functions of the municipality including costs associated with orders, tenders, contract management etc		
Description of the Activity:	The function of procurement within the municipality is administered as follows and includes:		
	The Supply Chain Management function is situated within the Administration Department of Amathole District Municipality. The Supply Chain Management Unit deals with all the activities related to procuring goods and services within the Municipality. The Municipality adopted its SCM Policy on 19 August 2005, in terms of section 111 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003). ADM adopted a targeted SCM Policy and set out empowerment goals to support Historically Disadvantaged Individuals (HDI's). Support mechanisms have also been included to empower HDI's. A help desk has been established to achieve these goals as set out in the SCM Policy. A database has been established for General Services Providers/Suppliers, Contractors and Professional Services Providers.		
	These services extend to include <function/area> , but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:		
	Supply Chain Management in the Amathole District Municipality is rendered through the Administration Department. Compliance with the SCM Policy is monitored by the Assistant Director: Supply Chain Management of the Municipality. The SCM Unit offers support to tenderers through its help desk and ensures that Historically Disadvantaged Companies are favoured when awarding contracts. Contracts/tenders above R200 000 are adjudicated by the ADM Bid Adjudication Committee and Municipal Manager in the case of bids above R10m. The SCM Unit advises and provides secretariat support to the Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. For the procurement of goods and services below R200 000, ADM has established a supplier/service provider database where HDI suppliers/service providers are given preference. All bids between the value of R 30 000 and R200 000 are advertised on the Municipality's bid notice boards and ADM Website.		
	The approval of minor contracts is within the Chief Financial Officer's delegated authority and this approval is regulated through a process where the recommendations of the departments to appoint service providers/contract suppliers is verified by the SCM Unit.		
	The strategic objectives of this function are to:		
	1. Provide support to HDI-Owned Companies. 2. To ensure compliance with Amathole District Municipality SCM. 3. To advantage HDI-Owned Companies when awarding contracts/tenders. 4. To report deviation/irregularities when goods/services are procured incorrectly. 5. To report quarterly on the achievement of empowerment (BEE) targets.		
	The key issues for 2005/06 are:		
	The adoption of the SCM Policy was concluded in August 2005. Contractor Development Programmes and Support Programmes for HDI-owned companies and emerging contractors.		

Analysis of the Function:	<i>Provide statistical information on (as a minimum):</i>		
1	Details of tender / procurement activities:		
	- Total number of times that Bid Adjudication Committee met during year	21	
	- Total number of tenders considered	300	
	- Total number of tenders approved	200	
	- Average time taken from tender advertisement to award of tender	10 Weeks	
	Note: Figures should be aggregated over year across all municipal functions		
2	Details of Bid Adjudication Committee:		
	<i>Details of Bid Adjudication Committee membership</i>		
	Mr M Gogwana : Director : HR (Chairperson)		
	Mr K Jacoby : Chief Financial Officer		
	Mr A S Naidoo : Director Administration		
	Mr A Fani : Strategic Manager		
	Ms N Solomon : Director Health and Protection Services		
	Mr N Jonker : Director Engineering Services		
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<i>List at least five key performance areas</i>	1. Capital Projects over R1 million allocated to 100% HDI owned Companies	72.08%	40.00%

Function:	Health and Protection Services		
Sub Function:	Community Safety Services		
Reporting Level	Detail	Total	
Overview:	Community Safety Services co-ordinates a social crime prevention programmes and initiatives identified by the community safety forums		
Description of the Activity:	The provision of community safety services within the municipality is administered as follows and includes:		
	1 Sustainability of Community Safety Forums	R70 000 PP	
	2 Support to crime prevention initiatives	R70 000 PP	
	3 Youth Against Crime Program	500 000 PP	
	4 Crime prevention awareness		
	These services extends to the eight (8) Local Municipalities		
	The strategic objectives of this function are:		
	1 Establishing and sustaining Community Safety Forums in all local municipalities		
	2 Providing diversionary options to young people in respect of crime prevention related activities		
	3 Giving support to crime prevention initiatives		
	The key issues for 2005/06 are:		
	1 Community Safety Forums		
	2 Youth Against Crime		
	3 Crime prevention awareness		
Analysis of the Function:	Mortorium on SAPS stats makes it difficult to assess the impact of the programs in relation to crime reduction.		
	1 Number and cost to employer of Community Safety Services personnel		
	Community Safety Officer	1	
	Total operating costs of Community Safety Services		
	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance		
Key Performance Area		Current	Target
Community Safety Forums	Sustainability of Community Safety Forums	7	7 LMs
Youth Against Crime	Providing diversionary options for youth in all 8 Local Municipalities	8	8 LMs
Crime prevention awareness	Crime prevention programmes in all LMs	8	8 LMs
Support to crime prevention initiatives	No. of crime prevention initiatives supported	2	2

Function:	Health and Protection Services		
Sub Function:	Disaster Management		
Reporting Level	Detail	Total	
Overview:	Disaster Management on a District level has the responsibility to ensure that plans are put in place to deal with events of a disastrous nature. It has to coordinate efforts to be proactive in an effort to avoid disasters or reduce the effects of disasters and re-active in support of local municipalities when they are unable to cope with the extent of damages.		
Description of the Activity:	<i>The provision of disaster management within the municipality is administered as follows</i>		
	1 Supporting local municipalities that do not have the capacity to render the disaster		
	2 The administration of Provincial grants for capacity building, centre establishment and rebuilding of disaster damaged homes	Stipends for volunteers	
	3 The administration of an operational budget for the District Disaster Management function as legislatively required.		
	4 Co-ordinate and conduct district wide community awareness and capacity building		
	<i>These services extends to seven Local</i>		
	<i>Buffalo City has in-house capacity and is administering the function effectively. The seven other local municipalities require assistance and guidance from the District Disaster Management Centre but the aim is to fully capacitate them to become the</i>		
	<i>The strategic objectives of this function are:</i>		
	1 Enhance effective management of disasters within the district		
	2 Disaster Relief and Rehabilitation		
	3 Capacitate B's to render the Disaster Management Function		
	<i>The key issues for 2005/6 are:</i>		
	1 Complete risk and vulnerability assessment	R500 000 PP funding	
	2 Repair and rehabilitate disaster damages as incidents occur		
	3 Train and equip volunteers, councillors and officials and conduct awareness programmes	R300 000 PP funding	
	4 Upgrade and continue to capacitate B's via training and centre resourcing		

Analysis of the Function.	Statistical Information		
1	Number and cost to employer of all Disaster Management personnel	6	
	Chief Disaster Management Officer	1MF	
	Senior Disaster Management Officer	1BN	
	Admin Assistant / Centre Operator	1BF	Total
	2 Disaster Management Officers	2BM	R
2	Operational costs of District Disaster Management Centre		R
3	Provincial grant received to strengthen the disaster management function as follows	7	
	Strengthening of Disaster Management	R300 000	
	Facilitate training of Disaster Management Officers and Community Volunteers	R150 000	
	Facilitate Community Awareness	R150 000	
	Facilitate Risk and Vulnerability Assessment for Disaster Management Plans	R300 000	
	Integrate post-disaster and rehabilitation programmes	R500 000	R1.5m
	Total operating costs of disaster		
	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve		
Key Performance Area		Current	Target
Effectively deal with Disasters that occur within the district	Conduct a risk and vulnerability study	100%	0%
	Train and equip volunteers, councillors and officials and conduct awareness programmes	100%	
	Upgrade and continue to capacitate B's via training and centre resourcing	50%	100%
	Repair and rehabilitate disaster damages as incidents occur	100%	100%

Function:	Health and Protection Services		
Sub Function:	Fire Services		
Reporting Level	Detail	Total	
Overview:	Fire Services Management at District level has the responsibility to ensure that plans and services (in 4 LM's) are put in place to deal with fire and related emergencies. Identify risks and vulnerabilities and coordinate the implementation of mitigation measures to reduce or avoid these fire risks		
Description of the Activity:	<i>The provision of fire services management within the municipality is administered as follows and includes:</i>		
	1 To support the local municipalities that do the rendering of the fire services function (Amanatani, Nkonkobe and Mxibeni). Render the Fire Services function for Mphahle, Mquma, Ngqushwa and Great Kei		
	2 The administration of an operational budget for the Fire Services Management function as legislatively required.		
	<i>These services extends to seven Local Municipalities</i>		
	<i>Buffalo City has in-house capacity and is administering the function effectively.</i>		
	<i>The strategic objectives of this function are:</i>		
	1		
	Conduct fire safety Awareness Campaigns		
	2		
	Build capacity of volunteers through training programmes and buy equipment using external funding	R2.5mil. PP funding	
	3		
	Agreement with Buffalo City (only HAZMAT SP in the area) to render HAZMAT services to the area		
	<i>The key issue for 2005/2006 was:</i>		
	Enhancing provision and standardization of fire services within the district		

Analysis of the Function:	Statistical Information		
	Number and cost to employer of all Fire Services personnel:	total	R (000s)
	Chief Fire Officer = 1		
	Fire Fighting Staff = 24		
	Provincial grants received to strengthen the function used as follows:		
	1) Training and equipment		
	2) Stipends for volunteers		
	Protective Clothing	R198 000	
		R345 500	
		R367 400	
	Provincial funding to operational costs	R100 000	
	The operating costs of Fire Services were funded from April to June 2005 under the budget of Disaster Management 2005/2006		
	Total operating costs of Fire Services		
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	No. of Awareness Campaigns		
Conduct fire safety Awareness Campaigns		2	2
Build capacity of volunteers through training programmes			
	No. of training programmes per year	4	4
Agreement with Buffalo City (only HAZMAT S/P in the area) to render HAZMAT services to the area	Agreement in place	1	0

Function:	Health and Protection Services		
Sub Function:	Primary Health Care		
Reporting Level	Detail	Total	Cost
Overview:	Provision of Primary Health Care Delivery within Amathole District Municipality's area of jurisdiction.		
Description of the Activity:	Provision of comprehensive Primary Health Care Package to communities within the district municipality through health clinics that includes:		
	physical examination and screening, treatment of minor adult and childhood diseases, ailments, growth monitoring, immunisation, reproductive health, prevention and treatment of Sexually Transmitted Infections and HIV/AIDS, implementation of TB management program.		
	These services are rendered through fixed and mobile clinic services in Amahiathi, Buffalo City, Great Kei, Nkonkobe and Nxuba local municipalities.		
	The strategic objectives of this function are to:		
	Reduce the incidence of communicable diseases and impact of HIV/AIDS, increase access to Voluntary Counselling and Testing and Prevention of Mother to Child		
	Increase access to Primary Health Care services, ensure integration of health services and promote disease prevention.		
	The key issues for 2005/6 are:		
	HIV/AIDS		
	improve community and traditional health practitioners awareness of HIV/AIDS and provide quality care.		
	Upgrading and improvement of Clinics serving the Communities, Health promotion, and implement disease surveillance system		
Analysis of the Function:	Provide statistical information on (as a minimum):		
Control of Communicable Disease	Number and cost to employer of all personnel associated with provision of primary health care services:		R (000s)
Treatment of Ailments	- Professional (Medical Doctor/Specialists)	2	
Coordination of HIV/AIDS	Professionals (Nurses/Aides)	26	
	- Office (Clerical/Administration)	1	162 774
	- Non-professional (Clinic staff unqualified)	26	1 562 748
	- Temporary	40	N/A
			2 344 583
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Total number cost of public, private clinics servicing population:		R (000s)
	- Public clinics (owned by municipality)	26	423 001
	Private clinics (owned by private, fees based)		
3	Total annual patient head count for services provided by the municipality:		R (000s)
	- Total Headcount	148 656	<cost>
	> Under 5 years	22 007	<cost>
Reporting Level	Detail	Total	Cost

	Note: total number should appear in IDP, and cost in future budgeted Primary Health Care services		
6	Type and number of grants and subsidies received: (PHC subsidy)		
	<i>HIV/AIDS Grant</i>	<total>	
7			R (000s)
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
			6
		6	
Reduce impact of HIV & AIDS	Coordinate HIV & AIDS activities in the district Pilot a "nutrition" program for Aids Orphans	12 homes	12 homes
Increase access to Home Based Care Services by 75% in 2007	Capacitate Traditional Health Practitioners on HIV & AIDS, Home Based Care, DOTS support and "lay counseling" Distribute Home Based Care Kits in the entire district	40	40
		4	4
Improve access to health information	Implement HIV & AIDS magazine Facilitate implementation of District Health Information System and the Disease surveillance systems	50%	50%
Enhance disease prevention and health promotion by 50% 2007	Awareness and Health promotion campaigns		10
to Primary Health Care Services	Facilitate access to health care for Bolo Reserve Community	10%	50%
To ensure integration of health services	Enhancing the functioning of the District Health Council and District Health Advisory Committee meetings	6	6

Function:	Housing		
Sub Function:	N/A		
Reporting Level	Detail	Total	
Overview:	Include all activities associated with the provision of adequate and Sustainable Human Settlements.		
Description of the Activity:	The function of provision of housing development with the Municipality is administered by:		
	Provision of adequate and Sustainable Human Settlements through organized methods of Settlement Planning and access to Land Reform Program and Infrastructure related services to top structure provision. These are provided by:		
	Provision of beneficiary communities with technical, financial, economic and administrative support		
	Tenure Security provision		
	Settlement Planning		
	Deeds of Sale Agreements		
	Assist in Subsidy/ Grants approvals		
	Material supply acquisition		
	Home design		
	Quality control in construction		
	Administer subsidies		
	Services Provision		
	The Municipality has a mandate to:		
	Support, Guide, Advocate, co-ordinate and Implement housing development initiatives		
	The Key issues for 2005/06 are:		
Strategic Objectives	To facilitate the development of sustainable and viable settlements within the district by 2014		
	Implement housing projects according to agreed programme		
	Implement housing strategy projects		
Analysis of the Function:	Provide statistical information on (as a minimum):		
	1	Number and cost of all personnel associated with provision of municipal housing:	R (000s)
		- Professional (Architects/Consultants)	5 per project varies
		- Field (Supervisors/Foremen)	1 per project varies
		- Office (Clerical/Administration)	1 per project varies
		- Non-professional (blue collar, outside workforce)	varies
		- Temporary	varies
		- Contract	2
		Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package. Professional includes project design, Field includes all tradespersons.	
	2	Number and total value of housing projects planned and current:	R (000s)
		- Current (financial year after year reported on)	9 73,749,340
		- Planned (future years)	4 108,570,000
		Note: provide total project and project value as per Initial or revised budget.	
	3	Total type, number and value of housing provided:	R (000s)
		Prudhoe	200 6,090,000
		Dongwe	300 9,030,000
		Needscamp	300 6,090,000
		Teko Springs	450 8,135,000
		Kubusie	1,328 26,958,400
		Ndlovini	152 3,085,600
		Lilyvale	88 1,785,400
		Macleantown	77 1,563,100
		Ducats	625 12,687,500
			3,620 73,486,000
		Note: total number and total value of housing provided during financial year	

4	Total number and value of rent received from municipal owned rental units		R (000s)
	list details, including number of units handed over to residents	totals	
5	Estimated backlog in number of (and costs to build) housing:		6 891 701 232
	list details by type of dwelling, see below	188 809	cost
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
6	Type of habitat breakdown:		
	- number of people living in a house or brick structure	varies (4-8)	
	- number of people living in a traditional dwelling	N/A	
	- number of people living in a flat in a block of flats	N/A	
	- number of people living in a town/cluster/semi-detached group dwelling	N/A	
	- number of people living in an informal dwelling or shack	N/A	
	- number of people living in a room/flatlet	N/A	
Reporting Level	Detail	Total	
7	Type and number of grants and subsidies received:		R (000s)
	TekoSprings(R 256 500 +R 9 135 500)	1 EACH	9 392 000
	Prudhoe (R 171 000 + R 6 090 000)	1 each	6 261 000
	Dongwe (R 171 000 + R 6 090 000)	1 each	6 261 000
	Dongwe (R 171 000 + R 6 090 000)	1 each	6 261 000
	Ducats (356 250 + R 12 687 500)	1 each	13 043 750
	Ndlovini (R 86 640 + R 3 085 600)	1 each	3 172 240
	Macleantown (R 43 890 + R 1563 100)	1 each	1 606 990
	Lilyvale (R 50 160 + R 1 786 400)	1 each	1 836 560
	Kubusie (R 758 960 + R 28 958 400)	1 each	27 715 360
	Note: total value of specific housing grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar. Apr to Jun this year.		
8	Total operating cost of housing function		R (000s)
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
Construction of Housing Support Centre	Funds for Housing Support Centre Construction in 9 projects transferred		
Appointment of Professional	Consultants appointed for town planning, construction of infrastructure, site and title deed transfers to beneficiaries at Dongwe, Needscamp, Prudhoe, TekoSprings and Macleantown.		
Appointment of building contractors	Subsidy funds transferred into ADM for Dongwe, Needscamp, Prudhoe, TekoSprings, Ducats, Kubusie, Macleantown and Ndlovini housing projects		
Construction of top structures in 9 projects	Appointment and use of emerging contractors together with trained beneficiaries in the construction of top structures started in November 2003 in 4 projects and in February 2004 in 3 other projects		

Function:	Planning and Development		
Sub Function:	Economic Development		
Reporting Level	Detail		Total
Overview:	The programme is aimed at promoting economic development within the district with the aim of increasing the levels of income within household and increasing the number of household earning above poverty levels. The programme include the following units: Local Economic Development (Tourism, Small Medium & Micro Enterprise, Film Development and Co-operative Development) Urban Renewal Programme and Heritage Development.		
Description of the Activity:	The function of economic planning / development within the municipality is administered as follows and includes:		
	<List here>		
	The strategic objectives of this function are to:		
	Co-operatives development, Small, Medium and Micro-enterprise development, Agricultural development, Tourism Marketing and tourism development, Support to emerging film makers, Heritage development, Butterworth Urban Renewal.		
	The key issues for 2005/06 are:		
	Agriculture, Manufacturing tourism and heritage.		
Analysis of the Function:	<Provide statistical information on (as a minimum)>		
	1 Number and cost to employer of all economic development personnel:		R (000s)
	- Professional (Directors / Managers)	13	2 054 010,57
	- Non-professional (Clerical / Administrative)	1	140 460,84
	- Temporary	Nil	Nil
	- Contract	Nil	Nil
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	14	2 194 471,41
	2 Detail and cost of incentives for business investment		R (000s)
	Note: Local government does not necessarily offer incentive but rebates, more especially local municipalities		N/A
	3 Detail and cost of other urban renewal strategies:		R (000s)
	The Municipality continued to work on the Butterworth Urban Renewal Programme which is a node that has been identified by the the District as a nodal point.		2 500 000
	4 Detail and cost of other rural development strategies:		R (000s)
	The main strategy implemented by the District in carrying out rural development has mainly been focusing on agricultural development, heritage development and Tourism development. Some of the programme initiated include food security, Livestock improvement, Mechanisation, heritage sites identification and development and co-operatives development. As part of promoting self help, self reliance, broadening participation of historically disadvantaged individuals in the mainstream of economic activities and job creation ADM initiated co-operative programme. The support provided to co-operatives includes technical assistance and financial resources. In the year under review 10 co-operatives were supported. In total the co-operatives had about 575 members with 293 being woman and 159 member being young people. Of the 10 co-operative some had firm contracts to supply different services.		<cost>

