

**Intsika Yethu Municipality**  
*Popular Participation for Sustainable Development*



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**Chapter 1: *Introduction and Overview***



## Foreword by the Honorable Mayor

S.D. Plata



Intsika Yethu Municipality Annual Report articulates the performances of the municipality. This report will talk on the challenges, work and performances experienced during the financial year of 2006/2007. The report reflects the expansion of the institution with its strengths. The municipality is keen on the process of transforming Intsika Yethu and to confirm that Intsika Yethu Integrated Development Plan (IDP) and the Year Budget were adopted in May 2006.

The Municipality continues to be in touch with its communities as a way of transparency, this process is done through Mayoral Imbizos, Ward Committees, Community Development Workers (CDW), Forums and IDP and Budget Imbizos. All these programmes are continuing to build impetus.

A number of programmes continue to address challenges that the municipality is facing. MIG assist in addressing backlogs such as access roads, water and sanitation in the municipality. LED programmes are also key programmes to the municipality as they make impact in the growth of the community and economic growth of the area.

Local Government is working well with the public, communities and partners to achieve the goals we have set our selves as a nation. We are continuing with strengthening of partnerships to make an impact of on reduction of high tide of HIV & AIDS, low level of literacy and continue to fight against poverty. Intsika Yethu Municipality creates an effort for the people of the community to continue and accelerate the advance to a better life.

To continue with promotion of good governance, committees are operational and they sit regularly.

The municipality constantly followed government processes of conducting Integrated Development Programme (IDP) and Budget consultation with the communities. This process was followed by reviewal of the IDP and draft budget for next financial year.

To all sector departments that are operating in Intsika Yethu and surrounding, let us change the lives of our people for better. The municipality show gratitude for the good partnership and working relation that is between the departments and the municipality. The municipality also thank the non-government organi-

sations, faith based organisations, community structures and the general public for participating in the programmes of the municipality. Intsika Yethu Municipality invites members of the public and stakeholders to continue to participate in all programmes.

Let me extend the word of thanks to the Council of Intsika Yethu Municipality, the Office of the Speaker, Councillors, and political parties for the good working relationship shown during the financial year to change the lives of our community for better.

I would thank the officials of the municipality for the devotion and contributions in growing the municipality and changing lives our communities. Thank you

.....  
S.D. PLATA  
Mayor

## Foreword by the Speaker

**M. Sokujika**



As a way of strengthening and responding to community needs, Intsika Yethu Municipality, Office of the Speaker embarked on a number of programmes as a way of empowering the community of the area. The office held a road show from October to November in 2006 focusing on community based planning.

This programme was to respond to government emphasis on the planning of communities in the villages. The programme was focusing on a number of common challenges that face institutions. One of the key issues that the programme addressed was the significance of communication between the municipality and its communities.

The workshop was to bridge the gap between the stakeholders and ward councilors. It was also to create a common ground between stakeholders and councilors.

Intsika Yethu Municipality is keen in capacitating the communities of Intsika Yethu. This was shown by

an induction workshop which all 23 wards benefited from the programme which was driven by the municipality. The induction workshop highlighted the structures of the municipality, the roles of all structures in the municipality. This programme also familiarized the committees with the Batho Pele principles of government and Community Development Workers scope of work.

This was to ensure that the municipality continues with developmental initiative which empowers our people to act as their own developers. The review of the work of this office prompted by this milestone, showed continuing progress towards government goals. It is crystal clear that there is still much to do to ensure that all citizens have adequate knowledge to government issues and programme.

Special attention has been given to beef-up the support of our communities as a way of implementation government programmes.

The office of the Speaker wish to thank all serving councilors for their contributions and dedication for the success of the programmes and Intsika Yethu Municipality.

.....  
M. SOKUJIKA  
Speaker





## Municipal Manager's Report

Z. Shasha



More than ever before, Intsika Yethu Municipality is focused on horizons defined by the long-term programmes of government which include among other things, service delivery to the people and better life for all. In a period in which a national partnership to build a better life for all is critical to the fulfilment of our government role, Intsika Yethu Municipality has a priority of building a framework of work partnerships informed by a idea uniting all society around development goals. This report will entail our role as Intsika Yethu Municipality entrusted with the responsibilities of the municipal functions.

As required by the Municipal Systems Act, Intsika Yethu Integrated Development Plan (IDP) was reviewed in the financial year. The municipality has also done the consultation programme with the communities for the process of IDP and Budget. This was done in a form of road shows in all wards of the municipality. Road shows were conducted to review the Integrated Development Plan and draft budget for the next financial. The IDP process went well and covered all the stakeholders concerned and as such led to the Council of Intsika Yethu approving it. This clear states that communities, politicians and municipal officials are keen in interaction in partnership in creating a better life for all. This all to make sure needs of our communities are attended in a sustainable manner.