	5	Number of people employed through job creation schemes:		
		- Short-term employment	250	
		- Long-term employment	18	
		Note: total number to be calculated on full-time equivalent (FTE) basis, and should only be based on direct employment as a result of municipal initiatives		
	6	Number and cost to employer of all Building Inspectors employed:		R (000s)
		- Number of Building Inspectors	<number>	<value>
		- Temporary		
		- Contract		
		Note: total number to be calculated on a full-time equivalent (FTE) basis, total cost to include total salary package		
	6	Details of building plans:		
		- Number of building plans approved	<number>	
		- Value of building plans approved	<value>	
Reporting Level		Detail	Total	
		Note: Figures should be aggregated over year to include building plan approvals only		
	7	Type and number of grants and subsidies received:		R (000s)
		<list each grant or subsidy separately>	<total>	<value>
		Note: total value of specific planning and development grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
Key Performance Area		Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the 200X/0Y budget here>		< List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an expansion of the variance. Also provide details of any improvements planned for next year.>		

Function:	Road Transport		
Sub-Function:	Roads		
Reporting Level	Detail		
Overview	Construction and maintenance of roads within the municipality's jurisdiction		
	The MEC assigned all municipal roads functions to the Local Municipalities, with the exception of Ngqushwa		
Description of the Activity:	The road maintenance and construction responsibilities of the municipality are administered as follows and include:		
	Agency Function was removed from the ADW. Road maintenance and construction function applies only to Ngqushwa Municipality. Construct and maintain all roads in Ngqushwa Municipality.		
	The strategic objectives of this function are:		
	Ensure all roads in Ngqushwa Municipality remain accessible		
	The key issues for 2005/3 are:		
	Urgently awaiting provincial government's finalisation of the Roads Classification System to clearly define the roads in Ngqushwa Municipality that ADW is responsible for.		
Analysis of the Function:	Statistical Information	Total	
	Number and cost to employer of all personnel associated with road maintenance and construction:		R (000s)
	- Professional (Engineers/Consultants)	0	0
	- Field (Supervisors/Foreman)	0	0
	- Office/Clerical/Administration	0	0
	- Non-professional (blue collar, outside workforce)	0	0
	- Temporary	0	0
	- Contract	0	0
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
	Total number, kilometres and total value of road projects planned and current:	Number	R (000s)
	- New bitumenised (number)	Information not available	Information not available
	- Existing re-tarred (number)	Information not available	Information not available
	- New gravel (number)	Information not available	Information not available
	- Existing re-sheeted (number)	Information not available	Information not available
	Note: if other types of road projects please provide details		
	Total kilometres and maintenance cost associated with existing roads provided	Number	R (000s)
	- Tar	N/A	N/A
	- Gravel	N/A	N/A
	Note: if other types of road provided, please provide details		
	Average frequency and cost of re-tarring, re-sheeting roads	Number	R (000s)
	- Tar	N/A	N/A
	- Gravel	N/A	N/A
	Note: based on maintenance records		
	Estimated backlog in number of roads, showing kilometres and capital cost	Number	R (000s)
	- Tar	N/A	N/A
	- Gravel	N/A	N/A
	Type and number of grants and subsidies received:	Number	R (000s)
	N/A	N/A	N/A
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
to upgrade and maintain district roads in Ngqushwa are to ideal level	Re-gravel MRC522	100%	100%

Function: Waste Water Management																																										
Sub Function: Sewerage etc																																										
Reporting Level	Detail	Total	Cost																																							
Overview:	includes provision of sewerage services, including infrastructure and waste water purification, but excluding toilet facilities, which fall under Local Amenities																																									
Description of the Activity:	<p>The sewerage functions of the municipality are administered as follows and include:</p> <p>The provision of bulk and reticulation infrastructure (W/P's, sewerage reticulation, waste water conveyance and treatment facilities), the collection and treatment of waste water and disposal of effluent into natural resource. The regulation function of the services was assigned to the ADM (non-delegable), while the provision function was split in the interim between the ADM and Local Municipalities via interim WSP Contracts.</p> <p>These services extend to include Mngquma, Mhashe, Great Kei, Amahlathi, Ngqushwa and Nxuba, but do not take account of Buffalo City which resides within the jurisdiction of local government. The municipality has a mandate to:</p> <p>Ensure access to sewerage services (provide infrastructure) Plan for sewerage provision Regulate the provision of sewerage services Provide the service (via internal resources or outsourced)</p> <p>The strategic objectives of this function are to:</p> <p>To provide adequate sanitation to all people by 2018</p> <p>The key issues for 2005/06 are:</p> <p>Completion of the Assessment of Provision options (Section 7A Assessment) Backlog Elimination Dealing with Deferred Maintenance and demand on existing infrastructure Transferring the Water Services Function from executive authorities</p>																																									
Analysis of the Function:	<p>Note that resources are shared with the water function - personnel perform both water and sanitation functions.</p> <p>Total resource allocated to the function to be confirmed via engineering initiative</p> <p>Costs are estimates based on averages and transfers completed</p> <p>1 Number and cost to employer of all personnel associated with sewerage functions:</p> <table border="1"> <tr> <td>- Professional (Engineers/Consultants)</td> <td>1</td> <td>360000</td> </tr> <tr> <td>- Field (Supervisors/Foremen)</td> <td>35</td> <td>665000</td> </tr> <tr> <td>- Office (Clerical/Administration)</td> <td>44</td> <td>528000</td> </tr> <tr> <td>- Non-professional (blue collar, outside workforce)</td> <td>492</td> <td>2068400</td> </tr> <tr> <td>- Temporary</td> <td>10</td> <td>40000</td> </tr> <tr> <td>- Contract</td> <td>8</td> <td>300000</td> </tr> </table> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Number of households with sewerage services, and type and cost of service:</p> <table border="1"> <tr> <td>- Flush toilet (connected to sewerage system)</td> <td>75269</td> <td>190162</td> </tr> <tr> <td>- Flush toilet (with septic tank)</td> <td>Included above</td> <td>Included above</td> </tr> <tr> <td>- Chemical toilet</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>- Pit latrine with ventilation</td> <td>83450</td> <td>801392</td> </tr> <tr> <td>- Pit latrine without ventilation</td> <td>Included below</td> <td>Included below</td> </tr> <tr> <td>- Bucket latrine</td> <td>2283</td> <td>82000</td> </tr> <tr> <td>- No toilet provision</td> <td>814082</td> <td>900000</td> </tr> </table> <p>Note: if other types of services are available, please provide details</p>	- Professional (Engineers/Consultants)	1	360000	- Field (Supervisors/Foremen)	35	665000	- Office (Clerical/Administration)	44	528000	- Non-professional (blue collar, outside workforce)	492	2068400	- Temporary	10	40000	- Contract	8	300000	- Flush toilet (connected to sewerage system)	75269	190162	- Flush toilet (with septic tank)	Included above	Included above	- Chemical toilet	N/A	N/A	- Pit latrine with ventilation	83450	801392	- Pit latrine without ventilation	Included below	Included below	- Bucket latrine	2283	82000	- No toilet provision	814082	900000		R (000s)
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	3 Anticipated expansion of sewerage: - Flush/chemical toilet - Pit latrine - Bucket latrine - No toilet provision Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	To be advised To be advised To be advised To be advised	R (000s) To be advised To be advised To be advised To be advised
	4 Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household)	13569 To be advised	
Reporting Level	Detail	Total	Cost
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
	5 Total operating cost of sewerage function		R (000s)
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	<List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year.>		

Function: Waste Management
 Sub Function: Solid Waste

Reporting Level	Detail	Total	
Overview:	Includes refuse removal, solid waste disposal and landfill, street cleaning and recycling		
Description of the Activity:	<p>The refuse collection functions of the municipality are administered as follows and include:</p> <p><List administration of each function here, this should detail what is offered and how it is offered to the community></p> <p>These services extend to include <function/area>, but do not take account of <function/area> which resides within the jurisdiction of <national/provincial/other private sector> government. The municipality has a mandate to:</p> <p><List here></p> <p>The strategic objectives of this function are to:</p> <p>Ensure that eligible residents have access to safe and legal waste services by 2012.</p> <p>The key issues for 200X/0Y are:</p> <p><List here></p>		
Analysis of the Function:	<p><Provide statistical information on (as a minimum)></p> <p>1 Number and cost to employer of all personnel associated with refuse removal:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clencial/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Number of households receiving regular refuse removal services, and frequency and cost of service:</p> <ul style="list-style-type: none"> - Removed by municipality at least once a week - Removed by municipality less often - Communal refuse dump used - Own refuse dump - No rubbish disposal <p>Note: if other intervals of services are available, please provide details</p> <p>3 Total and projected tonnage of all refuse disposed:</p> <ul style="list-style-type: none"> - Domestic/Commercial - Garden <p>Note: provide total tonnage for current and future years activity</p> <p>4 Total number, capacity and life expectancy of refuse disposal sites:</p> <ul style="list-style-type: none"> - Domestic/Commercial (number) - Garden (number) <p>Note: provide the number of tip sites, their total current capacity and the expected lifespan as at end of reporting period</p>	<p>2</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p>	<p>300 000</p> <p>300 000</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>R (000s)</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p> <p>LM</p>

Reporting Level	Detail	Total	
5	Anticipated expansion of refuse removal service: - Domestic/Commercial - Garden Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	LM LM	R (000s) LM LM
6	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.	LM LM	
7	Total operating cost of solid waste management function		300 000
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
<List at least five key performance areas relative to the above function as articulated in the budget here>	<List here the actual performance achieved over the financial year, and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year>		

Function:	Water		
Sub Function:	Water Distribution		
Reporting Level	Detail	Total	Cost
Overview:	Includes the planning, regulation and provision of water supply services		
Description of the Activity:	The water supply service of the ADM is provided as follows		
	The provision of bulk and reticulation infrastructure (water storage, extraction, treatment and reticulation); the provision of water supply services, including revenue collection and customer service. The regulation function of the service was assigned to the ADM (non-delegable), while the provision function was split in the interim between the ADM and local municipalities via formal WSSO contracts.		
	These services extend to include Mquma, Mbrasha, Great Kai, Amahlathi, Ngqushwa and Nxuba, but do not take account of Buffalo City which resides within the jurisdiction of local government. The municipality has a mandate to:		
	<ul style="list-style-type: none"> Ensure access to water supply services (provide infrastructure) Plan for sewerage provision Regulate the provision of sewerage services Provide the services (as internal resources or outsourced) 		
	The strategic objectives of this function are to:		
	To provide safe water, potable water to all people by 2008		
	The key issues for 2005/06 are:		
	<ul style="list-style-type: none"> Completion of the Assessment of Provision options (Section 7a Assessment) Backlog eradication Dealing with Deferred Maintenance and demand on existing infrastructure Transferring the Water Services Function from grantable authorities 		
	<ul style="list-style-type: none"> Note that resources are shared with the water function - personnel perform both water and sanitation functions Total resource allocated to the function to be confirmed via improving initiative Costs are estimated based on overheads and transfers assumed 		
	1	Number and cost to employer of all personnel associated with the water distribution function:	R (000s)
		- Professional (Engineers/Consultants)	1 / 280000
		- Field (Supervisors/Foremen)	35 / 550000
		- Office (Clerical/Administration)	44 / 328000
		- Non-professional (blue collar outside workforce)	492 / 2066400
		- Temporary	10 / 40000
		- Contract	8 / 320000
		Notes: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package.	
	2	Percentage of total water usage per month	
		Note: this will therefore highlight percentage of total water stock used per month	
	3	Total volume and cost of bulk water purchases in kilolitres and rand, by category of consumer	R (000s)
	4	Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:	R (000s)
	5	Total year-to-date water losses in kilolitres and rand	R (000s)

Reporting Level	Detail	Total	Cost
5	Number of households with water service, and type and cost of service:		R (000s)
	- Piped water inside dwelling	Included below	<cost>
	- Piped water inside yard	200600	<cost>
	- Piped water on community stand: distance < 200m from dwelling	170833	965200
	- Piped water on community stand: distance > 200m from dwelling	Included below	<cost>
	- Borehole	Included below	<cost>
	- Spring	300000	522000
	- Rain-water tank	<total>	<cost>
	Note: if other types of services are available, please provide details		
7	Number and cost of new connections:		
8	Number and cost of disconnections and reconnections:		
9	Number and total value of water projects planned and current:		R (000s)
	- Current (financial year after year reported on)	18	116376
	- Planned (future years)	To be advise	300000
	Note: provide total project and project value as per initial or revised budget		
10	Anticipated expansion of water service: (Upgrade)		R (000s)
	- Piped water inside dwelling	Included below	Included below
	- Piped water inside yard	2	6442
	- Piped water on community stand: distance < 200m from dwelling	7	24200
	- Piped water on community stand: distance > 200m from dwelling	N/A	N/A
	- Borehole	N/A	N/A
	- Spring	N/A	N/A
	- Rain-water tank	N/A	N/A
	Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality		
11	Estimated backlog in number (and cost to provide) water connection:		R (000s)
	- Piped water inside dwelling	Included above	Included below
	- Piped water inside yard	Included below	Included below
	- Piped water on community stand: distance < 200m from dwelling	300000	622000
	- Piped water on community stand: distance > 200m from dwelling	Included above	Included above
	- Borehole	Included above	Included above
	- Spring	Included above	Included above
	- Rain-water tank	Included above	Included above
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
12	Free Basic Service Provision:		
	- Quantity (number of households affected)	57211	
	- Quantum (value to each household)	R 353	
	Note: Provide details of how many households receive the FBS provision, and the average value it means per household. Describe in detail the level of Free Basic Services provided.		
13	Type and number of grants and subsidies received:		
	Note: total value of specific water grants actually received during year to be recorded over the five quarters - Apr to Jun last year, Jul to Sep, Oct to Dec, Jan to Mar, Apr to Jun this year.		
14	Total operating cost of water distribution function		shared with sewerage function
Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
< List at least five key performance areas relative to the above function as articulated in the budget here >	< List here the actual performance achieved over the financial year and the variance between performance planned and actual performance, providing an explanation of the variance. Also provide details of any improvements planned for next year >		

**REPORT OF THE AUDITOR-GENERAL TO THE COUNCIL ON FACTUAL FINDINGS
ON PERFORMANCE MEASUREMENT AT AMATHOLE DISTRICT MUNICIPALITY
FOR THE YEAR ENDED 30 JUNE 2006**

1. ASSIGNMENT

The compilation, presentation and publishing of performance measurements as included on pagesto.... of this annual report and the implementation, management and internal control of supporting systems, are the responsibility of the accounting officer.

As required by section 45(b) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) my responsibility is to provide an assessment of the controls implemented by the accounting officer to develop and manage the municipality's performance management system, my role is not to assess or comment on the municipality's actual performance.

2. NATURE AND SCOPE

I have performed the procedures agreed upon and described below regarding the performance measurement system of Amathole District Municipality. The assignment was undertaken in accordance with the International Standard on Related Services (ISRS 4400) applicable to agreed upon procedures engagements.

The procedures were performed solely to evaluate the controls implemented and managed by the accounting officer regarding the municipality's performance measurement system against the criteria set out in:

- chapter 6 of the Municipal Systems Act, 2000;
- the Local Government: Municipal Planning and Performance Management Regulations, 2001 (No. R. 796)

The procedures performed during our assignment were based on the high-level overview checklist completed by the accounting officer and included a review of the following aspects:

1. Development of an integrated development plan
2. Development of a performance management system
3. Development and implementation of key performance indicators
4. Setting of targets for key performance indicators
5. Actual service delivery process
6. Internal monitoring of performance measurements
7. Internal control of the performance management system
8. Performance measurement and reporting
9. Revision of strategies and objectives

3. FACTUAL FINDINGS

I report my findings below:

3.1 Development of an integrated development plan

A formalised process was adopted for the development of the integrated development plan. The adoption, implementation and disclosure of the integrated development plan for the 2005-06 financial year was in accordance with the legal requirement.

The integrated development plan for the 2005-06 financial year included all the essential characteristics required.

3.2 Performance management system

The municipality has approved and adopted a framework and process for its performance management system. The framework provides for annual reporting of performance to council, instead of twice annually as required by the above-mentioned legislation. Furthermore, the municipality does not compare the performance of its service providers during the current year with targets of and with performance in the previous year. The municipality's framework does not require that current and previous year targets and performance be compared.

The actual performance management system complies with the essential output criteria included in the legislation and guidelines.

3.3 Development and implementation of key performance indicators

The 2005-06 integrated development plan included key performance indicators and these were used as the basis for the development of operational and individual key performance indicators. These key performance indicators were based on the priorities and objectives that were identified. These key performance indicators were also classified as input-, output- and outcome indicators as was required in the regulations, which are used as a guideline to ensure that all types of indicators were indeed considered for each developmental priority and objective identified in the integrated development plan.

3.4 Setting targets for key performance indicators

Targets were set for each of the key performance indicators.

3.5 Actual service delivery process

The municipality used a manual system to track individual performance of staff and service providers. The performance tracking was an evolving process and staff performance was tracked by means of *performance promises* and *accountability agreements*.

3.6 Internal monitoring

Internal performance monitoring of staff was conducted on a quarterly basis in line with the framework. Performance reporting to the municipal council was also performed on a quarterly basis.

3.7 Internal control

The municipality has an in-house internal audit function that does, on a continuous basis, audit the municipality's performance measurement. The reports of these audits are then submitted to the performance audit committee who review the reports, review the performance management framework and at least twice during the year, submit audit reports to the municipal council.

3.8 Report on the results of performance measurement for 2004-05

The municipality compiled a formal performance report, which was included in their annual report. The performance report was compiled according to their formally documented reporting framework and included an evaluation of their performance against targets.

3.9 Revision of strategies and objectives

Strategies and objectives were amended in the integrated development plan that was prepared for the 2006-07 financial year. These amendments took into consideration various external factors, including national and provincial strategies, as well as the latest legislative requirements. As is required these amendments were approved by the Integrated Development Plan Representative Forum.

4. STATEMENT

Because the above procedures do not constitute either an audit or a review made in accordance with Standards on Auditing or International standards on Review Engagements, I do not express any assurance on the performance measurements as at 30 June 2006.

Had I performed additional procedures or had I performed an audit or review of the performance measurement in accordance with International Standards on Auditing or International standards on review engagements other matters might have come to my attention that would have been reported to you.

This report relates only to the purpose set forth in the first paragraph of this report and does not extend to the financial statements of Amathole District Municipality, taken as a whole.

5. APPRECIATION

The assistance rendered by the staff of Amathole District Municipality during the assignment is sincerely appreciated.

Yours faithfully



S.M. NGQWALA for Auditor-General

EAST LONDON

30 November 2006



AUDITOR-GENERAL

RESPONSE TO ISSUES RAISED IN THE PERFORMANCE AUDIT REPORT

The ADM's Performance Measurement System Framework will be reviewed in the 2006/07 financial year to meet the requirements of the new Municipal Planning and Performance Management Regulations of 2001.

Issues raised in the Auditor-General's report on the audit of the ADM's Performance Measurement System will be addressed during this review.

INSTITUTIONAL PERFORMANCE MEASUREMENT

Performance of the Municipal Manager and Heads of Departments

The performance results of the 2005/06 financial year reflected below were reviewed by the Performance Audit Committee and subsequently tabled in the ADM's Council on 8 December 2006.

Department / Scorecard	Targets Met				Combined Targets Met 2006
	2003	2004	2005	2006	
Municipal Manager - District Scorecard	-	-	66%	78%	78%
Budget & Treasury Office - Departmental Scorecard - District Scorecard	93% 100%	89% 100%	90% 72%	91% 88%	90%
Engineering Services - Departmental Scorecard - District Scorecard	78% 57%	72% 67%	79% 69%	84% 86%	85%
Administration - Departmental Scorecard - District Scorecard	73% 66%	91% 100%	88% 67%	82% 100%	91%
Health & Protection - Departmental Scorecard - District Scorecard	50% 87%	70% 100%	87% 73%	88% 85%	87%
Human Resources - Departmental Scorecard - District Scorecard	71% 90%	65% 100%	83% 58%	81% 75%	78%
Strategic Management - Departmental Scorecard - District Scorecard	- -	- -	71% 69%	71% 52%	62%

Performance targets for the following financial year

Strategic cluster approach

District wide agreement was reached on clustering priority issues within four (4) strategic clusters as outlined in the table below.

CLUSTER	PRIORITY ISSUES
Institution and Finance (I&F)	<ul style="list-style-type: none"> ▪ Institution ▪ Finance ▪ Communication ▪ IDP – Local Municipalities (PIMSS) ▪ IDP – ADM (co-ordination) ▪ Municipal Support ▪ Special Programmes (HIV & AIDS, Poverty, Gender, Youth, Disabled)
Infrastructure	<ul style="list-style-type: none"> ▪ Water & Sanitation ▪ Roads & Transport ▪ Telecommunications & Electricity ▪ Solid Waste ▪ Land & Housing ▪ Community Facilities ▪ Building Control
Social Needs	<ul style="list-style-type: none"> ▪ Environmental Health ▪ Municipal Health Services ▪ HIV&AIDS (monitoring responsibility within the I&F Cluster) ▪ Disaster Management ▪ Fire Services ▪ Primary Health Care ▪ Community Safety Services
Local Economic Development (LED) and Environment	<ul style="list-style-type: none"> ▪ Agriculture ▪ Manufacturing ▪ Tourism ▪ Heritage ▪ Environment

Clusters were decided upon for a number of reasons, these being that:

- They allow for programme alignment between the ADM and local municipalities. Clustering similar issues is particularly useful given the lack of clarity with regard to powers and functions.
- They allow for interdepartmental co-operation and communication, addressing the problem that priority issues were located more often in clusters than in departments.
- Clusters and their associated programmes facilitate better intergovernmental relations through integrated planning and budgeting. Although the ADM's clusters are not aligned with those of the Eastern Cape's provincial government, they are nonetheless compatible with them.
- They assist in improving service delivery, allowing for cluster champions (at both political and technical levels) to focus activities towards meeting cluster objectives.

Institution and Finance Cluster: Service Delivery Model

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 05/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL		
Service Delivery Model: Regulation (Authority Function)	To create an enabling environment for effective and efficient rendering of authority functions by 2007	AWARENESS: Development of Public Communication material and the translation of by-laws into other languages	No. of translated by-laws	Quarterly reports	0	16	0	0	Director Administration		
		Enforcement: Provision of accredited training and organisational capacitation	No. of trainings	Quarterly reports	0	2	0	0	Director Administration		
		Implement service delivery mechanisms (PPPs, MOUs etc.)	Implementation of the Section 78 assessment	Quarterly reports	0	2	0	0	Director Engineering/ Health & Protection Services		
		Implement an interim strategy to minimize interruptions in service delivery by end of 2006	Agreements signed with interim service providers	Signed agreements	7	7	7	7	Director Engineering		
		Ensure the centralisation of the water and sanitation financial administration	Budget	Annual Report	0	1	0	0	Chief Financial Officer		
		Implement Council's Free Basic Services Policy	Resources to Finance FBS	ADM annual operating budget for 06/07	0	1	1	1	Chief Financial Officer		
		Co-ordinate implementation of FBS and indigent support policies	LM/WSP resources to finance FBS	Consolidated report on LM/WSP Annual operating budgets for 06/07	0	1	1	1	Chief Financial Officer		
		Implement business plans for delivery of newly assigned functions	Budget 06/07	Council Resolutions annually	1	1	1	1	Municipal Manager / Relevant HOD's		
		Service delivery model: Direct Service Delivery	To operationalise newly assigned service delivery functions by 2006/7 financial year								

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Service delivery model: co-ordination and integration	Form strategic partnerships with service providers, parastatals and government departments involved in delivery of services within ADM	Include strategic partners in the DIMAFO sessions on a quarterly basis.	DIMAFO	Minutes of meetings, Quarterly reports	1	4	4	4	Strategic Manager
	To ensure integration of communication strategy in all ADM programmes by 2006/7	Implement the communications strategy	Adopted strategy	Quarterly reports	1	1	1	1	Strategic Manager
Service delivery model: cross cutting	To ensure that designated groups are adequately integrated into ADM's activities.	Inform communities and stakeholders about the communications, public participation and petition policy	No. of quarterly promotional programmes	Quarterly reports	4	4	4	4	Strategic Manager
	ADM to become a learning and sharing institution by 2007	Inform stakeholder communities about the ADM's IDP, budget and service delivery	No. of promotional events per quarter	Quarterly reports	4	4	4	4	Strategic Manager
		Co-ordination and integration of special programmes in all ADM programmes	Workshops with clusters	Workshop reports	3	5	5	5	Strategic Manager
		Ensure mainstreaming of special programmes in all ADM plans	% compliance with the legislative framework	Quarterly reports	32%	50%	80%	100%	Strategic Manager
		To identify suitable ADM best practice for learning and sharing.	% implementation of special programmes/strategies/plans	Quarterly reports	Adopted plans/strategies	30%	45%	0%	Strategic Manager
		Share information (both external and internal)	Document – Best Practices	Website annual updates (newsletters)	Website	Ongoing	Ongoing	Ongoing	Strategic Manager
			DIMAFO (external) HRD's Meeting (internal)	Quarterly reports Minutes of meetings Fortnightly reports	4 24	4 24	4 24	4 24	Strategic Manager Municipal Manager

Institution and Finance Cluster: Building Partnerships and Participation

PRIORITY AREA	OBJECTIVES	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Building partnerships and participation	To ensure public participation in ADM programmes	Implementation of public participation programme	No. of meetings	Quarterly reports	1	4	4	4	Strategic Manager
		Ensure participation of traditional leaders in council activities	No. of meetings	Quarterly reports	0	2	2	2	Strategic Manager
	To establish national and international partnerships	Involve intergovernmental policy	Established District IGf	Quarterly reports	1	4	4	4	Strategic Manager
		Implement municipal-international relations policy	No. of national partnerships	Quarterly reports	1	4	4	4	Strategic Manager

Institution and Finance Cluster: Supporting Local Municipalities

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL	
Supporting local municipalities	To achieve unqualified Auditor General's report in all LMs municipalities	Address submission of financial statements to AG's office	No. of LM financial statements submitted to AG's office	AG's office report/ix annually	5	5	7	8	Strategic Manager/ Chief Finance Officer	
		Address matters reflected in LM audit reports	No. of projects implemented at LMs	Audit reports/ annually	2	2	2	2	Strategic Manager	
		Roll out computer financial management system to LMs	No. of LMs with Financial Management System implemented in terms of the "concept document"	MSU report/ annually	1	4	5	6	Strategic Manager	
	To ensure legislative compliance by LMs	Determine legislative non-compliance by LMs	Legislative compliance checklists	Legislative compliance checklists	MSU report/ annually	7	7	7	7	Strategic Manager
		Address legislative non-compliance at LMs	No. of projects implemented at LMs	No. of projects implemented at LMs	MSU report/ annually	0	4	4	4	Strategic Manager
	To ensure learning and sharing within the district	Identify and engage stakeholders and role-players within the district	No. of meetings with stakeholders and role-players	No. of meetings with stakeholders and role-players	MSU report/ quarterly	0	4	4	4	Strategic Managers
	Co-ordinate quarterly functional forum meetings	No. of functional forum meetings	No. of functional forum meetings	Minutes of meetings/ quarterly	20	32	32	32	Relevant Directors	

Institution and Finance Cluster: Maximising Internal Governance Systems

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL	
Maximising internal governance systems	To maximise and streamline IT functioning	Improve programme and project implementation	% progress in implementing DIMS	DIMS annual reports	100%	Review	Review	Review	Strategic Manager	
		Co-ordinate all ADM funded projects within the district	Updated DIMS	Project reports/ monthly	60%	80%	100%	0	Strategic Manager	
		Implement IT policy based on IT solutions strategy and adopted ICT policies	Approved IT policies	Council resolution (annual reviews)	1	7	14	0	Strategic Manager	
		Implement Electronic Document Management	Amount documentum users & workflows	Project reports Monthly	10%	100%	100%	100%	Strategic Manager	
		Enable GIS	Operational GIS System	Project reports Monthly	50%	70%	100%	0	Strategic Manager/Relevant HOD's	
		To create a healthy working environment within ADM	Ensure 100% implementation of HR policies approved by Council.	Percentage person-days lost to absenteeism	Staff records Monthly	2%	2%	2%	2%	Director: HR
				% Staff turnover	Staff records Quarterly	5%	3%	3%	3%	Director: HR
				Reduction in No. of labour disputes	Monthly reports	1	20	15	10	Director: HR & all HOD's
				Reduction of disputes referred to CCMA and Bargaining Council	Monthly records	1	20	15	10	Director: HR
				Reduction in no. of disciplinary hearings	Staff records/ quarterly	5	10	8	5	Director: HR
Improve financial management in line with financial management requirement.	Ensure the implementation of budget reform programme	Reduction in no. of grievances received	Staff records/ quarterly	3	9	5	5	Director: HR		
		% grant expenditure	Quarterly financial reports	80%	100%	100%	100%	Chief Finance Officer		

Institution and Finance Cluster: Maximising Financial Viability

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Maximise financial viability	Ensure 100% receipt of funds registered in the DORA To ensure that ADM remains financially viable	Implement Division of Revenue Act (DORA)	% Gazetted funds received versus the gazetted amount	Annually	100%	100%	100%	100%	Relevant Directors
		Ensure that the debt collection rate for water and sanitation debtors improves to 60%	Financial report	Quarterly	40%	60%	60%	60%	Chief Finance Officer
		Ensure that all metered households are read monthly	Financial report	Quarterly	0	100%	100%	100%	Chief Finance Officer
		Quality line loss in water services	Financial statement	Quarterly	0	1	0	0	Chief Finance Officer/ Director Engineering
		Ensure that there is a positive working capital	Financial report	Quarterly	1	1	1	1	Chief Finance Officer

LED Cluster: Objectives and Strategies: Economic Growth, Poverty Alleviation and Job Creation

PRIORITY	OBJECTIVE	STRATEGIES	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/08	ACCOUNTABLE OFFICIAL
Economic growth, poverty alleviation and job creation	To promote and support vibrant & sustainable co-operatives development	Implement co-operatives development strategy	% implementation	Quarterly reports	Adopted strategy	10%	40%	80%	Strategic Manager
	To promote & support development of SMMEs	Implement SMME development strategy	% implementation	Quarterly reports	15%	30%	50%	80%	Strategic Manager
	To stimulate business development through targeted economic sectors	Support the development agency to assume the business development function	% implementation of business plan in accordance with funds made available	Quarterly reports	Fully fledged development agency	30%	60%	100%	Municipal Manager
	To facilitate development of a vibrant and sustainable agricultural sector	Implement the Agricultural Development Plan/Strategy	% implementation of the plan/strategy	Quarterly reports	30%	60%	80%	100%	Strategic Manager
	To market ADM as a Tourist Destination	Implement the Marketing strategy	% implementation of the strategy	15%	30%	60%	100%		Strategic Manager

PRIORITY	OBJECTIVE	STRATEGIES	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Economic Growth, Poverty Alleviation and Job Creation	Co-ordinate and support tourism development activities throughout the district.	Support and promote the development of tourism products in the district.	No. of projects promoted	Quarterly reports	3	5	6	10	Strategic Manager
		Develop a Tourism Master Plan.	Adopted Master Plan.	Quarterly reports	0	1	0	0	Strategic Manager
		Promote co-ordination through district tourism and heritage organization.	No. of meetings	Quarterly reports	4	4	4	4	Strategic Manager
		Render support to 8 established Local Tourism & Heritage Organisations	% implementation of capacity building plan	Quarterly reports	8 LTOs	30% implementation of capacity building programme	60% implementation of capacity building programme	100% implementation of capacity building programme	Strategic Manager
	Promote development of the film industry	Support and nurture emerging film makers	No. of projects assisted	Quarterly reports	3	6	9	12	Strategic Manager
		Develop strategy for the film industry	Adopted strategy	Quarterly reports	0	1	0	0	Strategic Manager
	Develop, conserve and promote heritage resources	Implement heritage management strategy	% implementation of the strategy	Quarterly reports	Adopted heritage strategy	20%	40%	60%	Strategic Manager
		Upgrade and maintain heritage infrastructure	No. of sites upgraded and maintained	Quarterly reports	5	10	15	25	Strategic Manager
	Develop market and promote the 4 heritage routes	Implement the marketing & promotion strategy	% implementation of the strategy	Quarterly reports	50%	60%	80%	100%	Strategic Manager
		Promote economic regeneration of Butterworth	Implement Butterworth urban renewal strategy	% implementation of the strategy	Adopted strategy	10%	30%	60%	Strategic Manager

PRIORITY	OBJECTIVE	STRATEGIES	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Institutional Capacity	Build institutional capacity at the district and local Municipality to effectively deliver and support LED initiatives Improve co-ordination between ADM and other stakeholders for effective service delivery	Implement the recommendations of the capacity assessment plan	% implementation of the capacity workshop	Quarterly reports	Capacity assessment plan	10%	30%	50%	Strategic Manager
		Co-ordinate LED initiatives through LED forum	LED forum meetings	Quarterly forum meetings	LED forum meeting	4	4	4	Strategic Manager
		Promote co-ordination through district tourism and heritage organization	No. of meetings	Quarterly reports	4	4	4	4	Strategic Manager
		Render support to 8 established local tourism & heritage organisations	% implementation of capacity building plan	Quarterly reports	8 LTOs established	30%	60%	100%	Strategic Manager

LED and Environment: Environmental Management System: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Environmental Management	District wide co-ordination of environmental related management activities	Implement Environmental Management System and the Environmental Management Plan	% projects programmes reflecting environmental issues	Monthly cluster reports	10%	30%	50%	60%	Strategic Manager
		Create awareness on environmental legislation	No. of projects implemented	Quarterly reports	6	10	14	18	Strategic Manager
		Develop environmental by-laws for category B municipalities	No. of municipalities with by laws	Quarterly reports	1	3	5	8	Strategic Manager
		Co-ordinate district wide environmental management activities by promoting co-ordination through Environmental Management Forum	Establishment of an Environmental Management Forum	Quarterly reports	Forum established	4	4	4	Strategic Manager
		Ensure all land in the ADM region is free of alien vegetation in line with the Environmental Policy	Increase in no. of Projects implemented	Quarterly reports	3	5	10	20	Strategic Manager
		Enhancing the cleanliness of category B municipalities	No. of cleaning campaigns	Quarterly reports	6	8	8	8	Strategic Manager
		Implement Municipal Coastal Zone Management Plan	No. of projects implemented in the ICZMP	Quarterly reports	0	2	5	8	Strategic Manager
		Develop and implement projects that promote the sustainable use of renewable resources	No. projects implemented	Quarterly reports	1	3	4	5	Strategic Manager
		Facilitate the protection of areas of high biodiversity	No. of spatial reserves proclaimed	National & provincial proclamation	0	1	2	3	Strategic Manager
		To Promote the protection of biodiversity							

Social Needs Cluster: Disaster Management: Objectives and Strategies

PRIORITY AREAS	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT FREQUENCY	BASELINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL	
DISASTER MANAGEMENT	Enhance effective management of disasters within the District	Assist LM's to implement disaster management plans	Number of LM's that have implemented their Disaster Management Plans	Quarterly report	0	4	3	0	Director: Health & Protection	
		Capacitate LM's to use and maintain Disaster Management Information Management System (DMIMS)	Number of LM's utilising the system on a daily basis	Quarterly reports from LM's generated on the system	0	5	2	0	Director: Health & Protection	
		Mainstream Disaster Management into all line functions	Number of line functions that have mainstreamed disaster management into their line functions	Written agreements in place	0	6	0	0	Director: Health & Protection	
		Utilise available funding to Reconstruct and repair damaged houses (backlogs)	% of available funds utilized	Quarterly report	80%	85%	90%	100%	Director: Health & Protection	
		Repair disaster damages as new incidents occur	Repairs being started within three months of occurring	Monthly reports	100%	100%	0%	0%	Director: Health & Protection	
		Train and equip volunteers recruited by LM's	% funding for training spent	Quarterly fund report	100%	100%	100%	0	Director: Health & Protection	
		Conduct Awareness Programmes	Number of awareness campaigns conducted	Quarterly Report	9	9	9	9	Director: Health & Protection	