Intsika Yethu Municipality has set aside practical plans through departments and one of the departments is Local Economic Development (LED) which practices through agriculture as it is the key economic pillar of the area.

To build a people – centred government the municipality has maintained a contact through Imbizos, Ward Committees, Community Development Workers and IDP Forums.

Generally the performance of Intsika Yethu Municipality is improving in the side of service delivery although there are challenges. Some of the successes are through the Municipal Infrastructure Grant (MIG) allocation.

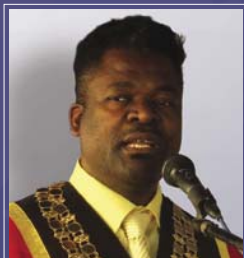
With the support of the entire Intsika Yethu Municipality community, stakeholders and partners the mu-

nicipality will continue to improve the lives of the Intsika Yethu. The municipality kindly invites members of the public, stakeholders and partners to continue to participate in all programmes of the Intsika Yethu Municipality. The municipality would have achieved all the achievements in the financial year with out your positive support. I would like to extend my word of appreciation to the entire Council of Intsika Yethu for providing good governance, management for support and staff members of Intsika Yethu for their dedication.

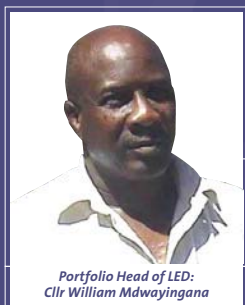
Z. SHASHA  
Municipal Manager



## Intsika Yethu Municipality Executive Committee



*Honorable Mayor:  
Cllr SD Plata*



*Portfolio Head of LED:  
Cllr William Mdwayingana*



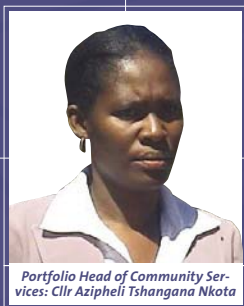
*Portfolio Head of Corporate  
Services: Cllr Yolisa Gasa*



*Portfolio Head of Finance Depart-  
ment: Cllr Khungeka Makhapela*



*Portfolio Head of Special Programmes  
Unit: Cllr Zukile Mbotoloshi*



*Portfolio Head of Community Ser-  
vices: Cllr Azipheli Tshangana Nkota*



*Cllr Nomphumzi Boyana*

## Background

Intsika Yethu Municipality is the democratic elected category B municipality made up of representatives: councilors and administration staff. It is one of the eight local municipalities found within Chris Hani District Municipality. The municipality is purely rural with a population of 194 000. Intsika Yethu Municipality practices its duties through its communities from all 23 wards. The councilors of Intsika Yethu Municipality form part of local allocated government working with directly with the local people. The municipality excises its duties through its constituent communities. Under the municipality jurisdiction the municipality has two towns i.e.:

- Cofimvaba
- Tsomo and
- 213 villages

## Vision

A developmental local municipality that provides sustainable development in its area of jurisdiction in an effective manner.

## Mission

Endeavours to achieve sustainable development by engaging the following instruments: Integrated Development Plan (IDP), Budget, Performance Management System (PMS) and Public Participation.

## Core Values and Principles

- Equity
- Excellence
- The Spirit of Partnership
- Integrity
- Ubuntu
- Batho Pele





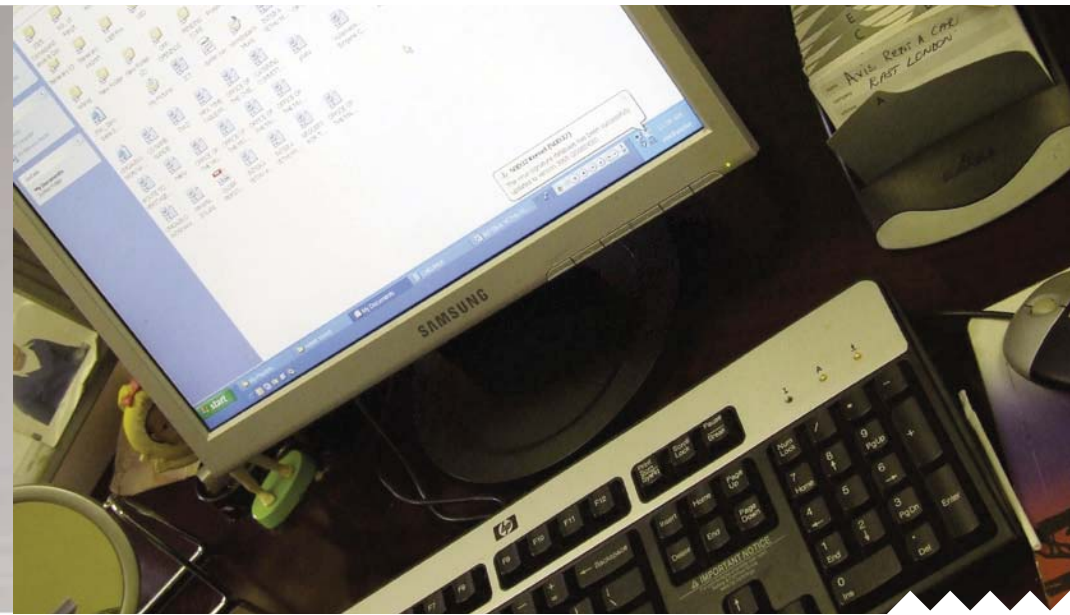
**Chapter 2:**

***Performance Reports***



# Administration Report

X.X Xxxxxxx



## Overview

In the financial year of 2006/2007 the office made strides to improve its administration support services to the institution. There are still challenges that need to be addressed. Through this report the office will also narrate how it has effectively managed to promote good governance and implementation of corporate governance.

Intsika Yethu Municipality continued to participate in municipal planning through a number programmes. Some of the key performance of the office is to:

- Ensure Council Resolutions are implemented timeously
- Ensure the IDP and Budget timetable is adhered to and adopted by the Council within the prescribed timeframe
- Effective communication
- To enhance working relations between the Intsika Yethu Municipality and its stakeholders

This report will highlight the achievements and challenges within the section.

## Implementation of Council Resolutions

The office of the municipal manager continued to ensure effective Council Resolutions and reported to the Council. The reporting is done in every Council meeting.

## IDP and Budget

This office is the key in monitoring that the IDP & Budget timetable is developed and followed. It also form part of consultation programme which covers all 23 wards of the Intsika Yethu Municipality. This is done in March as a way of preparing for the next financial year.

## Advertising

Drawing up of employment contracts for all municipal senior managers is done and one is keen in making sure of that all performance contracts are signed.

## Mentor PMS and Evaluation

As a way keeping the institution effective the assessment of all senior managers is done quarterly. The

office also continues to do half yearly and quarterly evaluations are done timeously. These are all consolidated and forwarded to the council of Intsika Yethu Municipality. Management meetings are held weekly as way of planning strategically, review, and address challenges of the institution.

## Exco, Standing Committee

The office continues to make sure that Exco Meeting and Standing Committees are held as planned. Also distribute the agenda of the meetings within seven days prior the meetings. To ensure that council meetings are published in the local and provincial media seven days prior the Council meetings.

## Financial Statements

Ensures that financial statements are prepared and submitted for audit timeously.

## Annual Reports

As a way of making sure that our stakeholders are informed of the financial progress and challenges an annual report is developed. The report is approved by the council before it is published.

## **Audit Committee and Internal Audit Committee**

Making sure that Audit Committee is established yearly.

## **Policies and Procedures**

There is continues implementation of policies of the institution. These policies are guiding documents to the institution.

## **Communication**

As a way of enforcing communication to the institution, an institutional newsletter is developed and distributed to the entire community, stakeholders, and government departments and to all strategic points where public can access the document. The newsletter act as mouth peace of the municipality.

## **Supply Chain Management**

Supply chain Management committee was established and they are fully functional. The role of the office is making sure that supply chain processes are followed and they are compliant with.

## **Challenges**

- Challenges in PMS on the side of the service provider need to be addressed
- Council meetings are held as per the programme but the challenge is that sometimes there are problems with timeframes
- Standing committee meetings are still a challenge

## **Tsomo Unit**

Tsomo Unit is operating on its own under the supervision of the Municipal Manager and all reports of the unit are directed to the manager and any complaints are channeled to relevant department.

## **Customer Care**

As to respond to the provincial campaign of promoting customer care in local government, complaints by customers are attended to promptly. The office makes sure that the complaint is attended in good time. All complaints are recorded and forwarded to the relevant departments.

## **Inventory**

All Tsomo unit assets were verified physically and spot counted to determine losses and any damages monthly. For any damages or replacements the office takes charge of the role to do so.

## **Reports**

Tsomo Unit operates under the office of the municipal manager, all monthly reports are of all operations in the unit are submitted to the municipal managers office timeously.

## **Registry Function**

To reinforce the operations of the registry in the Tsomo Unit, material was purchased. The daily routine of the office is to record all incoming and outgoing mail and forwarded to relevant department timeously.

## **Administration**

The unit is also responsible for day to day running of the administration of the unit. Leave application are completed in triplicate and process in good time and leave schedule for the calendar year is in place.