Social Needs Cluster: HIV and Aids and Primary Health Care: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
HIV AND AIDS AND PRIMARY HEALTH CARE	Contribute towards improvement of outcomes of HIV and Aids by 2014	Coordinate HIV and Aids activities in the district	No. of District Aids Council meetings	Bimonthly reports	4	4	4	4	Director: Health & Protection
		Publishing HIV and Aids magazine for information sharing	Activities conducted per year	Quarterly reports	1	1	1	1	Director: Health & Protection
	Ensure fully functional home based care programme by 2008	Strengthen the involvement of traditional health practitioners on HIV and AIDS, Home Based Care, DOTS support and "lay counselling"	No. of HIV and Aids publications per year	Annual reports	2	2	2	2	Director: Health & Protection
		Distribute Home Based Care Kits in the entire district	No. of training sessions conducted for traditional health practitioners per year	Quarterly Report	1	2	2	2	Director: Health & Protection
	Integration of health services by 2010	Enhancing the functioning of the District Health Council to ensure integration of health services	No. of Home Based Care Kits distributed	Quarterly reports	300	350	450	500	Director: Health & Protection
		Conduct awareness and health promotion campaigns	No. of District Health Council meetings	Bimonthly reports	6	6	6	6	Director: Health & Protection
Reduce the outbreak of diseases by 20% in 2009		No. of health promotion activities undertaken	Quarterly reports	7	10	10	10	Director: Health & Protection	

Social Needs Cluster: Municipal Health Services: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Municipal health services	To ensure fully integrated municipal health services by 2007	Complete and implement Section 78 Assessment process (Phase 3)	Implemented Section 78 Assessment recommendations	Progress reports	0	100%	0	0	Director: Health & Protection
		Develop and implement food safety programmes	Concluded interim service level agreements with all UMs	Interim service level agreements	4	4	0	0	Director: Health & Protection
	Provide municipal health services to ensure compliance with the National Health Act 61 of 2003, by 2007	Develop and implement a community information programme related to household chemicals	No. of programmes in place	Quarterly reports	2	5	5	5	Director: Health & Protection
		Develop and implement Environmental Pollution Programmes	Documented clinical safety programme	Programme adopted	0	1	1	0	Director: Health & Protection
		Implement of water quality monitoring programme	Implemented programme in place	Bi-annual reports	0	1	1	0	Director: Health & Protection
		Disseminate information on hygienic preparation and storage of herbal remedies	No. of programmes in place	Quarterly reports	0	1	1	1	Director: Health & Protection
		Implement and maintain a water, sanitation and hygiene awareness programme targeting high risk areas	Documented water quality monitoring programme	Quarterly reports	4	4	4	4	Director: Health & Protection
			No. of information dissemination sessions	Quarterly traditional health reports and minutes of meetings	1	4	4	4	Director: Health & Protection
			No. of priority high risk areas covered in the 100 priority high risk list	Quarterly reports	0	40	60	100	Director: Health & Protection

Social Needs Cluster: Fire Services: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Fire services	To reduce fire incidents by 10% by 2010	Conduct fire safety awareness campaigns	No. of awareness campaigns	Quarterly reports	1	2	2	2	Director: Health & Protection
	Enhance provision and standardisation of fire services within the district	Build capacity of volunteers through training programmes Agreement with Buffalo Coy (only HAZMAT S/P in the area) to render HAZMAT services to the area Establish satellite fire stations HAZMAT training of fire fighters to all 7 LMs Provide support to local municipality forums Co-ordinate multi-sectoral crime prevention programmes within the district Place special focus on programmes related to domestic and women child and elderly abuse Identify programmes in respect of diversionary activities	No. of training programmes per year Two yearly agreement in place No. of satellite fire stations Number of HAZMAT training programmes conducted No. of community safety forums held per year No. of crime prevention awareness programmes held per year No. of programmes implemented Programmes in place in respect of diversionary activities	Quarterly reports ADM and LCM Council Resolution Quarterly reports Training report Quarterly reports from Community Safety Unit Quarterly reports from Community Safety Unit Quarterly reports from Community Safety Unit Quarterly reports from Community Safety Unit	0 0 0 1 16 8 3 1	4 0 2 2 36 8 4 3	4 1 2 2 36 8 4 4	4 0 2 2 36 8 4 4	Director: Health & Protection Director: Health & Protection Director: Health & Protection Director: Health & Protection Director: Health & Protection Director: Health & Protection Director: Health & Protection Director: Health & Protection
Community safety services	Contribute to the reduction of social crime by 2009								

Infrastructure Cluster: Water and Sanitation: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET 06/07	TARGET 07/08	TARGET 09/09	ACCOUNTABLE OFFICIAL
Water	To provide adequate, potable water to all by 2008	Develop water supply infrastructure	No. of people with access to water	Quarterly scorecard report	697 314	836 300	975 086	1 113 927	Director
		Implement the outcomes of the S78 investigation	Completion of feasibility study	Quarterly scorecard report Council Resolution	631 443	701 458	777 473	850 488	Engineering Director
		Implement the water services authority action Plan by June 2007	Annual review	Quarterly scorecard report Council Resolution	0%	100%	N/A	N/A	Director
		Review WSDP annually	Annual review	Quarterly scorecard report	0	0	1	1	Engineering
		Operationalise items in WSA Action plan by 2008	Quarterly review	Quarterly scorecard report	80%	100%	N/A	N/A	Director
		Investigate alternative water provision options	Completion of feasibility study	Quarterly scorecard report	1	1	1	1	Director
		Develop and implement operation and maintenance system for water services infrastructure by 2007	Adopted plan	Quarterly scorecard report	0	0	1	1	Engineering
		Develop sanitation infrastructure	No. of people with access to RCP toilet	Quarterly scorecard report	142 056	308 662	473 263	641 874	Director
		Implement outcomes of the S78 investigation	Water services provider agreements concluded	Quarterly scorecard report Council Resolution	142 056	246 000	350 000	454 000	Engineering
		Eradicate sanitation bucket systems by 2007	Review WSDP annually	Annual review	0	100%	N/A	N/A	Director
To provide adequate sanitation to all by 2010	Eradicate sanitation bucket systems by 2007	Implement the water services authority action plan by 2007	Council resolution approving reviewed WSDP	Quarterly scorecard report ADM Council resolution	50%	100%	N/A	Director	
		Review WSDP annually	Annual review	Quarterly scorecard report	1	1	1	Engineering	
		Develop Sanitation infrastructure as an alternative to existing bucket system	No. of bucket toilets eradicated	Quarterly scorecard report June ADM Council resolution	10 000	5000	0	0	Director

1 This objective is dependent on national government meeting its policy and financial obligations
 *Targets are based on the current funding stream of addressing the water backlog

Infrastructure Cluster: Roads & Transport: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASELINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICER
Transport	To provide safe and clean transport facilities to all within the district by 2010	Improve operational efficiency and increase security at re-its	No. of risks fenced/secured/ electrified and cleaned regularly	Quarterly scorecard report	2 (funded under pilot)	5 (subject to funding)	7	9	Director, Engineering
	To integrate public transport services by 2010	Provide of multi-modal public transport facilities in all main towns within the local municipalities	No. of studies completed against the total number of main towns identified	Quarterly scorecard report	0	7	8	9	Director, Engineering
	To reduce the walking distance to public transport facilities and services to within 2km of all residential settlements by 2014	Ensure development of local Public transport services plans	No. of Municipalities with complete MTP	Quarterly scorecard report	1	3	5	7	Director, Engineering
		Ensure adequate provision of transport facilities and services in rural and urban areas, prioritising low and middle income settlements	No. of settlements within 2km of a public transport service/facility	Quarterly scorecard report	EPR (Baseline cannot be quantified) to provide	Quantify Baseline and develop targets	Targets to be confirmed	Targets confirmed	Director, Engineering
		Ensure that public transport development and implementation is catered for when new low and middle income housing development is planned	% of new housing projects/land re-claim approved with public transport facilities planned	Quarterly scorecard report	100%	100%	100%	100%	Director, Engineering
		Annually review the District Integrated Transport Plan	Annual review	Quarterly scorecard report	Adoption of reviewed TIP	Minor	Minor	To be determined	Director, Engineering
		Develop transport infrastructure	Progress in implementation of projects	Quarterly scorecard report	95%	100% (95%)	100%	100%	Director, Engineering
		Provide infrastructure for bicycles and pedestrians within settlements and CBDs	Length of bicycle and pedestrian pathways constructed	Quarterly reports	NIDOT approved funding for 07/08	5km	10km	15km	Director, Engineering

Infrastructure Cluster: Land & Housing: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASE LINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Human settlements	To facilitate the development of sustainable and viable settlements within the district by 2014.	Review and update the Land Reform and Settlement Plan in partnership with local municipalities and stakeholders	Reviewed and updated LRSP	Monthly reports	1	1	1	1	Director: Administration
		Review and update the Housing Strategy in partnership with local municipality and stakeholders	Reviewed and updated Housing Strategy	Monthly reports	1	1	1	1	Director: Administration
		Depending on availability of funding, implement the LRSP according to the agreed programme	No. of projects implemented	Monthly reports	0	4	To be determined	To be determined	Director: Administration
District spatial development frame	Ensure a coherent strategic spatial development framework for the District.	Depending on availability of funding, implement housing projects according to the agreed programme	No. of projects acquired	Monthly reports	9	15	18	21	Director: Administration
		Implementation of housing strategy projects	No. of projects implemented	Quarterly reports	0	4	to be determined	to be determined	Director: Administration
		Address land administration matters in communal land within the district, in partnership with relevant government departments and relevant stakeholders	No. of village communal land being properly administered	Quarterly reports	0	4	to be determined	5	Director: Administration
		Review and update the district spatial development framework	Reviewed and updated SDF	Monthly reports	1	1	1	1	Director: Administration
Institutional land and housing	To ensure that category B municipalities are fully capacitated to fulfil their role and function with regard to land and housing function by 2010.	Ensuring that all IDP sector plans to comply with the spatial development framework	Compliance of all Sector Plans with SDF (ADOPTED PLANS)	Monthly reports	1	1	1	1	Director: Administration
		Development of the (capacitation) plans for land and housing	Number of LMs adequately undertaking this function provide	Monthly reports	1	6	6	8	Director: Administration

Infrastructure Cluster: Solid Waste: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASELINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Solid waste	Ensure that all eligible residents have access to safe and legal waste services in the district by 2014.	Annually review the Integrated Waste Management Plan.	Adoption of the reviewed WMP by ADM by June each year.	Quarterly scorecard report June WEM Council resolution					Director: Engineering
	To ensure reduction in waste disposal by 50% in 2012.	Ensure provision of adequate infrastructure and services to eligible residents. Promote and facilitate recycling and composting. Investigate and implement appropriate treatment technology for municipal waste.	Progress in implementation of prioritised projects. % waste recycled and submitted to the district. Investigation completed.	Quarterly scorecard report. Quarterly scorecard report. Quarterly reports	95% (04/05)	97% (05/06)	100% (05/07)	100% (07/08)	Director: Engineering
					2.5%	5%	10%	20%	Director: Engineering
					0	Complete investigation	Implement Council resolution	Implementation continues	Director: Engineering

Infrastructure Cluster: Local Amenities: Objectives and Strategies

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASELINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Local Amenities	All households to have access to basic social amenities within a 2 - 10km walking distance by 2022.	Support the Land Reform Programme by providing social amenities at demarcated areas/sites.	Review LFS annually. No. of amenities developed at demarcated sites within villages.	Quarterly scorecard report and Council resolution in June each year. Quarterly scorecard report	1	1	1	1	Director: Engineering
					LFS +4	LFS +8	LFS +12	LFS +16	Director: Engineering

Infrastructure Cluster: Support to local municipalities

PRIORITY AREA	OBJECTIVE	STRATEGY	INDICATOR	MEASUREMENT SOURCE AND FREQUENCY	BASELINE	TARGET 06/07	TARGET 07/08	TARGET 08/09	ACCOUNTABLE OFFICIAL
Support to local municipalities	To provide technical support to LMs and to improve service delivery (RMTS)	No. of support projects implemented at LMs. Develop roads management systems (RMS)	Projects implemented annually. No. of RMS implemented.	Quarterly report. RMS's implemented	0	0	3	6	Director: Engineering
							3	6	Director: Engineering



LEASE READ THIS FIRST	SECTION A: EMPLOYER DETAILS																																																											
<p>PURPOSE OF THIS FORM This form enables employers to comply with Section 21 of the Employment Equity Act 55 of 1998.</p> <p>This form contains the format for employment equity reporting by employers to the Department of Labour. Both small employers (i.e. employers employing fewer than 150 employees) and large employers (i.e. employers employing 150 or more employees) are required to use this form. Those employers who are not designated, but wish to voluntarily comply, must also use this reporting form.</p> <p>Although all sections of this form apply to large employers, only certain sections of this form should be completed by small employers. Employers who report for the first time are not required to complete the progress report section of this form.</p> <p>WHO SHOULD COMPLETE THIS FORM? All designated employers that have to submit a report in terms of the Employment Equity Act, 55 of 1998. Employers who wish to voluntarily comply with the reporting requirements of the Act are also required to complete this form.</p> <p>WHEN SHOULD EMPLOYERS REPORT?</p> <ul style="list-style-type: none"> • Large employers must submit their first report within six months of being designated, and thereafter annually on the first working day of October; and • Small employers must submit their first report within twelve months of being designated, and thereafter on the first working day of October of every year that ends with an even number. 	<table border="1"> <tr><td>Trade name</td><td>Amathole District Municipality</td></tr> <tr><td>DTI registration name</td><td></td></tr> <tr><td>DTI registration number</td><td></td></tr> <tr><td>PAYE/SARS number</td><td>7420704373</td></tr> <tr><td>UIF reference number</td><td>0690208</td></tr> <tr><td>EE reference number</td><td>16091</td></tr> <tr><td>Industry/Sector</td><td>Local Government</td></tr> <tr><td>Seta classification</td><td>Local Government Seta</td></tr> <tr><td>Telephone number</td><td>043-7014000</td></tr> <tr><td>Fax number</td><td>043-7229577</td></tr> <tr><td>Email address</td><td>xolelam@amatoledm.co.za</td></tr> <tr><td rowspan="3">Postal address</td><td>P.O. BOX 320</td></tr> <tr><td>EAST LONDON</td></tr> <tr><td>5200</td></tr> <tr><td>Postal code</td><td>5200</td></tr> <tr><td>City/Town</td><td>EAST LONDON</td></tr> <tr><td>Province</td><td>EASTERN CAPE</td></tr> <tr><td rowspan="3">Physical address</td><td>40 CAMBRIDGE STREET</td></tr> <tr><td>EAST LONDON</td></tr> <tr><td>5200</td></tr> <tr><td>Postal code</td><td>5200</td></tr> <tr><td>City/Town</td><td>EAST LONDON</td></tr> <tr><td>Province</td><td>EASTERN CAPE</td></tr> </table>	Trade name	Amathole District Municipality	DTI registration name		DTI registration number		PAYE/SARS number	7420704373	UIF reference number	0690208	EE reference number	16091	Industry/Sector	Local Government	Seta classification	Local Government Seta	Telephone number	043-7014000	Fax number	043-7229577	Email address	xolelam@amatoledm.co.za	Postal address	P.O. BOX 320	EAST LONDON	5200	Postal code	5200	City/Town	EAST LONDON	Province	EASTERN CAPE	Physical address	40 CAMBRIDGE STREET	EAST LONDON	5200	Postal code	5200	City/Town	EAST LONDON	Province	EASTERN CAPE	<p>Details of CEO at the time of submitting this report</p> <table border="1"> <tr><td>Name and surname</td><td>Xolela Msweli</td></tr> <tr><td>Telephone number</td><td>043-7014000</td></tr> <tr><td>Fax number</td><td>043-7229577</td></tr> <tr><td>Email address</td><td>xolelam@amatoledm.co.za</td></tr> </table> <p>Details of Senior Manager for Employment Equity at the time of submitting this report</p> <table border="1"> <tr><td>Name and Surname</td><td>Mzwandile Gogwana</td></tr> <tr><td>Telephone number</td><td>043-701 5101</td></tr> <tr><td>Fax number</td><td>043-7229577</td></tr> <tr><td>Email address</td><td>mzwandileg@amatholedm.co.za</td></tr> </table>	Name and surname	Xolela Msweli	Telephone number	043-7014000	Fax number	043-7229577	Email address	xolelam@amatoledm.co.za	Name and Surname	Mzwandile Gogwana	Telephone number	043-701 5101	Fax number	043-7229577	Email address	mzwandileg@amatholedm.co.za
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Please indicate the preceding twelve-month period (in the case of large employers) or twenty-four month period (in the case of small employers) covered by this report, except for first time reporting where this may not be possible:

From (date): 01/09/2005 To (date): 31/08/2006

Please indicate below the duration of your current employment equity plan:

From (date): 01 September 2002 To (date): 31 august 2007

Please read this first

- a. The preceding twelve-month period (in the case of large employers) or twenty-four month period (in the case of small employers) covered by employment equity employer reports must be the same for every reporting period.
- b. A summary providing guidelines on occupational categories and levels is provided in annexure 3 and annexure 4 of the regulations. Employers must complete the EEA2 form and the EEA4 form in accordance with Annexure 3 and Annexure 4.
- c. Non-permanent workers refer to those workers who are employed to work for less than 24 hours per month, or those workers engaged to work for not more than 3 continuous months.
- d. In Section B, the subtotals in terms of race and gender in the row dealing with **total permanent** employees in the table on occupational categories for **all employees**, which includes people with disabilities, must be exactly the same as the subtotals in the table on occupational levels for **all employees**. The same must apply to the subtotals in the **grand total** rows for occupational categories and levels as well.
- e. In Section B, the subtotals in terms of race and gender in the row dealing with **total permanent** employees in the table on occupational categories for **people with disabilities** must be exactly the same as the subtotals in the table on occupational levels for **people with disabilities**. The same must apply to the subtotals in the **grand total** rows for occupational categories and levels as well.
- f. Employers, from the second cycle of reporting onwards, must complete Section G that deals with progress reports.
- g. Employers must complete Section H that deals with **numerical goals** and **numerical targets**. **Numerical goals** are the workforce profile the employer is striving to achieve in the workplace at the end of the duration of the employer's current employment equity plan. The numerical goals of the employer must be the same for the entire duration of the employment equity plan. **Numerical targets** are the workforce profile the employer is striving to achieve at the end of the period following the period covered by the current report of the employer.
- h. Large employers, i.e. employers with 150 and more employees, must complete the entire EEA2 reporting form. Small employers, i.e. employers with fewer than 150 employees, must only complete areas of the EEA2 form that apply to them. Areas that only apply to small employers shall be made available by the Department in a separate form as well. All relevant areas of the form must be fully and accurately completed by employers.
- i. The alphabets "A", "C", "I" and "W" used in the tables have the following corresponding meanings and must be interpreted as "Africans", "Coloureds", "Indians" and "Whites" respectively.
- j. "**Designated groups**" means Black people (i.e. Africans, Coloureds and Indians), women and people with disabilities who are natural persons and are citizens of the Republic of South Africa by birth or descent; or are citizens of the Republic of South Africa by naturalization before the commencement date (i.e. 27 April 1994) of the Constitution of the Republic of South Africa Act of 1993; or became citizens of the Republic of South Africa from the commencement date of the Constitution of the Republic of South Africa Act of 1993, but who, not for Apartheid policy that had been in place prior to that date, would have been entitled to acquire citizenship by naturalization prior to that date.
- k. All population groupings who are not part of the Black group, but in substance fall within the definition described in paragraph (j) in terms of citizenship or descent, must be counted and included in the column of each table in the form that require data on the White group.
- l. Foreign nationals and South African citizens that fall outside the definition described in paragraphs (j) or (k) must be counted and included in the column of each table in the form that require data on foreign nationals.