## **Revenue Collection**

Tsomo unit is keen on issuing out of monthly bills to its consumers to effect the payment of services before the seven day of each month. All payments in respect of all services and rates are receipted promptly. The rates account are issued out annually. All untraceable property owners whose rates were irrecoverable were advertised. To keep up the revenue, meter readings are done on every 16th day of the month.

## **Land and Building**

The revaluation of two sites unsold at extension one was done. The infill sites were also included in this valuation and the report of the valuation is available and accessible. Eleven sites of the municipality were advertised for sale. The municipality issued out correspondence to the beneficiaries of extension one requesting them to start developing their sites.

## **Land Identification**

In Tsomo town the at the back of the police station was identified for waste transfer station.

## **Building Control**

The office is responsible forwarding all the building plans of the area to the main office for approval before any erection of any structure.

## **Water Supply**

The sedimentation of dam is cleaned monthly. As a way of keeping the promise of better life for all, water suitable for human consumption is pumped daily from the reservations to the consumers.

## **Refuse**

The refuse in the area s collected daily and carted to the dumping site.

## **Pound**

The impoundment of stray animals is done on a regular. The office continues with registration of stock entering and leaving the pound and it's effectively maintained. All the revenue collected was received in a special pound receipt book.

## **Challenges**

- Information Communication Technology to accelerate their pace to make registry more efficient
- Need to update the billing system
- Limited machinery for grass cutting

## **Communication Section**

Communication function is a legislative requirement in terms of Municipal Systems Act 32 of 2000 and Municipal Finance Management Act 56 2003. Communication section is a section that covers every function in the institution and it is cross cutting.

Among functions performed by the section are: to maintain corporate identity of the institution, ensure community and stakeholder participation through the municipal newsletter and annual report which serves as the communication tool for the municipality, media liaison, information booklets, photographing, organizing promotional material, consolidation and production of annual reports, information dissemination, assist during Imbizos/Outreach programmes, establishment of communication structures and customer care.

## **Key Functions**

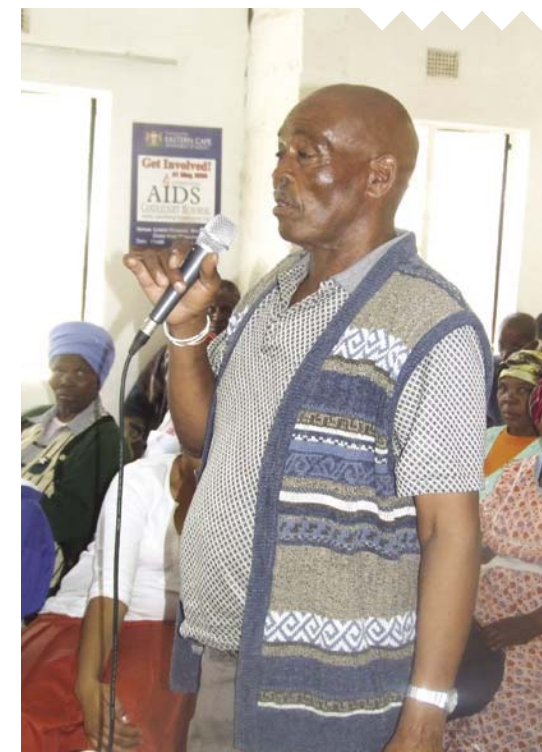
- Production of Annual Report and Newsletter
- Maintain positive corporate identity of the institution
- Implementation of communication strategy (Media Liaison, Media Monitoring & photography)
- Website development and maintenance

## **Activities: 2006/2007**

Municipality System Act 32 of 2000, Chapter 4 requires participation of the communities and stakeholders.

The communication section embarked on the following activities:

- The Communication's Section submitted the content of the Intsika Yethu Municipality website to the District Municipality. The District Municipality is coordinating the development of the website. The website programme is on the final stages and it to be launched shortly
- Intsika News Newsletter was produced and distributed to stakeholders, public areas, all 23 wards of the municipalities and relevant communities





- The Annual Report for 2005/2006 was developed and distributed
- Media Monitoring is ongoing
- Intsika Yethu Municipality events are continuously publicized
- The section has organized media interviews for Political Principals, Municipal Manager on programmes, achievements, challenges and plans of the institution
- Photography videotaping of all Municipal events has been performed well
- The Communication Section is central in organizing events and communication
- Profiling of Yethu projects and programmes through print media was done

- The programme is on final stages and when done, official launch will be done

### Newsletter

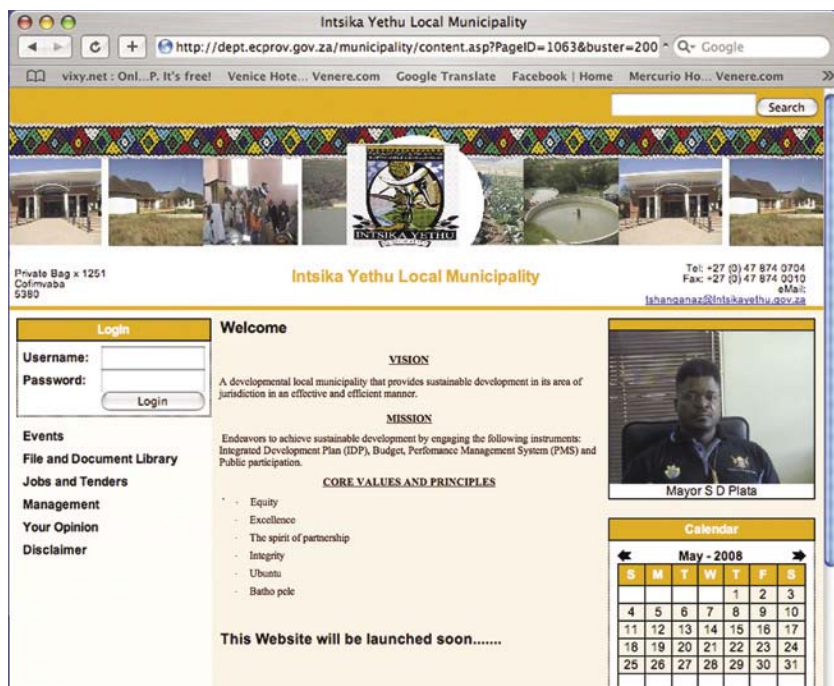
- To keep the communities informed about programmes and activities of the municipalities Intsika News (newsletter) 7 000 copies were developed and distributed to all stakeholders, communities and wards of the municipality. The publication was also disseminated in all Imbizo's and information seminars
- The publication was produced both in Xhosa and English as a way of keeping the language balance in the area

### Corporate Identity

- As a way of maintaining positive corporate identity of the institution, promotional booklets and institutional programme profiles were developed and distributed in all satellite offices
- Business cards were developed for PR Councilors, managers and staff members
- Name badges were also developed

### Website

- The Communication Section in partnership with Chris Hanu District Municipality is involved in the development of new Intsika Yethu Municipality website
- The first stage of the project has been done where content of the website was developed and forwarded to the district municipality for uploading



### Annual Report

The annual report for the financial year of 2005/2006 was developed and distributed to all stakeholders and relevant partners

### Media Monitoring

Media Monitoring is ongoing  
Media releases were developed and issued to local and provincial media (both print and electronic)

### Events Management

- Intsika Yethu events were continuously publicized
- Communicate all communication services on and before the events
- All photography activities were performed
- The department also responsible for logistical duties for the all events

### Events Management

- To promote municipality programmes the department purchased airtime to do talk shows at local media (local print and local radio)

### Challenges

- Limited budget/funding for some programmes of the department
- Inadequate resources for the website to support the District Municipality

### Conclusion

The office continues to ensure efficient electronic communication. Also to ensure availability of electronic communication systems. To continue to provide crucial and sustainable based on the most appropriate communication manner.

### Special Programmes Unit

The Special Programmes Unit is responsible for the advancement of designated group in facilitating the process of enabling them to participate in the main stream socio-economic development by making sure that they benefit from the fraternity by injecting sustainable skill as to share the wealth of the area.

### Objective

- Integration of relevant programme so that they can make a positive intervention
- To enhance economic participation in the main stream economy on a sustainable basis
- To develop policy for the vulnerable groups
- To mainstream the programmes of empowerment
- To create enabling environment for the functioning of vulnerable groups
- Mobilisation of resources for the welfare of vulnerable groups

### Key Activities

- Disability Matters
- Youth Affairs
- Children and the Elderly
- Gender
- Sports, Recreation, Arts and Culture

### Local Youth Development Plan

Intsika Yethu in partnership with Eastern Cape Youth Commission piloted a programme in Lubisi where youth were train on life skills and agricultural skills. The budget expenditure for the programme was R 51 000. The challenge was that fewer departments participated in the programme.

### Youth Council and Launch of Mayor's Cup 2007

The Special Programmes Unit successfully established Intsika Yethu Youth Forums. The office also took an initiative of donating sport material and drummies to local schools. The office successfully organized and coordinated Mayors Tournament. National Ministry of Sport was fully involved in the Intsika Yethu Mayor's Cup Tournament. Intsika Yethu Municipality was the pilot of the programme. The aim was also to expose the young talent in sport.

Intsika Yethu Municipality Youth Council is represented in the District Youth Council. Intsika Yethu Youth attended Youth Day Celebrations in East London where the Lubisi Youth project exhibited their work for the first time. There was a youth group that went to Cape Town to be capacitated in agricultural skills.

### Disability

A new executive structure was elected and it was re-launched.