Section B: Workforce Profile

1. Occupational Categories

1.1 Please report the total number of **employees** (including employees with disabilities) in each of the following **occupational categories**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Legislators, senior officials and managers	33	4	2	7	10			4		
Professionals	8	-	1	3	24	1		12			47
Technicians and associate professionals	41	3	1	9	41	1		5			101
Clerks	13	-	-		47	5	4	10			79
Service and sales workers	14	-	-	3	35	2					54
Skilled agricultural and fishery workers	-	-	-								0
Craft and related trades workers	6	1	-	1	1						9
Plant and machine operators and assemblers	43	1	-		13						57
Elementary occupations	30	1	-		20	2					52
TOTAL PERMANENT	113	8	3	15	126	9	3	20			297
Non – permanent employees	73	1	1	8	65	2	1	11			162
GRAND TOTAL	186	9	4	23	191	11	4	31			459

Please report the total number of **employees with disabilities only** in each of the following occupational categories: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

2. Occupational levels

2.1 Please report the total number of **employees** (including employees with disabilities) in each of the following **occupational levels**: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	-	1	2	2	-	-	-			8
Senior management	15	3	1	5	7	-	-	3			34
Professionally qualified and experienced specialists and mid-management	39	4	2	7	31	1	-	4			88
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	26	2	-	6	40	3	1	20			98
Semi-skilled and discretionary decision making	25	-	-	3	46	5	3	4			86
Unskilled and defined decision making	80	-	-	-	52	3	-	-			145
TOTAL PERMANENT	115	8	3	15	126	10	3	20			300
Non - permanent employees	73	1	1	8	62	2	1	11			159
GRAND TOTAL	188	9	4	23	188	12	4	31			459

2.2 Please report the total number of **employees with disabilities only** in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	-	-	-	-	-	-	-	-			-
Senior management	-	-	-	1	-	-	-	-			1
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-			-
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	-	-	-	-	-	-	-	-			-
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-			-
Unskilled and defined decision making	-	-	-	-	-	-	-	-			-
TOTAL PERMANENT	-	-	-	1	-	-	-	-			1
Non - permanent employees	-	-	-	-	-	-	-	-			-
GRAND TOTAL	-	-	-	1	-	-	-	-			1

2.3 Core operation functions and Support functions by occupational level

Job evaluation or grading systems, as illustrated in the EEA9, are used to measure a job in terms of content in order to establish its worth or value in relation to other jobs in an organization. The worth or value of a job is represented on a vertical axis as an occupational level. A job could either be a **Core operation** function or a **Support** function. **Core Operation Function** positions are those that directly relate to the core business of an organization and may lead to revenue generation, e.g. sales, production, etc. Whereas **Support Functions** positions provide infrastructure and other enabling conditions for revenue generation, e.g. human resources, corporate services, etc. Please indicate on table 2.3.1 the number of employees that are in **Core Operation Function** positions and in table 2.3.2 the number of employees that are in **Support Function** positions at each occupational level.

2.3.1 Please indicate the total number of employees (including people with disabilities), that are involved in **Core Operation Function** positions at each level in your organization. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	2	-	1	1	2	-	-	-			6
Senior management	11	3	-	2	4	-	-	1			21
Professionally qualified and experienced specialists and mid-management	22	-	-	3	16	3	-	2			46
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	22	2	-	4	26	1	-	12			67
Semi-skilled and discretionary decision making	10	-	-	2	7	-	-	-			19
Unskilled and defined decision making	62	-	-	-	42	2	-	-			106
TOTAL PERMANENT	78	4	-	6	59	5	-	4			156
Non – permanent employees	51	1	1	6	38	1	-	11			109
GRAND TOTAL	129	5	1	12	97	6	0	15			265

2.3.2 Please indicate the total number of employees (including people with disabilities), that are involved in **Support Function** positions at each level in your organization. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	-	-	1	-	-	-	-			2
Senior management	4	-	1	3	3	-	-	2			13
Professionally qualified and experienced specialists and mid-management	17	1	2	4	15	1	-	2			42
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	4	-	-	2	17	1	1	8			33
Semi-skilled and discretionary decision making	15	-	-	1	39	5	3	4			67
Unskilled and defined decision making	14	-	-	-	20	1	-	-			35
TOTAL PERMANENT	33	1	3	9	67	7	3	18			139
Non – permanent employees	22	-	-	2	27	1	1	-			53
GRAND TOTAL	55	1	3	11	94	8	4	16			192

Section C: Workforce movement

3. Recruitment

3.1 Please report the total number of new recruits, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	-	1	2	1	-	-	-			5
Senior management	7	1	-	2	2	-	-	1			13
Professionally qualified and experienced specialists and mid-management	25	2	-	2	19	1	-	-			49
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	-	-	2	26	3	-	8			52
Semi-skilled and discretionary decision making	18	-	-	2	44	2	3	1			70
Unskilled and defined decision making	86	-	-	1	42	-	-	-			129
TOTAL PERMANENT	34	3	-	4	32	2	2	2			79
Non – permanent employees	116	-	1	7	102	4	1	8			239
GRAND TOTAL	150	150	1	11	134	6	3	10			318

Please report the total number of new recruits with disabilities only in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Top management	NONE				NONE				NONE	
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

4. Promotion

4.1 Please report the total number of promotions into each occupational level, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Top management										
Senior management				1	1			1			3
Professionally qualified and experienced specialists and mid-management	1										1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents					2	1		1			4
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT	1			1	3	1		2			8
Non – permanent employees											
GRAND TOTAL	1			1	3	1		2			8

4.2 Please report the total number of promotions involving **people with disabilities only** in each occupational level. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Top management										
Senior management				1							1
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT				1							1
Non – permanent employees											
GRAND TOTAL				1							1

Termination

4.3 Please report the total number of terminations in each occupational level, including people with disabilities. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Top management	1	-	1	2	2	-	-	-		
Senior management	4	-	-	4	1	-	-	1			10
Professionally qualified and experienced specialists and mid-management	16	3	-	2	9	-	-	-			30
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	7	-	1	1	20	2	-	6			37
Semi-skilled and discretionary decision making	18	-	-	2	38	2	-	2			62
Unskilled and defined decision making	70	-	-	1	35	-	-	-			106
TOTAL PERMANENT	11	2	1	5	7	1	-	1			28
Non - permanent employees	105	1	1	7	98	3	-	8			223
GRAND TOTAL	116	3	2	12	105	4	-	9			251

4.4 Please report the total number of terminations involving **people with disabilities only** in each occupational level. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Top management										
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT											
Non - permanent employees											
GRAND TOTAL											

4.5 Please report the total number of terminations in each **termination category** below. Note:
A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Resignation	12	-	1	4	9	1	-	1			28
Non- Renewal of Contract	106	1	1	7	98	3	-	8			224
Dismissal- Operational Requirements (Retrenchment)	-	-	-	-	-	-	-	-			-
Dismissal- Misconduct	-	1	-	-	1	-	-	-			2
Dismissal-Incapacity	-	-	-	-	-	-	-	-			-
Other	4	1	-	1	-	-	-	-			6
GRAND TOTAL	122	3	2	12	108	4	-	9			260

4.6 Please report the total number of terminations involving **people with disabilities only** in each **termination category** below. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Terminations	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Resignation	None				None						
Non-renewal of contract											
Dismissal - Operational requirements (retrenchment)											
Dismissal - misconduct											
Dismissal - Incapacity											
Other											
TOTAL											

Section D: Disciplinary Action (This section is *not applicable to small employers*)

6. **Disciplinary action:** (report the total number of disciplinary actions during the twelve months preceding this report). **Report on formal outcomes only.** Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
	Legislators, senior officials and managers	1	1	1							
Professionals											
Technicians and associate professional											
Clerks					1						1
Service and sales workers											
Skilled agricultural and fishery workers											
Craft related trades workers											
Plant and machine operators and assemblers											
Elementary occupations	1										1
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL	2	1	1	1							5

Section E: Skills Development (This section is *not applicable to small employers*)

4 Training

4.1 Please report the total number of people who received training, including for people with disabilities, and not the number of training courses attended, in each occupational category.

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Legislators, senior officials and managers	52	1	1	10	34	-	-	3			101
Professionals	12	-	1	5	27	-	-	11			56
Technicians and associate professionals	21	3	-	5	13	-	-	1			43
Clerks	14	-	-	-	18	4	1	5			42
Service and sales workers	5	-	-	-	25	1	-	2			33
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-			-
Craft and related trades workers	6	-	-	-	2	-	-	-			8
Plant and machine operators and assemblers	24	-	1	-	8	-	-	2			35
Elementary occupations	17	-	-	-	1	-	-	-			18
TOTAL PERMANENT	151	4	3	20	128	5	1	24			336
Non – permanent employees											
GRAND TOTAL	151	4	3	20	128	5	1	24			336

4.2 Please report the total number of **people with disabilities only**, and not the number of training courses attended, who received training in each occupational category.

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Legislators, senior officials and managers											
Professionals											
Technicians and associate professionals	1										1
Clerks					1						1
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers											
Elementary occupations											
TOTAL PERMANENT	1				1						2
Non – permanent employees											
GRAND TOTAL	1				1						2

4.3 Please report the total number of people, including for people with disabilities, and not number of training courses attended, who received training in each occupational level.

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management	46	1	1	10	34	-	-	3			95
Senior management	2	-	1	2	1	-	-	-			6
Professionally qualified and experienced specialists and mid-management	12	-	1	5	27	-	-	11			53
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	40	3	-	5	56	5	1	8			118
Semi-skilled and discretionary decision making	30	-	1	-	10	-	2	-			43
Unskilled and defined decision making	17	-	-	-	1	-	-	-			18
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL	147	4	4	22	129	5	3	22			336

4.4 Please report the total number of **people with disabilities only**, and not the number of training courses attended, who received training in each occupational level.

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management											
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1				1						2
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT	1				1						2
Non – permanent employees											
GRAND TOTAL	1				1						2

Section F: Qualitative Assessment (This section is *not applicable to small employers*)

5 Awareness of Employment Equity

5.1 Please indicate which of the following awareness measures were implemented by your organization:

	No. of employees covered	Yes	No	Please explain
Formal written communication			X	
Policy statement includes reference to employment equity	ALL	X		
Summary of the Act displayed	ALL	X		
Employment Equity training	ALL	X		
Diversity management programmes	ALL	X		
Discrimination awareness programmes	ALL	X		
Other (please specify):				
Total				

6 Consultation

6.1 Please indicate which stakeholders were involved in the consultation process prior to the development of your employment equity plan and in preparing this Employment Equity Report:

	Yes	No	Please explain
Workplace forum (in terms of the LRA)	X		
Consultative body or employment equity forum	X		
Registered trade union (s)	X		
Employees		X	
Other (Please specify):			

9.2 What was the level of agreement reached in the formulation of the plan? Please choose one.

Total	Sufficient	Some	None
	X		

9.3 How regularly do you meet with the stakeholders mentioned in 9.1? Please choose one.

Weekly	Monthly	Quarterly	Yearly	Other
		X		

7 Analysis

10.1 Please indicate in which categories of employment policy or practices barriers to employment equity were identified.

Categories	Yes	No	Please explain
Recruitment procedures		X	
Advertising positions		X	
Selection criteria		X	
Appointments		X	
Job classification and grading		X	
Remuneration and benefits		X	
Terms and conditions of employment		X	
Job assignments		X	
Work environment and facilities		X	
Training and development		X	
Performance and evaluation systems		X	
Promotions		X	
Transfers		X	
Demotions		X	
Succession and experience planning		X	
Disciplinary measures		X	
Dismissals		X	
Corporate culture		X	
HIV and AIDS education and prevention programmes		X	
Other (please specify):			

8 Affirmative Action measures

11.1 Please indicate in which categories affirmative action measures have been implemented:

Categories	Yes	No	Please explain
Recruitment procedures	X		
Advertising positions	X		
Selection criteria	X		
Appointments	X		
Job classification and grading		X	Local Government is in the process of implementing Job Grading System
Remuneration and benefits	X		
Terms and conditions of employment	X		
Job assignments	X		
Work environment and facilities	X		
Training and development	X		
Performance and evaluation systems	X		
Setting numerical goals	X		
Promotions	X		
Transfers	X		
Demotions		X	
Succession and experience planning		X	
Disciplinary measures	X		
Diversity programme and sensitization	X		
Community investment and bridging programme		X	
Retention measures		X	
Reasonable accommodation	X		
Other (please specify):			

9 Resources

9.1 Please indicate what resources have been allocated to the implementation of employment equity during the past year:

Allocation of Resources	Yes	No	Please explain
Appointed a senior manager/s to manage the implementation and monitoring progress	X		Skills Development and Employment Equity Committee established
Allocated a budget to support the implementation goals of employment equity		X	Selection committees are sensitized about the need to meet Employment Equity targets
Time off for employment equity consultative committee (or equivalent) to meet on a regular basis	X		
Other (Please specify)			

10 Monitoring and evaluation of implementation:

10.1 How regularly do you monitor progress on the implementation of the employment equity plan? Please choose one.

Weekly	Monthly	Quarterly	Yearly	Other
		X		

Section G: Progress Report

(Section G to be completed from the second cycle of reporting onwards)

11 Reporting period: From **01 September 2005** to **31 August 2006**

11.1 Did you achieve the numerical targets as set out in your employment equity plan for this period?

Yes	No
X	

11.2 Did you achieve the affirmative action objectives as set out in your employment equity plan for this period?

Yes	No
	X

11.3 If not, what were the obstacles you experienced:

What were the obstacles to reaching the employment equity goals and objectives during the past year?

Lack of applications for employment received from people with disabilities

Transfer of staff due to transfer of Water Services Function from DWAF

Lack of applications for employment from suitably qualified females for management positions

11.4 If yes, what factors promoted the accomplishment of your goals and objectives:

What were the factors that contributed to the accomplishment of the employment equity goals and objectives during the past year?

11.5 Please indicate the numerical goals you have set to achieve for the total number of employees (including people with disabilities) at the end of your current employment equity plan in terms of occupational categories. Note: A=Africans, C=Coloureds, I=Indians and W=Whites:

Occupational Categories	Male			Female				White Male W	Foreign Nationals		TOTAL
	A	C	I	A	C	I	W		Male	Female	
Legislators, senior officials and managers											
Professionals											
Technicians and associate professionals											
Clerks											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers											
Elementary occupations											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

11.6 Please indicate the numerical goals you have set to achieve for the total number of **employees with disabilities only** at the end of your current employment equity plan in terms of occupational categories. Note: A=Africans, C=Coloureds, I=Indians and W=Whites :

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Legislators, senior officials and managers											
Professionals											
Technicians and associate professionals											
Clerks											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers											
Elementary occupations											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

11.7 Please indicate the numerical goals you have set to achieve for the total number of employees (including people with disabilities) at the end of your current employment equity plan in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites:

Occupational Levels	Male				Female				White Male	Foreign Nationals		TOTAL
	A	C	I		A	C	I	W	W	Male	Female	
Top management												
Senior management												
Professionally qualified and experienced specialists and mid-management												
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents												
Semi-skilled and discretionary decision making												
Unskilled and defined decision making												
TOTAL PERMANENT												
Non – permanent employees												
GRAND TOTAL												

11.8 Please indicate the numerical goals you have set to achieve for the total number of employees with disabilities only at the end of your current employment equity plan in terms of occupational levels:

Occupational Levels	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Top management											
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

11.9 Please indicate the numerical targets you have set to achieve for the total number of employees (including people with disabilities) for the end of the period following the period covered by the current report in terms of occupational categories.

Occupational Categories	Male			Female				White Male	Foreign Nationals		TOTAL
	A	C	I	A	C	I	W	W	Male	Female	
Legislators, senior officials and managers											
Professionals											
Technicians and associate professionals											
Clerks											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers											
Elementary occupations											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

11.10 Please indicate the numerical targets you have set to achieve for the total number of employees with disabilities only for the end of the period following the period covered by the current report in terms of occupational categories. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Legislators, senior officials and managers											
Professionals											
Technicians and associate professionals											
Clerks											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers											
Elementary occupations											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

11.11 Please indicate the numerical targets you have set to achieve for the total number of employees (including people with disabilities) for the end of the period following the period covered by the current report in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels											TOTAL	
	Male				Female				White Male	Foreign Nationals		
	A	C	I		A	C	I	W	W	Male		Female
Top management												
Senior management												
Professionally qualified and experienced specialists and mid-management												
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents												
Semi-skilled and discretionary decision making												
Unskilled and defined decision making												
TOTAL PERMANENT												
Non – permanent employees												
GRAND TOTAL												

11.12 Please indicate the numerical targets you have set to achieve for the total number of employees with disabilities only for the end of the period following the period covered by the current report in terms of occupational levels. Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels											TOTAL
	Male				Female				Foreign Nationals		
	A	C	I	W	A	C	I	W	Male	Female	
Top management											
Senior management											
Professionally qualified and experienced specialists and mid-management											
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making											
Unskilled and defined decision making											
TOTAL PERMANENT											
Non – permanent employees											
GRAND TOTAL											

Section H: Signature of the Chief Executive Officer

Chief Executive Officer

I hereby declare that I have read, approved and authorized this report.