### Women

Intsika Yethu Women were part of in organizing provincial events. The office held an impressive women launch which was attended by two members of the parliament. Existence of clear guidelines with aligned term of office support by provincial Women Leadership.

### Tradition Practitioners

The Office worked in partnership Department of Health LSA to champion the sector. Intsika Yethu LSA has employed a person to deal with the programme specifically the programme is budgeted for. This structure has a budget allocated to operate the structure.

### Local Aids Council

The office jointly worked with Department of Health LSA in organizing a TB Day in February 07. There was positive attendance by the community members and other sectors and the objectives of the event was to plant awareness to the Intsika Yethu Communities.

### Mayors Cup

The office is keen on drawing in a number of resources and outside the area for development of young people. To develop positive attitude about the area and ourselves. 168 soccer teams and 58 netball clubs participation participated in this year tournament. The tournament broadened to cover 10km and indigenous games. There was positive response and support by community of Intsika Yethu.

### Challenges

- Lack of support by sector departments
- Lack of communication in some programmes
- Shortage of funds in some programmes (Youth in Construction and Skills Development)
- Absence of progressive movement left other women in the limbs
- Absence of proper co-ordination structure at local level

## Community Liaison Office

The key performances areas of the department are to ensure public participation of the communities. To better interaction with communities and public in all government related programmes. Making sure that government has a positive impact within communities. Making sure of greater integration of work by the different government components. Also included in this report are the projects or highlights on key issues achieved by this section to improve lives and knowledge of the Intsika Yethu Municipality inhabitants. The complaints from the wards are always directed to the Speaker via this office.

### Objectives of the Section

- To promote coordinated and integrated approach to public participation
- To promote community participation in governmental issues
- To act as repository of for information concerning public participation within Intsika Yethu Municipality
- Building relations to all Intsika Yethu Community including Traditional Leaders
- To manage conflict and complaints of Community

### Capacity Building

The office successfully conducted an induction of ward committees to familiarize them with their scope of work. An allocated budget for this was R 97 136.00. All PR and Ward Councilors attended an intensive legal workshop where they were capacitated on issues of legal affairs concerning their line of work.

### Events Management

The Community Liaison office in partnership with LED Office successfully conducted IDP and Budget consultation programme. Also coupled with services offered by Intsika Yethu Community Development Workers play a vital role in organizing for the road shows. The office also coordinates imbizo's and all government related matters. The office is proud to mention that functional integration is performed by this section.

## Public Education

The office took an initiative to educating all ward committees and stakeholders of Intsika Yethu. The two groups were educated on local government services, programmes and government polices. The programme is to spread to also cover CDW's and traditional leaders of the area. The programme utilized a budget of R 34 032.00. The office needs to strengthen the communication with other structure to fully participate in the programme. Also this office together with CDW's educated the Community with APRM this was done to all 23 wards of IYM. This was done to all communities together with stakeholders.

### Legislation

The office of the Speaker held and successful and impressive formulation of policies and By laws workshop. The objective of the workshop was to capacitate councilors. The workshop articulated issues on Communal Land Right Act, Role of Traditional Leaders Section 32 of the Constitution. The office organized relevant departments to give clarity on issues needed deeper clarity. Compilation of document about the workshop was done and handed over to its inhabitants. The plan was to provide efficient and effective information to play a vital role on service delivery matters.

### CDW Coordination

The Community Liaison Officer plays a key role in coordinating the operation of Community Development Workers. It is this office that gets the information from the provincial government and disseminates it to communities through Community Development Workers. The office ensures the continuity of business in the side CDW's and ensures the effectiveness of the CDW's in the institution. This make sure of effective service delivery by the foot solders (CDW's).

### Challenges

- New members in ward committees need to be assisted
- Communication to some traditional leaders is still a challenge
- There is no report back from the district and province after the CDW report submission.
- Limited resource for some of the programmes



## Corporate Services Report

**Ms Z Nkuhlu:**  
**Corporate Services Manager**



### Overview

Intsika Yethu Corporate Services Department made strides to improve the municipal administration support services to the council, encouraged good human resource management which is compliant with the Municipal Systems Act 32 of 2000. The core function of the Corporate Services is to administer Human Resource and administration.

The department has registered a number of achievements but there are still challenges that need to be addressed. This report will report articulate how Corporate Services has managed to promote good governance and corporate governance.

### Objectives

- Effective administrative support
- Skills development training
- Promote clear labour relations and health and safety

### HR Policies and Functions

Formulation and workshops on human resource policies were developed and reviewed. Some of the policies were reviewed and following are the policies:

- Allowances
- Training and Development Policy
- Social Policy
- HIV/AIDS Policy
- Code of Conduct
- HR Policy & Standard Operating Procedures
- Fleet Management Policy
- Telephone & Cell phone Policy
- Recruitment and Selection

### Recruitment and Selection

In order to carry out the municipal mandate, to ensure that it has the necessary personnel to carry out its functions. To address the issue of vacant posts, 50 posts were advertised and the posts were filled with 11 people resigning. The total number of people who resigned was 5 people.

### Functional Administration

As part of the good human resource management practices, training committee was revived. The department successfully revived the Skills Development and Employment Equity Committee. The directorate also developed a Workplace Skills Plan and forwarded it to LGSETA. The department also developed the EE Plan and the report development and submitted to Department of Labour. The municipality in partnership with Department of Labour conducted a workshop on development of an EE Plan.

Intsika Yethu employees were trained in identified gaps as a way of improving working skills of employees. The municipality is in the process of study assistance to its employees. An amount of R 315 000 was allocated for the programme.

### Support to Council, Exco and Committees

The directorate continues prepare agendas and minutes of the committees meetings, Exco meetings, Council meetings. This office also assist in management of Intsika Yethu Council benefits.

### Payroll Administration

The section is responsible for information capturing of both employees and councilors and forward relevant information to them. This section also deals with pay slips and for employees and councilors. Preparations of the financial year personnel establishment for councilors and officials. Coordination and monitoring of council benefits is done in this section.

### Performance Management System

To evaluate the work of the employees of the municipality, Performance Management Systems were developed and score cards were completed. Also developed were individual score cards. The directorate developed performance agreements and contracts as guide to assessment of the management. The department successfully development of Performance Management Policy.

### Conclusion

The year for Corporate Services was good and the department has managed to implement some elements governance. The department has successfully ensured that compliance matters were noticed. This does not mean that there no challenges, there are number challenges that need to be addressed.

## Community Services Report



All included in this report are the projects or highlights on key issues achieved by the department to improve the lives and environment of the Intsika Yethu Municipality inhabitants. Also included in this report will be the challenges and recommendation by the department in addressing matters. The Community Services Department's key focus is to bring the necessary services to the community.

### Objectives

- Registration of all community projects as desired by the people involved and disaster management
- Traffic safety-law enforcement, revenue generation, public road maintenance
- Basic community services – waste management, pound management and management of public open space
- To improve the health status and environment of Intsika Yethu communities through the identification, evaluation control of the factors that affects the physical and social life of the Intsika Yethu Municipality
- Efficient environmental health in the area

### Waste Management

The department continues to ensure that refuse from the two towns (Cofimvaba and Tsomo) is collected on daily basis from all business and residential areas in the centre towns. To beef-up the cleaning services, the department employed 30 general workers for both Cofimvaba and Tsomo. Equipment for the clean up project has been purchased, this includes 10 refuse bins are currently being installed in the main streets of the two towns.

### General Cleanliness

As a way of promoting general cleanliness, 66 casual workers were employed for routine cleaning in the centre towns of Cofimvaba and Tsomo, all junctions and townships. This project took six months from September 2006 to February 2007. This was in ward 9 and ward 14. The budget for the project was R160 000 from the Chris Hani District Municipality.

### Construction of Waste Disposal Site

The construction of waste disposal site is currently underway with phase 1 (investigation) was completed. The budget for the project was R 3, 5 million was approved by MIG for construction. Phase 2 (design

stage) was also finished and the project is on phase 3 which is currently under construction. The expectation is the project to be completed in June 2008. Also forming part of the programme is Tsomo transfer station which collects Tsomo refuse and sorted in Cofimvaba Landfill site. This project seeks to address the effective waste management.

### Pound Management

The municipal pound was successfully relocated and upgraded. The new municipal pound was relocated next to the municipal testing station. The pound was completed and it is currently operational effectively. The department held a pound auction in July 2006 which raised R15,000 income. The impoundment of stray animals was done on continuous basis. The department has also developed draft by-law relating to the keeping of animals developed however this is still in the draft stage.

### Disaster Management and Fire Fighting

#### Disaster Redress Programme

As the area of the municipality is always affected by the disasters the department continuously offer support and assistance to affected communities. In ward 4 and 5 RDP structures were constructed and completed to accommodate homeless families. The Chris Hani District Municipality donated vehicle for fire fighting services. Community Services developed a business plan and submitted to the District and the Provincial Government. The intended of the document is to redress the disaster that occurred in ward 4,5,10 and 12. An amount allocated for the this programme was R150,000 donated by the District Municipality

#### Disaster Awareness Programme

To plant the seed of disaster awareness, the right angle was to start in schools. The department organised a competition highlighting disaster awareness to schools and communities. A number of schools were invited to participate in this programme and the selection of top three is done which they participate on the district level. There was positive response by the local schools.