Signed on this 30th day of September year 2005 at place: East London



Xolela Walter Mswell

Signature

Full Name

GRANT FUNDING
JULY - SEPTEMBER 2005

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/07/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/09/2005
Asset Management	155,530					155,500
Performance Management	437,320				19,080	417,461
Contract Management	27,966					27,966
Reviewed IDP	59,362				14,000	45,362
Somep Implementation	68,493					68,493
MSIG Interest	103,178			25,882	25,761	103,310
Feasibility Study LM's Fees	143,374					143,374
By-Law Implementation LM's	14,357					14,357
Rule of Order Day LM's	38,075					38,075
LABOUR FORUM TRAINING	10,974					10,974
IND TARIFF POLICY LM'S	92,379					92,379
Labour intensive Practices	1,037					1,037
Engineering Services Awareness	8,867					8,867
Engineering Prof Act Awareness	18,160					18,160
Water & Sewerage Treatment Operations	40,000					40,000
Operations & Maintenance Systems	3,070					3,070
Nqushwa team Build Change & Div Management	15,566					15,566
Establishment Plans Ransale	40,720					40,720
Ward Com Participation	156,600					156,600
PIVMS	525,071				462,615	62,456
MSIG : Mbitshane	-					-
MSIG : Mquma	-					-
MSIG : Great Ke	-					-
MSIG : Amathlali	54,000					54,000
MSIG : Buffalo City	-					-
MSIG : Ngqushwa	-					-
MSIG : Nkankobe	55,000					55,000
MSIG : Nkomo	8,062					8,062
PMS: Mbitshane	44,514	(30,602)		615		14,527
PMS: Mquma	44,514			615		45,129
PMS: Great Ke	44,514			615		45,129
PMS: Amathlali	44,514			615		45,129
PMS: Buffalo City	44,514			615		45,129
PMS: Ngqushwa	44,514			615		45,129
PMS: Nkankobe	44,514			615		45,129
PMS: Nkomo	44,514			615		45,129
PMS: Amathlali	44,511			615		45,128
Waste IDP	72,256			598		73,256
Vicuna IDP	65,603			607		66,601
Great Ke IDP	56,376			778		57,155
Amathlali IDP	81,552			1,128		82,678
Buffalo City IDP	50,965			667		51,742
Ngqushwa IDP	1,183			16		1,199
Nkankobe IDP	81,552			1,128		82,678
Nkomo IDP	81,557			1,127		82,684
ADM IDP	62,614			799	9,555	43,418
Skills Development Centre	2,472,845			34,168		2,507,003
MSP: Project Management	411,558					411,558
Budget Reform	1,613,188		1,500,000	29,808	76,715	3,056,306
SETA: Implementation	201,038			2,346	25,768	269,589
Dev Inter-Gov Framework	135,674			1,948		135,422
Skills Retrenched Staff	80,527			1,111		81,849
By-Laws	2,648			26		2,872
Vuna Awards	750,000			10,360		760,360
Training Mgr Officials	1,820,091			26,390		1,846,121
Special Investigation HMLG	324,519			11,200	32,776	802,779
Identify M/Com Regions	57,164			790		57,954
Inte financial statements at Nkomo						-
DWAF Once Off Training						-
DWAF Once Off Accommodation						-
LG-SETA-MSL						-
Leasehold SETA	80,000			1,213		81,243
Land use Management						-
Community Development Program	1,070,801			26,079	111,874	1,783,886
COM AWARE PROC	61,071			485	14,798	26,759
Disaster Management	52,831,05			575	21,812	26,784,80
Provision of Firefight	1,326			18		1,344
Effective DM Framework	269,351			3,718		272,767
Disaster Management Plans	640,899			7,468		546,168
Disaster Management Centre	1,248,190			15,262	191,755	1,070,626
Disaster: Ring fence	106,789			1,216		111,280
Disaster: Rebuild Fund	5,704,000			77,309	234,643	5,516,428
Disaster Management Forums	140,300			1,861	8,600	135,391
Disaster Risk Assessment 05/06						-
Contingency Fund For Incidents						-
Capacity Building 05/06						-
Train and Equip Volunteers						-
Capacity and Resource Center						-
Training Equipment						-
Stipends						-
Protective Clothing						-
Operational costs						-
HIV/AIDS NGO's	170,068			2,474		181,600
HIV/AIDS Laundry Services	296,235			2,796	28,415	281,591
Vol Stipend-Aids : Nkankobe	52,041			719		52,760
Vol Stipend-Aids : Amathlali	95,009			1,312		96,321
Vol Stipend-Aids : Mquma	68,237			515		67,152
Vol Stipend-Aids : Buffalo City	262,366			3,624		265,990
Vol Stipend-Aids : Mbitshane	45,002			622		45,674
District Aids Council	1,967			27		1,994
Tertiary Institutional Training	23,279			404		23,684
Stipend to Volunteers	1,478,150			20,881		1,495,833
Stipend for Personal Sellers	733,450			10,131		743,081
Durban Village Youth Proj	182,672			2,623		185,175

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/07/2015	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/06/2016
Payment of Community Development Workers	-	-	-	-	-	-
ECSECC HIV/AIDS	-	-	-	-	-	-
LTO: BUFFALO CITY	34,504	-	-	477	-	34,981
LTO: NKNKOBÉ	33,472	-	-	462	-	33,934
LTO: AMAHLATI	15,334	-	-	212	-	15,546
LTO: NKUSA	5,176	-	-	85	-	5,261
Regional Tourism	82,030.41	-	-	584	26,591	36,023
Memorial Gull Project	4,400	-	-	61	-	4,461
Siyazama Agric Project	257,200	-	-	3,118	47,215	212,993
Healdtown/Lamyeri Spring Waste	333,698	-	-	4,523	9,660	328,561
Galesa Cultural Village	2,146,428	-	-	20,335	34,018	2,141,745
Youth Fund	266,506	-	-	3,681	-	270,187
Monitor LED Projects	639,073	-	-	8,253	124,735	522,591
Duba Commercial Veg Garden	435,037	-	-	5,667	-	438,704
Printing Project Mdenkane Art Centre	187,063	-	-	2,501	-	189,564
MK Veterans	-	-	560,000	-	-	560,000
Hamburg Heritage Initiative	-	-	400,000	-	-	400,000
Dept. Agric: Asset & upgrade Farms	1,091	-	-	15	-	1,106
KaKamashoek Irrigation Scheme	35,447	-	-	442	6,223	39,672
Bawa Falls LED Project	172,520	-	-	2,105	30,289	144,336
Rock Climbing, Dept. Env. Affairs	20,150	-	-	279	-	20,429
Poverty alleviation: Ncedu	15,770	-	-	218	-	16,088
Poverty Alleviation: Mngqasha	15,067	-	-	209	-	15,276
Estab. LED forum	5,630	-	-	79	-	5,709
District Economic Forum	95,766	-	-	1,105	-	96,871
Ncedu Broker	144,656	-	-	844	123,644	21,856
Priority Dairy Goat	46,660	-	-	296	46,877	-
Ker Bridge	366,700	-	-	5,693	-	372,393
Ngqongwe Lencene Community	113,807	-	-	1,872	-	115,679
KKH Dairy Scheme Phase II	447,036	-	-	5,758	51,819	400,975
Lower Wolf River Irrigation	205,657	-	-	2,844	-	208,501
Beekeeping Project	-	-	-	-	-	-
Mini Maize Project	-	-	-	-	-	-
Raba Production	-	-	-	-	-	-
Development Plan - Haga Haga	741	-	-	13	-	754
Komashini	214,452	-	-	2,883	-	217,335
Teko Springs	172,677	-	-	2,232	17,670	157,237
Needs Camp	534,041	-	-	6,507	95,317	435,231
Prudoe	135,787	-	-	1,841	1,530	134,104
Dongwa	137,650	-	-	1,802	47,088	91,364
Hagsback	431,734	-	-	5,984	121,894	315,824
Haga Haga	154,307	-	-	2,131	-	156,438
Wilmsie	231,460	-	-	3,107	-	234,567
Ellidale	270,037	-	-	3,730	-	273,767
Lower Ellidale	231,454	-	-	3,197	-	234,651
Symon (Elandsburgh)	192,683	-	-	2,894	-	195,577
Ndevana	46,076	-	-	636	-	46,712
Kwaseker	-	-	-	-	-	-
New Nest	-	-	-	-	-	-
Eskiet	-	-	-	-	-	-
Noamalowe	-	-	-	-	-	-
Msofomo	-	-	-	-	-	-
Xujwa	-	-	-	-	-	-
Hertzog	-	-	-	-	-	-
Layout Plan: Amanek	110,525	-	-	1,532	-	112,057
Layout Plan: Bala	110,520	-	-	1,524	-	112,044
Planning: Terrace Village	246,363	-	-	5,431	-	251,794
Survey: Terrace Village	6,261	-	-	93	-	6,354
Macleartown Eng. Des.	-	-	34,950	218	-	34,968
Nandi Prudoe Eng. Design	34,222	-	-	473	-	34,695
Dongwa Eng. Design	82,134	-	-	1,135	-	83,269
Teko Springs Eng. Design	24,691	-	-	341	-	25,032
Nandi Prudoe Survey Fees	-	-	-	-	-	-
Dongwa survey fees	-	-	80,000	-	-	80,000
Teko Springs survey fees	-	-	378,331	-	-	378,331
Macleartown Infra	-	-	-	1,160	125,188	126,348
Kubisa Establishment Grant	126,064	-	-	657,34	12,373	186,791
Ndlovini Establishment Grant	15,032	-	-	215	-	15,247
Ducats Establishment Grant	76,620	-	-	1,020	6,181	83,821
Maclear Estab. Grant	13,357	-	-	185	-	13,542
Nandi Prudoe Estab. Grant	95,691	-	-	1,322	350	97,363
Dongwa Prudoe Estab. Grant	23,648	-	-	315	1,414	25,377
Teko Springs Estab. Grant	12,458	-	-	1,512	293	14,263
Needs Camp Estab. Grant	32,666	-	-	1,141	225	33,032
Teko Springs Top Structure	2,772,566	-	-	37,029	134,451	2,944,046
Nandi Prudoe Top Structure	216,414	-	-	2,813	16,799	225,026
Dongwa Top Structure	1,535,450	-	-	20,218	84,870	1,640,538
Needs Camp Top Structure	879,600	-	340,000	11,267	32,453	1,271,320
Ducats Top Struc. Subsidy	3,905,026	-	-	45,798	213,589	4,164,413
Kubisa Top Structure	2,557,060	-	-	29,783	527,005	3,113,848
Macleartown Top Structure	541,688	-	-	7,405	-	549,093
Ndlovini Top Structure	42,200	-	-	583	-	42,783
Liyane Kaye Establishment Grant	13,040	-	-	180	-	13,220
Kwaseker Housing Project	-	-	-	-	-	-
KWT TRC Recreation	7,639	-	-	109	-	7,748
Fingoland Regional Authority	191,178	-	-	2,641	-	193,819
Mngqasha Great Place	65,257	-	-	901	-	66,158
Ncedu Great Place	138,881	-	-	1,518	-	140,399
Line Mapping	240,784	-	-	3,195	14,302	248,281
Hagsback IDP LED	35,321	-	-	463	-	35,784
Water services Infr. System	1,722,421	-	-	20,792	-	1,743,213
Nkonkobe Drought Relief	253,601	-	-	3,506	-	257,107
Nkonkobe Drought Relief	-	-	-	-	-	-
Ngqongwe Drought relief	-	-	-	-	-	-
Rural Access Roads	697,720	-	-	9,029	-	706,749
Charita Development Fund	6,417,417	-	-	99,063	356,320	6,812,800
Dwesa Dwesa Restitutional	2,075,547	-	-	25,601	10,228	2,111,376
DBSA Support to DM	-	-	-	-	-	-
Grants in aid (dept trans)	-	-	-	-	-	-
Planning Grants	-	-	-	-	-	-
Restitution Awards	-	-	-	-	-	-
Sanitation Projects	-	-	-	-	-	-

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/07/2006	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/03/2006
Land Reform & Settle Plan Proj	522,392			7,358		529,447
CMP VAT Savings	356,840			14,190	10,054	953,076
Ndlovu (CMP VAT)	71,156			-		71,156
EDOT Funds	7,327,293			101,090	47,309	7,381,063
Dep: Sport 2004/04	10,553			229		16,782
Sportsfields	89,895			1,150		85,145
6 Village Green Projects	106,183			1,508		110,801
Peddie Sport Facility	334,834			4,822		339,256
Dep: Sport 2004/05	2,736,786			25,674	314,421	2,458,039
H&LG Survey Funds	1,000,195			10,990	32,480	1,011,685
H&LG Development Planning	2,340,770				126,420	2,220,351
DPW Accumulated Interest	66,589			1,196		67,765
Lower Gqumasha bridge	115,083			1,545		120,707
Replace Roadsigns	430,744			6,319		441,763
Road Repair Ntabakazi	1,762			24		1,786
Bucket Eradication	132,430		8,806,000	26,739	115,790	5,353,080
Bedford and Aderside Buck Era						-
Rhofolo and newtown Buck Era						-
Peddie town and Matibambaka Buck era						-
CEPWF 1	(58,187)			793	14,398	(72,791)
DWAF	5,037,535			70,857	622,000	4,600,130
CMP	35,425,370		26,585,408	408,581	24,885,608	38,413,820
TOTAL GRANTS & RECEIPTS	116,048,218	(30,602)	34,475,278	1,481,300	30,116,876	120,873,321

GRANT FUNDING
OCTOBER - DECEMBER 2005

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/10/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/12/2005
Asset Management	100,500				100,500	601
Performance Management	417,461				175,612	241,849
Contract Management	27,956				2,400	25,556
Reviewed IDP	45,352				14,043	31,309
Gamaq Implementation	69,493					69,493
MSIG Interest	102,310			21,824	1,910	123,224
Feasibility study: LM's Plans	143,374					143,374
By-law implementation LM's	14,357					14,357
Rolls of Order Draw LMs	38,075					38,075
LABOUR FORUM TRAINING	10,974					10,974
IND TARIFF POLICY LMS	62,376					62,376
Labour Intensive Processes	1,037					1,037
Engineering Services Awareness	8,887					8,887
Engineering Prof Act Awareness	18,180					18,180
Water & Sewerage Treatment Operator	40,000					40,000
Operations & Maintenance Systems	3,070					3,070
Ngqushwa team: Build Change & Div Ma	15,593					15,593
Establishment Plans Renewals	40,720					40,720
Ward Com Participation	156,500					156,500
PMMIS	62,452		640,000		91,668	610,664
MSIG: Mbitshhe	-		27,744			27,744
MSIG: Mquma	-		31,307			31,307
MSIG: Great Kei	-					-
MSIG: Amathili	64,000					64,000
MSIG: Buffalo City	-					-
MSIG: Ngqushwa	-		47,950			47,950
MSIG: Nkomo	55,000					55,000
MSIG: Nxuba	8,082				7,846	236
PMS: Mbashe	14,527			231		14,757
PMS: Mquma	45,129			623		45,752
PMS: Great Kei	45,129			623		45,752
PMS: Amathili	45,129			623		45,752
PMS: Buffalo City	45,129			623		45,752
PMS: Ngqushwa	45,129			623		45,752
PMS: Nkomo	45,129			623		45,752
PMS: Nxuba	45,129			623		45,752
PMS: Amathili	45,129			623		45,752
Mbashe IDP	73,255			1,012		74,267
Mquma IDP	66,671			666	55,467	11,799
Great Kei IDP	67,155			763	5,330	62,584
Amathili IDP	62,679			1,142		63,821
Buffalo City IDP	51,762			714		52,476
Ngqushwa IDP	1,180			17		1,197
Nkomo IDP	62,678			1,054	13,200	64,526
Nxuba IDP	62,694			893	54,350	28,640
ADM IDP	43,419			519	9,741	35,186
Sites Development Centre	2,507,003			34,630		2,541,633
MSP: Project Management	411,655		7,100,600		1,525,462	6,195,804
Budget Return	3,066,305			40,674	59,381	3,007,598
SETA: Implementation	269,699		19,400	2,233	21,704	269,517
Dev Intra-Gov Framework	105,422			1,671		107,093
Skilling Retrenched Staff	61,849			1,128		62,977
By-Laws	2,872			26	2,890	(18)
Vuna Awards	760,260			10,003		770,263
Training: Mun Officials	1,340,121			22,729		1,362,850
Special Investigation H&LG	502,779			11,009		513,788
Identify MCO's Respons	57,654			585	30,098	28,141
Info financial statements of Nxuba	-					-
DWAF Once Off Training	-					-
DWAF Once Off Accommodation	-					-
LG-SETA-VSU	-					-
Leadership SETA	91,243			1,260		92,503
Land Use Management	-					-
Community Development Program	1,783,886			32,422	311,555	1,494,354
COM AWARE PRDC	20,769			237	12,408	14,598
Disaster Management	28,765			296	8,820	19,941
Provision of Firebrigade	1,344			16		1,328
Effective DM Framework	272,767			3,768		276,535
Disaster Management Plans	543,168			7,572		550,740
Disaster Management Centre	1,070,025			14,432	28,106	1,056,347
Disaster: Ring fence	111,265			1,427	12,663	97,175
Disaster: Rebuild Fund	5,516,428			73,870	271,203	5,369,027
Disaster Management Forums	135,351			1,761	11,501	122,089
Disaster Risk Assessment USOG	-		300,000	2,756		302,756
Crilgeny Fund For incidents	-		600,000	6,513		606,513
Capacity Building USOG	-		150,000	1,378		151,378
Train and Equip Volunteers	-		150,000	1,378		151,378
Capacitate and Resource Center	-		300,000	2,756		302,756
Training Equipment	-		190,000	1,740		191,740
Stipends	-		245,000	2,175		247,175
Protective Clothing	-		384,400	3,212	29,756	317,856
Operational costs	-		100,000	819		100,819
HIV/AIDS NGOs	181,560			2,287	24,000	159,847
HIV/AIDS Laboratory Services	261,567			3,293	32,418	226,446
Vol Stipends-Aids: Nkomo	52,700			720		53,420
Vol Stipends-Aids: Amathili	66,327			1,340		67,667
Vol Stipends-Aids: Mquma	67,152			623		67,775
Vol Stipends-Aids: Buffalo City	265,000			3,675		268,675
Vol Stipends-Aids: Mbitshhe	45,674			631		46,305
District Aids Council	1,994			29		2,023
Tertiary Institutional Training	29,884			410		30,294
Stipend to Volunteers	1,455,833			20,667		1,476,500
Stipend for Personal Sellers	743,581			10,271		753,852
Duncan Village: Youth Proj	185,175			2,369	20,520	162,486

CONDITIONAL GRANTS AND RECEIPTS	Balance of 31/12/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/12/2006
Payment of Community Development (C)	-	-	-	-	-	-
ECSEDD HIV/AIDS	-	-	-	-	-	-
LTO : BUFFALO CITY	34,990	-	-	677	413	35,045
LTO: NKONKOBE	30,834	-	-	439	-	34,403
LTO: AMAMLATI	15,545	-	-	161	11,700	4,006
LTO: NXUBA	6,251	-	-	36	-	6,346
Regional Tourism	56,303	-	-	773	702	56,464
Memorial Duff Project	4,460	-	-	32	-	4,522
Siyazama Agric Project	212,899	-	-	2,774	12,184	203,609
Headtown/Lamveni Spring Weir	328,529	-	-	3,881	60,175	272,335
Gosetka Cultural Village	2,141,745	-	-	20,584	-	2,171,332
Youth Fund	270,137	-	-	5,732	-	273,919
Warder LED Projects	525,142	-	-	6,286	(124,735)	656,162
Duba Communal Veg Garden	438,634	-	-	4,300	119,203	263,701
Printing Project Mankwane Art Centre	199,667	-	-	2,820	-	192,287
Wk Veterans	500,000	-	-	7,735	-	507,735
Hemiburg Heritage Initiative	400,000	-	-	5,525	-	405,525
Dept Agric: Assess & Upgrade Farms	1,107	-	-	10	-	1,122
Keliskammahooki Irrigation Scheme	30,656	-	-	301	35,180	(4,232)
Bawa Falls LED Project	144,237	-	-	1,054	10,068	136,086
Rock Climbing: Dept Env Affairs	20,437	-	-	243	7,500	13,185
Poverty alleviation: Ngadu	15,507	-	-	221	-	16,208
Poverty Alleviation: Mngqesha	15,298	-	-	211	-	15,507
Estabish LED forum	5,788	-	-	79	-	5,787
District Economic Forum	86,549	-	-	1,153	10,600	77,602
Ncema Brollor	21,739	-	-	107	10,128	11,714
Priority Dairy Goat	287	-	-	3	-	290
Kai Bridge	373,793	-	-	4,825	24,070	354,108
Ngongwana Lencane Community	115,379	-	-	888	51,079	65,189
KKH Dairy Scheme Phase II	430,675	-	-	4,038	152,000	253,034
Lower Weir River irrigation	208,700	-	-	2,603	-	211,583
Beekeeping Project	-	-	-	-	-	-
Min. Meize Project	-	-	-	-	-	-
Rabbit Production	-	-	-	-	-	-
Development Plan : Haga Haga	762	-	-	13	-	762
Kemansani	217,455	-	-	3,004	-	220,459
Teko Springs	157,236	-	-	1,034	29,660	31,823
Needs Camp	411,232	-	-	5,482	13,964	402,730
Prudoe	134,128	-	60,000	1,489	68,400	127,227
Dongwe	81,464	-	60,000	963	58,900	65,527
Hogsback	215,804	-	-	4,302	-	320,167
Haga Haga	156,430	-	-	2,161	-	158,599
Willowvale	234,657	-	-	3,241	-	237,899
Ellipsie	273,767	-	-	3,782	-	277,548
Lower Blinkwater	234,657	-	-	3,241	-	237,899
Syman (Elandsburg)	185,548	-	-	2,701	-	188,248
Ndevana	46,716	-	-	645	-	47,360
Kwasiven	-	-	-	-	-	-
New rest	-	-	-	-	-	-
Eskiel	-	-	-	-	-	-
Nqamakwa	-	-	-	-	-	-
Msobomeu	-	-	-	-	-	-
Xupwa	-	-	-	-	-	-
Hertzog	-	-	-	-	-	-
Layout Plan : Amabete	112,458	-	-	1,558	-	114,011
Layout Plan : Bolo	117,843	-	-	1,546	-	119,389
Planning : Tshaba Village	257,794	-	-	2,476	-	256,272
Survey: Tshaba Village	0,041	-	-	92	-	6,733
Madisonville Eng Des	34,888	-	-	32	32,650	2,350
Nandi Prudoe Eng Design	34,885	-	-	470	-	35,174
Dongwe Eng Design	85,268	-	-	702	48,789	36,181
Teko springs Eng Design	25,032	-	-	10	24,200	742
Nandi Prudoe Survey Fees	-	-	-	-	-	-
Dongwe survey fees	-	-	-	-	-	-
Teko springs survey fees	90,000	-	-	-	90,000	-
Madisonville Infra	254,305	-	-	3,228	20,088	236,945
Kibusi Estabishment Grant	115,843	-	-	1522,48	5,717	108,655
Ndoloni Estabishment Grant	15,778	-	-	218	-	13,896
Ducels Estabishment Grant	71,463	-	-	631	7,510	64,885
Madisonville Estab Grant	13,642	-	-	187	-	13,729
Nandi Prudoe Estab Grant	95,603	-	-	1,337	290	98,011
Dongwe Prudoe Estab Grant	22,650	-	-	287	1,000	21,181
Teko Springs Estab Grant	14,070	-	-	193	-	14,203
Needs Camp Estab Grant	93,616	-	-	1,149	970	83,785
Teko Springs Top Structure	2,675,676	-	-	38,016	79,802	2,832,000
Nandi Prudoe Top Structure	202,424	-	-	2,585	15,722	189,297
Dongwe Top Structure	1,440,795	-	-	15,731	350,740	1,105,778
Needscamp Top Structure	629,583	-	-	10,136	285,002	674,887
Ducels Top Strat Subsidy	3,438,225	-	-	42,084	472,880	3,008,329
Kibusi Top Structure	1,850,867	-	-	25,734	172,806	1,813,095
Madisonville Top Structure	649,360	-	-	7,589	-	586,938
Ndoloni Top Structure	42,762	-	-	561	-	43,374
Liyate Kaye Estabishment Grant	13,220	-	-	183	-	13,403
Keyers beach Housing Project	-	-	-	-	-	-
KWT TRC Recreation	7,947	-	-	110	-	8,057
Pingoland Regional Authority	183,816	-	-	2,077	-	186,494
Mngqesha Great Place	66,158	-	-	914	-	87,072
Ngadu Great Place	140,799	-	-	1,029	26,394	157,264
Line Mapping	226,877	-	-	3,172	33	232,816
Hogsback IDP LDO	53,781	-	-	467	-	34,247
Water services Info System	1,746,213	-	-	24,121	-	1,770,334
Nkonkobe Drought Relief	267,307	-	-	2,564	-	280,661
Nkonkobe Drought Relief dtg	-	-	-	-	-	-
Nqushwa Drought relief	-	-	-	-	-	-
Rural Access Roads	707,364	-	-	5,771	-	717,134
Change Development Fund	8,151,691	-	-	83,817	86,269	5,148,335
Owasa Gwaha Restitutional	3,094,005	-	-	28,805	12,052	2,110,789
DBSA Support to DM	-	-	280,241	-	290,241	-
Grants in aid (dept trans)	-	-	-	-	-	-
Planning Grant dis	-	-	-	-	-	-
Restitution Award dis	-	-	-	-	-	-
Sanitation Projects	-	-	-	-	-	-

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/01/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/12/2005
Land Reform & Settlement Proj	529 447	4,500		8 730	86,225	444,748
CMIP VAT Savings	953 076			14 157	511	968,402
Ndlovu (CMIP VAT)	71 156				17 120	54,036
EDDI Funds	7,291 062			131 257	298 926	7,095,715
Dept Sport 2005/06	18 762			232		17,014
Sonamsela	85 145			1 178		86,321
E Village Green Projects	110 657			5 137		118,628
Peddie Sport Facility	930 256			18 808		358,064
Dept Sport 2004/05	2,458 038			31 428	293 122	2,183,343
H&L Survey Funds	1,011 085			12,569	209,309	815,924
H&L Development Planning	2,220 357				72,322	2,148,028
DPW: Accumulated Interest	87 785			1 213		88,998
Lower Gqumasha bridge	120 707			1 667		122,375
Replace Roadsigns	441 702			6,102		447,855
Road Repair Ndabekazi	1,700			25		1,811
Bucket Erection	5,353 000			85 670	684,205	4,555,748
Bedford and Ado side Back Era						-
Bhoroa and new town Back Era						-
Peddie town and Malnambeka Back era						-
CBPWP	(72,787)			314	1,700	(74,257)
DWAF	4,892 130			55 747	1,004 868	3,732,211
CMIP	36,415 820		28 111,474	171 386	34,405,770	30,290,911
TOTAL: GRANTS & RECEIPTS	120,873 327	4,500	28 900,915	1,281,607	42,873,890	118,198,055

GRANT FUNDING
JANUARY - MARCH 2006

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/01/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/03/2006
Asset Management	507	(501)				-
Performance Management	241,518					241,518
Contract Management	25,598	(25,598)				-
Reviewed IDP	31,318	72,103			60,051	40,070
Gapmap Implementation	69,492	(69,492)				-
MSG Interest	123,324			15,893	15,242	123,815
Feasibility study: LM's Flats	143,374	(60,000)				83,374
By-Law Implementation JMs	14,357				10,918	3,439
Rule of Order Dev LMs	38,075					38,075
LABOUR FORUM TRAINING	13,974					10,874
IND TARIFF POLICY LMS	52,376					52,376
Labour Intensive Practises	1,037	(1,037)				-
Engineering Services Awareness	8,967	(8,967)				-
Engineering Prof Act Awareness	18,160	(18,160)				-
Water & Sewerage Treatment Operations	40,000					40,000
Operations & Maintenance Systems	3,070	(3,070)				-
Nqushwa team Build Change & Div Man	15,500					15,500
Establishment Plans Renewals	40,720					40,720
Ward Com Palooza	156,500				14,630	141,870
PIVMS	610,954				(5,319)	605,635
MSG - Mbashe	27,744					27,744
MSG - Mquma	34,307				1,600	32,707
MSG - Great Ke	-					-
MSG - Amathlali	54,000	(55,652)				-
MSG - Buffalo City	-					-
MSG - Ngqushwa	47,950					47,950
MSG - Nkonkobe	55,000	(50,551)			1,968	4,399
MSG - Ntuba	214					214
PMS - Mbashe	14,727			203		14,930
PMS - Mquma	45,752			532		46,284
PMS - Great Ke	45,752			532		46,284
PMS - Amathlali	45,752			531	10,662	35,621
PMS - Buffalo City	45,752			532		46,284
PMS - Ngqushwa	45,752			532		46,284
PMS - Nkonkobe	45,752			532		46,284
PMS - Ntuba	45,752			532		46,284
PMS - Amathlali	45,749			532		46,281
Mbashe:IDP	74,288		132,926	1,448	40,797	167,844
Mquma:IDP	11,789		132,926	760	2,663	142,822
Great Ke: IDP	52,584		132,926	1,221	24,947	181,784
Amathlali:IDP	85,820		132,926	1,737		218,513
Buffalo City:IDP	52,475		132,926	1,334		186,735
Ngqushwa:IDP	1,219		132,926	626		134,788
Nkonkobe:IDP	61,528		132,926	1,441	5,500	192,393
Ntuba:IDP	26,640		132,926	577	5,000	166,543
ADM:IDP	35,185		132,926	1,095	1,282	167,932
Skills Development Centre	2,541,632			36,138		2,577,770
MSP: Project Management	6,195,894				2,766,747	3,429,147
Budget Reform	3,007,580			41,414	12,234	3,036,778
SETA Implementation	269,517		268,823	10,075	(15,737)	564,122
Dev Inter-Gov Framework	137,293			1,896		139,189
SKilling Retrenched Staff	82,777			611	72,620	10,967
By-Laws	(0)					(0)
Vote Awards	770,863			10,644	875	780,531
Training Mun Officials	1,669,656			12,638	1,144,332	537,065
Special Investigator H&LG	613,688			11,242		625,110
Intendly MCom Response	28,242			283		28,525
Intn financial statements at Ntuba	-	160,300			35,780	114,210
DWAF Once Off Training	-					-
DWAF Once Off Accommodation	-					-
LG-SETA-MSU	-					-
Leadership SETA	92,504		25,203	1,393		118,097
Land use Management	-					-
Community Development Program	1,494,354		1,028,673	20,180	1,145,145	1,398,071
COMAWARE PROC	14,356			202		14,558
Disaster Management	16,489,62			269	672	16,490,511
Provision of Firebrigade	1,362			19		1,381
Effective DM Framework	275,535			3,820		280,355
Disaster Management Plans	555,740			7,676		563,416
Disaster Management Centre	1,056,370			13,796	81,453	1,151,619
Disaster - Ring fence	98,716			1,133	26,015	73,834
Disaster - Rebuild Fund	5,369,077			72,615	159,368	5,282,276
Disaster Management Forums	125,651			1,528	17,200	109,979
Disaster Risk Assessment CS/35	302,756			4,152		306,908
Contingency Fund For Incidents	605,513			8,351		613,877
Capacity Building CS/35	151,378			1,875	54,606	98,647
Train and Equip Volunteers	151,378			2,091		153,469
Capacitate and Resources Centre	302,756			4,182		306,938
Training Equipment	151,746			2,849		154,595
Stipends	348,775			4,622	29,500	374,897
Protective Clothing	337,058			4,867		341,925
Operations costs	100,819			1,375	9,385	111,519
HVADS NGOs	150,847			2,238		153,085
HVADS Laundry Services	250,470			3,074	8,933	262,477
Vol Stipends-Aids - Nkonkobe	53,486			1,017		54,503
Vol Stipends-Aids - Amathlali	97,601			1,349		98,950
Vol Stipends-Aids - Mquma	66,000			543		66,543
Vol Stipends-Aids - Buffalo City	269,664			5,725		275,389
Vol Stipends-Aids - Mbashe	46,505			643		47,148
District Aids Council	2,022			29		2,051
Tertiary Institutional Training	30,284			138		30,422
Stipend to Volunteers	1,510,485			20,648		1,531,133
Stipend for Personal Sellers	753,652			10,413		764,065
Duncan Village Youth Proj	167,264.48			2,417	(20,020)	149,661.48

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/01/2020	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/03/2020
Payment of Community Development Work	-	-	75,000	344	-	75,344
LCSECC HIV/AIDS	-	-	-	206	20,000	15,253
LTD - BUFFALO CITY	35,045	-	-	406	7,500	27,310
LTD - NKONKOBÉ	34,403	-	-	55	-	4,062
LTD - AMAPLATI	4,035	-	-	86	-	6,435
LTD - NKUBA	6,348	-	-	761	4,077	53,146
Regional Tourism	50,404	-	-	62	-	4,584
Memorial Quilt Project	4,522	-	-	2,724	40,470	159,860
Systems Agric Project	203,609	-	-	3,762	-	276,085
Headwaters/Lamont Spring Water	272,335	-	-	31,507	-	2,302,630
Swazika Cultural Village	2,171,332	-	-	3,784	-	277,703
Youth Fund	273,819	-	-	9,064	-	665,226
Monitor LED Projects	896,162	-	600,000	1,368	26,137	638,950
Duba Community Veg Garden	283,701	-	-	2,519	26,625	164,881
Printing Project Mdantsane Art Centre	102,287	-	-	7,842	-	575,576
MK Veterans	567,735	-	-	5,602	-	411,127
Hannburg Heritage Initiative	405,525	-	-	16	-	1,137
Dept Agric Assist & upgrade Farms	1,122	-	-	-	14,232	-
Kakumaniwek irrigation Scheme	14,232	-	-	1,616	20,180	117,662
Sowa Falls LED Project	136,006	-	-	162	-	13,367
Rock Climbing: Dept Env Affairs	13,185	-	-	224	16,537	(105)
Poverty alleviation Nodcu	16,208	-	-	214	16,649	72
Poverty Alleviation Mqushela	15,507	-	-	69	2,495	3,369
Estabfish LED train	5,787	-	-	876	2,036	67,302
District Economic Forum	77,802	-	-	138	5,316	6,562
Noema Braier	11,741	-	-	4	-	294
Proxand Dairy Goat	290	-	-	4,026	50,890	302,804
K4 Bridge	354,108	-	-	900	-	66,089
Nqungwane Lencane Community	66,189	-	-	3,707	32,618	223,722
KGH Dairy Scheme Phase II	255,034	-	-	2,023	-	214,506
Lower Wolf River Irrigation	211,583	-	-	-	-	-
Beekeeping Project	-	-	-	-	-	-
Mini Maize Project	-	-	-	-	-	-
Rabbit Production	-	-	-	-	-	-
Development Plan: Haga Haga	762	-	-	11	-	772
Komanshit	220,459	-	-	3,045	-	293,504
Teko Springs	3,623	-	-	437	-	32,080
Nodcu Camp	402,750	-	-	5,562	-	408,293
Prudce	127,227	-	-	1,712	10,000	118,839
Dongwe	55,527	-	-	543	46,812	7,158
Hogback	320,157	-	-	4,423	-	394,589
Haga Haga	136,599	-	-	2,181	-	160,790
Witwaters	237,099	-	-	3,206	-	241,185
Elkordae	277,548	-	-	3,604	-	281,382
Lower Blinkwater	257,893	-	-	3,266	-	241,179
Symon (Standburgh)	196,249	-	-	2,738	-	200,987
Ndevana	47,380	-	-	604	-	48,014
Kwasevan	-	-	-	-	-	-
New rest	-	-	-	-	-	-
Eskiet	-	-	-	-	-	-
Nqamkwe	-	-	-	-	-	-
Msohonyu	-	-	-	-	-	-
Xijwa	-	-	-	-	-	-
Hatzag	-	-	-	-	-	-
Layout Plan: Amabelo	114,011	-	-	1,575	-	115,586
Layout Plan: Gelo	113,388	-	-	1,075	-	114,983
Planning: Tahabo Village	256,272	-	-	3,626	-	258,798
Survey Tahabo Village	6,733	-	-	50	-	6,826
Macoonkown Eng Des	2,950	-	-	32	-	2,383
Nandi Prudce Eng Design	35,174	-	-	640	-	35,823
Dongwe Eng Design	35,181	-	-	323	-	35,504
Teko springs Eng Design	742	-	-	10	-	752
Nandi Prudce Survey Fees	-	-	75,000	-	75,000	-
Dongwe survey fees	-	-	75,000	-	75,000	-
Teko springs survey fees	-	-	-	-	-	-
Macoonkown Infra	230,945	-	-	3,273	-	240,218
Kubusa Establishment Grant	106,655	-	-	1485,90	4,071	108,070
Ndlovini Establishment Grant	15,696	-	-	221	-	16,217
Ducats Establishment Grant	64,885	-	-	894	380	65,388
Macoonkown Estab Grant	13,729	-	-	190	-	13,918
Nandi Prudce Estab Grant	96,011	-	-	1,304	10,283	89,034
Dongwe Prudce Estab Grant	21,101	-	-	241	10,483	10,938
Teko Springs Estab Grant	14,203	-	-	164	1,169	13,220
Nodcu Camp Estab Grant	83,785	-	-	1,154	700	84,249
Teko Springs Top Structure	2,632,000	-	1,417,193	38,716	4,366	4,081,123
Nandi Prudce Top Structure	199,297	-	2,368,694	2,969	10,026	2,595,524
Dongwe Top Structure	1,105,778	-	2,342,711	18,421	120,155	3,546,755
Nodcu Camp Top Structure	674,687	-	1,792,835	7,976	175,728	2,289,768
Ducats Top Struc Sussidy	2,006,329	-	2,145,328	38,654	219,625	4,973,385
Kubusi Top Structure	1,813,086	-	4,007,818	23,896	182,502	6,276,400
Macoonkown Top Structure	556,639	-	-	7,603	-	564,432
Ndlovini Top Structure	43,374	-	208,368	1,730	43,603	289,609
Liyate Keyo Establishment Grant	13,403	-	-	110	6,197	7,315
Kayese beach Housing Project	-	-	-	-	-	-
KWT TRC Recreation	6,057	-	-	111	-	8,168
Fingolane Regional Authority	196,494	-	-	2,714	-	196,208
Minqusha Great Place	57,072	-	-	926	-	87,998
Nqoshe Great Place	117,284	-	-	359	68,786	49,417
Line Mapping	232,618	-	-	3,200	5,529	232,483
Hogback DP LDO	34,217	-	-	473	-	34,721
Water services Infr System	1,770,934	-	-	24,454	-	1,794,786
Nkonkobe Drought Relief	280,861	-	-	3,448	33,800	230,509
Nkonkobe Drought Relief dpt	-	-	1,000,000	9,188	-	1,009,188
Nqushwa Drought relief	-	-	1,000,000	8,186	-	1,008,186
Rural Access Roads	717,134	-	-	6,906	-	727,040
Charita Development Fund	6,148,389	-	-	64,390	58,866	6,174,640
Dwesa Gwete Restitutional	2,113,769	-	-	28,344	36,067	2,103,636
DGSA Support to DM	-	-	250,924	750	220,179	37,516
Grants in aid (dept trans)	-	-	1,200,000	2,900	-	1,205,900
Planning Grant dta	-	-	2,153,760	22,544	-	2,476,304
Restitution Award dta	-	-	47,340,620	454,849	-	47,775,469
Sanitation Projects	-	1,420,000	-	12,393	5,800	1,427,193

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/01/2008	Contributions during the Year	Other income	Interest on Investments	Expenditure during the Year	Balance at 31/12/2008
Land Reform & Settle Plan Proj	441,748	4,800		6,140	6,812	448,881
CMP VAT Savings	666,432			13,340	22	879,727
Mikwin (CMP VAT)	54,036					54,036
EDOT Funds	7,085,715		510,000	(402,325)	518,560	6,288,225
Dept Sport 2003/04	17,014			156	10,628	6,323
Sportsfields	66,321			304	69,324	30,932
6 Village Green Projects	116,828			1,314		118,442
Peddie Sport Facility	328,054			4,940		383,010
Dept Sport 2004/05	2,183,843			30,101	12,678	2,200,766
HSLG Survey Funds	810,924			10,340	101,290	725,015
HSLG Development Planning	2,146,028				48	2,147,987
DPW: Accumulated Interest	66,987			318	89,816	(3)
Lower Gqumasha Hedge	122,375			1,124	123,499	-
Replace Roadsigns	447,885			4,115	48,950	-
Road Repair Nidhaluzi	1,811			17	1,828	0
Centane Buckle Eradication	7,553,710			68,706	982,046	3,632,409
Bedford and Adelaide Buckles	-					-
Shofie and Newtown Buckles	-					-
Peddie town and Mathambeka Buckles	-					-
CBPWP 1	(74,257)				(146,054)	70,797
DWAF	3,732,211			(1,366,118)	202,193	1,843,942
CMP	30,290,811		53,065,470	380,533	40,937,884	40,663,400
TOTAL: GRANTS & RECEIPTS	118,196,063	1,424,798	123,171,151	13,020	51,473,248	181,331,775

GRANT FUNDING
APRIL TO JUNE 2006

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/04/2005	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 31/03/2006
Asset Management	-					-
Performance Management	241,619					241,619
Contract Management						
Reviewed IDP	41,070		95,663		138,083	-
Gamma Implementation						
MSIG Interest	123,615			15,227	93,679	55,163
Feasibility study: LMs Flye	63,367					63,367
By-Law Implementation LMs	3,456					3,439
Rule of Order Dev LMs	38,076				38,076	-
LABOUR FORUM TRAINING	10,974					10,974
NO TARIFF POLICY LMS	62,376				77,865	15,011
Labour: Interactive Practices						
Engineering Services Awareness						
Engineering Prof Act Awareness						
Water & Sewerage Treatment Operations	96,700				93,157	13,543
Operations & Maintenance Systems						
Ncwakhele team Build Change & Div Mena	15,566					15,566
Establishment Plans Renewals	43,722					40,720
Ward Com Participation	141,370				9,645	132,025
PLANS	615,582				414,561	201,531
MSIG : Mankwe	27,744					27,744
MSIG : Mankwe	32,807				32,807	-
MSIG : Great Kei			43,024		39,000	4,024
MSIG : Amatholi	19,448				18,448	-
MSIG : Buffalo City			49,135			49,135
MSIG : Ngqushwa	47,950		90,668		88,264	533
MSIG : Ncwakhele	16,461				16,461	-
MSIG : Nxuba	214		10,301		7,610	2,745
PMS: Mbashe	14,931			209		15,140
PMS: Mankwe	48,384			660	17,488	29,547
PMS: Great Kei	48,384			660		47,035
PMS: Amatholi	35,504			453	1,290	34,791
PMS: Buffalo City	48,384			660		47,035
PMS: Ngqushwa	48,384			660		47,035
PMS: Ncwakhele	48,384			660		47,035
PMS: Nxuba	48,384			660		47,035
PMS: Amatholi	48,384		103,000	1,390		147,871
Mbashe IDP	167,844			2,554		170,197
Mankwe IDP	142,822			1,668	144,506	-
Great Kei IDP	161,754			1,901	160,151	3,155
Amatholi IDP	218,513			3,038	2,811	218,740
Buffalo City IDP	186,736			2,255	25,980	163,011
Ngqushwa IDP	124,738			1,390	58,463	78,184
Ncwakhele IDP	162,350			2,344	40,527	154,210
Nxuba IDP	158,543			1,788	67,132	131,180
ADM IDP	167,332			1,841	70,900	98,808
Skills Development Centre	2,576,740			26,136		2,612,875
VSP: Project Management	3,425,147				3,160,747	268,400
Budget Reform	3,036,778			98,175	971,899	2,103,954
SETA Implementation	564,122		83,019	7,119	540,146	315,108
Dev Inter-Gov Framework	138,189			1,932		141,141
Skilling Remotised Staff	10,387			183,600		11,321
By-Laws	10					(0)
Vuns Awards	700,531			10,704	118,520	874,715
Training Man Officers	537,385			7,531		544,597
Special Investigation H2, G	825,110			11,571		836,681
Identify M/Com Respons	28,532			402		29,034
Intc financial statements of Nxuba	114,210				5,477	62,733
DWAF Office of Training		805,000				805,000
DWAF Office Of Accommodation		500,000				500,000
LG SETA MSJ			45,300			45,000
Leaship SETA	119,887		22,243	1,776,72		143,117
Land use Management			489,400	3,905		483,005
Community Development Program	1,396,071		577,355	20,871	46,718	1,747,330
COM AWARE PROC	14,791	(14,999)		207		(0)
Disaster Management	19,081	(16,877)		243	2,427	-
Provision of Firebrigade	1,381	(1,401)		19		0
Effective DFM Framework	280,355			3,832		284,286
Disaster Management Plans	533,418			7,801	10,280	581,637
Disaster Management Centre	988,713			15,563	36,344	983,932
Disaster : Ring fence	74,837	(66,800)		929	19,073	-
Disaster : Rebuild Fund	5,282,276			69,705	549,355	4,802,627
Disaster Management Forums	109,578			1,380	24,082	87,296
Disaster Risk Assessment 0506	306,639			2,578	304,674	4,642
Citizens Fund For incidents	613,677			6,580	2,175	620,282
Capacity Building 0506	96,315	68,569		957	84,778	123,062
Train and Equip Volunteers	153,489			1,511	130,683	21,098
Capacitate and Resources Center	300,638			4,179	36,424	274,693
Training Equipment	194,384			2,725		197,120
Stipends	374,887			5,656	114,840	213,754
Protective Clothing	342,524			4,718	17,075	328,367
Operational costs	98,421	1,401		1,043	83,141	31,730
HVAIDS NGOs	162,055	191,025		13,238	18,818	350,270
HVAIDS Laboratory Services	225,612			3,164	171,016	57,759
Vol Stipends-Aids : Ncwakhele	54,503	(51,764)		(2,729)		(0)
Vol Stipends-Aids : Amatholi	89,010	(95,009)		(4,001)		(0)
Vol Stipends-Aids : Mankwe	89,020			900		89,888
Vol Stipends-Aids : Buffalo City	273,289			3,633		277,222
Vol Stipends-Aids : Mbashe	46,918	(43,052)		(1,853)		(0)
Disast Aids Council	2,060			29		2,078
Tertiary Institutional Training	32,232			715		30,937
Stipend to Volunteers	1,537,443			21,300		1,558,003
Stipend for Personal Setars	764,266			10,710		774,883
Jurcan Village : Youth Proj	266,981,64			2,544,43	8,520	153,586

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/04/2008	Contributions during the Year	Other Income	Interest on Investments	Expenditure during the Year	Balance at 30/03/2009
Payment of Community Development Work	-	-	-	1,357	-	75,400
ESSECC HIV/AIDS	75,344	-	-	74	16,327	-
LTD: BUFFALO CITY	75,253	-	-	229	27,533	-
LTD: NKONKONBE	27,310	-	-	57	4,119	-
LTD: AMANLATI	4,082	-	-	81	6,130	386
LTD: NKUBA	6,435	-	-	345	62,589	904
Regional Tourism	53,148	-	-	54	-	4,549
Memorial Cull Project	4,584	-	-	1,312	142,157	15,715
Sizama Agric Project	185,960	-	-	3,872	934	279,064
Headman/Lamyon Spring Water	276,385	-	350,000	58,390	-	2,592,019
Sosela Cultural Village	2,202,930	-	-	3,737	150,282	82,157
Youth Fund	277,703	-	-	5,235	10,000	654,481
Monitor LED Projects	665,226	-	(250,000)	6,143	104,719	489,377
Duba Communal Veg Garden	838,859	-	-	1,089	5,184	115,815
Printing Project Midlands An Centre	164,881	-	-	7,715	37,609	545,384
MR Veterans	576,578	-	-	6,622	63,897	334,753
Hamburg Heritage Initiative	411,127	-	-	10	1,148	0
Dept Agric Assist & Upgrade Farms	1,137	-	-	-	-	0
KwaKwamahoek Irrigation Scheme	-	-	-	852	66,423	62,678
Bawa Falls LED Project	117,552	-	-	123	10,460	-
Road Climbing Dept Env Affairs	12,367	-	-	-	(105)	(0)
Poverty Alleviation Nqutu	(105)	-	-	-	72	0
Poverty Alleviation Mqungu	72	-	-	31	2,882	518
Establish LED Forum	3,369	-	-	763	6,115	50,031
District Economic Forum	67,382	-	-	80	6,822	0
Nceda Broker	6,562	-	-	3	295	0
Precious Dairy Goat	284	-	-	2,834	275,511	27,227
Kel Bridge	302,804	-	-	327	-	67,015
Ngqungwane Jerdene Community	66,889	-	-	2,014	144,772	81,964
KKH Dairy Scheme Phase II	225,722	-	-	2,384	134,337	82,534
Lower Wolf River Irrigation	214,606	-	231,000	1,121	-	235,121
Beekeeping Project	-	-	200,000	958	-	200,958
Maize Project	-	-	565,000	2,712	-	568,712
Rabbit Production	-	-	-	4	776	0
Development Plan: Hago Hago	772	-	-	1,678	155,228	68,891
Kamashini	225,604	-	-	404	4,687	27,587
Toko Springs	32,000	120,229	-	3,187	390,964	141,345
Needs Camp	466,263	-	-	546	119,484	-
Prudce	118,909	(7,415)	-	482	-	236
Dongwe	7,158	-	-	4,302	16,077	310,894
Hagshack	324,565	-	69,472	2,908	-	233,175
Hago Hago	180,750	-	-	3,276	11,250	233,171
Willowvale	241,185	-	-	3,910	3,862	285,440
Ellidale	281,362	-	-	3,361	3,301	241,229
Lower Blinkwater	241,175	-	-	2,793	2,701	207,028
Symon (Flanborough)	200,667	-	-	596	5,204	40,376
Ndevana	48,014	-	-	2,894	-	310,894
Kwasiven	-	308,000	-	2,532	-	272,032
New rest	-	266,500	-	434	-	46,834
Eskiel	-	46,200	-	1,447	-	153,447
Nqamkwa	-	154,000	-	2,894	-	310,894
Mshamvu	-	308,000	-	1,447	-	155,447
Xujwa	-	154,000	-	1,447	-	155,447
Hertzog	-	-	-	530	116,116	-
Layout Plan: Amadise	115,586	-	-	516	115,481	-
Layout Plan: Boie	114,963	-	-	1,100	259,984	-
Planning: Tshabo Village	258,758	-	-	31	6,957	-
Survey: Tshabo Village	6,826	-	-	33	-	0
Mackentown Eng Des	2,363	(2,418)	-	473	6,385	30,210
Nandi Prudce Eng Design	35,823	-	-	438	-	36,002
Dongwe Eng Design	35,504	-	-	11	-	(9)
Toko Springs Eng Design	752	(763)	-	-	-	-
Nandi Prudce Survey Fees	-	-	-	-	-	-
Dongwe survey fees	-	-	-	-	-	-
Toko Springs survey fees	-	-	-	-	-	-
Mackentown Infra	240,218	-	-	1,746	164,593	57,372
Kubisa Establishment Grant	108,070	-	115,765	200,104	4,771	221,085
Ndlovu Establishment Grant	16,217	-	-	227	285	16,160
Ducats Establishment Grant	65,389	-	46,084	1,125	1,305	111,273
Mackentown Estab Grant	13,918	2,418	19,608	183	17,375	18,930
Nandi Prudce Estab Grant	88,334	-	-	1,223	4,972	85,285
Dongwe Prudce Estab Grant	10,838	-	33,265	679	2,862	101,921
Toko Springs Estab Grant	13,220	763	47,778	403	2,320	68,844
Needs Camp Estab Grant	84,249	-	14,007	1,220	1,680	88,000
Toko Springs Top Structure	4,081,123	-	-	57,178	5,677	4,132,421
Nandi Prudce Top Structure	2,520,524	-	(22,107)	34,681	81,611	2,481,498
Dongwe Top Structure	3,046,755	-	-	47,462	280,648	3,330,801
Needscamp Top Structure	2,255,769	-	-	29,721	433,227	1,846,272
Ducats Top Struc Subsidy	4,973,386	-	-	85,480	751,048	4,287,217
Kubisa Top Structure	6,276,488	-	-	80,318	229,000	6,132,818
Mackentown Top Structure	564,632	-	259,032	3,641	-	803,806
Ndlovu Top Structure	208,609	-	105,506	4,042	83,436	385,714
Livvye Kaye Establishment Grant	7,315	-	-	63	4,200	3,178
Kayvye beach Housing Project	-	-	328,000	2,276	-	331,240
KWT TRC Recreation	6,168	-	-	37	9,200	-
Freeport Regional Authority	155,208	-	-	2,794	-	202,071
Mqungu Great Place	67,598	-	-	954	-	63,952
Nqutu Great Place	49,417	-	-	605	-	50,110
Line Mapping	232,403	-	-	2,774	55,226	180,001
Hogshack IDP LDO	34,721	-	-	129	31,380	-
Water services Info System	1,794,768	-	-	25,199	723,266	1,096,702
Nkonkobe Drought Relief	230,605	-	-	3,235	-	233,742
Nkonkobe Drought Relief dig	1,009,188	-	-	14,152	-	1,023,340
Nqunguwa Drought relief	1,009,188	-	-	14,152	-	1,023,340
Rural Access Roads	727,040	-	-	10,196	-	737,236
Chenja Development Fund	8,174,840	-	-	86,525	0,219	8,261,146
Dusse Oweho Reestablishment	2,103,636	-	7,730,090	61,493	432,885	8,782,214
DBSA Support to DM	37,516	-	422,800	1,378	244,841	216,753
Grants in aid (dept trans)	1,205,500	-	-	16,835	-	1,222,465
Planning Grant: cl	2,176,504	-	-	34,726	-	2,511,030
Resolution Award: cl	47,775,466	-	-	668,873	-	48,444,442
Sanitation Projects	1,427,195	-	-	20,014	-	1,447,207

CONDITIONAL GRANTS AND RECEIPTS	Balance at 01/01/2008	Contributions during the Year	Other income	Interest on Investments	Expenditure during the Year	Balance at 31/12/2008
Land Reform & Settlement Proj	448,881	5,600		5,404	79,660	379,225
GMP VAT Savings	579,727			13,728	434,070	509,395
Ndeveni (GMP VAT)	51,026					51,026
ECOT Funds	6,298,225	191,264		102,644	1,231,113	5,640,320
Dept Sport 2009/10	5,573			88	(10,628)	17,238
Sportsfields	30,982			434		31,365
ii Village Green Projects	119,442			1,661		120,103
Peddle Sport Facility	303,010			6,091		368,101
Dept Sport 2008/09	2,200,768			30,780	35,708	2,197,840
HSLG Survey Funds	725,015			8,783	165,651	589,947
HSLG Development Planning	2,147,580	(324,445)		112,520	47,685	1,886,370
DPW Accumulated Interest	(0)					(0)
Lower Squamish bridge						
Replace Roadsigns						
Road Repair Milebeke	0					0
Bussat Education	3,532,409		4,465,000	86,003	3,155,035	5,028,378
CEPWP 1	70,757				1,483	69,315
DNAP	1,843,642		10,308,457	500,047	2,926,691	9,679,755
GMP	40,865,450	1,803,062	24,009,655	339,624	44,877,587	21,836,094
TOTAL GRANTS & RECEIPTS	191,331,776	4,664,994	60,005,860	2,966,137	67,201,472	181,708,293