## Public Safety

### Street and Highmast

As a way of responding to increasing crime in Cofimvaba town, the municipality successfully installed street lights in both entry points of Cofimvaba Town. The maintenance of old street lights in Cofimvaba Main Street and High Street was completed. The street lights are all operational.

To limit crime rate in community areas, three high mast lights have been installed. The two high mast lights were installed in Joe Slovo area and one T40 junction. The final stage of the project is for Eskom to switch on the lights in the three areas. The budget for the project was R 1, 2 million from the MIG.

### Maintenance of Street Lights

Tsomo already had street lights but maintenance and repairs were done in Tsomo town. The budget for this was R 16 883 from the equitable share.

### Community Services Forum

Transport Forum was developed and it sits once a quarter in the municipal area. The guidelines have been drawn by the Department of Roads and Transport which require reviewal of the existing structure.

The department is also responsible assisting South African Police Services in convening community policing.

## Community Facilities

### Furniture Magwala Stadium

Furniture (200 chairs) for Magwala Stadium was purchased. Three lawn mowers were purchased and these are utilised in grass cutting. Irrigation equipment was purchased which is used to irrigate the stadium ground. The budget for the programme was R 81,492.

### Construction of Community Halls

As the municipality continues to better lives of our peoples, Intsika Yethu Municipality approved the construction of halls in ward 6, 15 and 19. They could not be constructed in the financial year of 2006/2007 financial year due to late approval from MIG. This re-

sulted to late commencement of the construction of the community halls in the identified wards. The budget for the construction of the halls was R 2,517120.

### Library Services

The library service is focused on ward 9 (Cofimvaba town) and ward 14 (Tsomo town) and the municipality engaged Department of Sport, Arts, Recreation and Culture to offer efficient support of the library services in the two towns. Library Services are currently rendered in the Department of Education in Tsomo. The Department of Sports, Arts, Recreation and Culture has committed funding for Tsomo Library, R 1,5 million and renovations for Cofimvaba Library R 500 000 however formal confirmation is still awaited.

## Law Enforcement and Traffic Infrastructure

### Law Enforcement

One of the key performance areas of the department is law enforcement. The section continues to make sure of regular point duties and road patrol were conducted regularly and traffic fines issued. The section recorded 1985 tickets issued with 238 warrants issued. The total amount raised in the ticket fines was R 877,080 of which R 270.00 was successfully collected.

### Traffic Testing Station

The traffic testing station conducts vehicle registration service regularly focusing on ensuring licensing of all vehicles with licensing section in compliance with regular 18 of the road Traffic Act 93 of 1996. This is an agency function performed by the municipality on behalf of the Department of Transport (Registration). A revenue of R533,974.48 has been collected, of which R110,750.82 has been paid to the municipality as the agency fee.

### Learners Licence

To run effective learners license section, the department employed two traffic examiners and one admin cashier. The centre started to conduct tests and issuing of learners licenses in February 2007. The centre recorded 1019 bookings with 774 learners passed and issued with learner's licences, 229 have failed with 16 learners not turning up. A total revenue of R135, 21 was collected.



### Traffic Infrastructure Testing Ground

The construction of the testing station commenced and it was completed. The municipal testing station is in ward 9 in Cofimvaba. The budget for the project was R2 million from the equitable share.

To decrease road accidents in towns 28 stop signs were erected in Cofimvaba town, whilst 4 were installed in Tsomo town. To finish the project road markings have been done in both towns (Cofimvaba and Tsomo).

## Municipal Health Services

Community Services Standing Committee together with stakeholders took an initiative of visiting all Intsika Yethu Clinics. The provincial Standing Committee also visited clinics of Intsika Yethu and this visit was to assess the status of health services in the area

### Challenges

- Limited budget to sustain or perform efficient projects
- Funding insufficient to address all the affected areas
- Stakeholder participation is not consistent
- Late approval from funders

## Local Economic Development Department (LED)

**Mr G.G. Ntshanga:**  
**LED Manager**



### Overview

Local Economic Development is primarily responsible for the development initiatives that are to turn around the local economic under the jurisdiction of the Intsika Yethu Municipality. The developmental nature of Local Government in South Africa also meant that municipalities have a responsibility around economic development which needs to address issues like poverty reduction, Small Medium and Micro Enterprises (SMME) development and infrastructure development.

The department is also responsible in crafting the municipal Intergrated Development Plan (IDP) and the implementation of local economic development projects in the area of jurisdiction.

### Objectives

- To provide strategic support to the municipal IDP
- To offer support in ensuring sustainable socio-economic development within Intsika Yethu.
- To establish joint ventures and public private partnership to strengthen less initiatives
- Promote tourism development and the upgrading of tourism infrastructure
- Promote integrated and forward planning for effective service delivery
- Develop and train communities involved in LED projects

### Dry Crop Production

To promote Dry Land Crop Production in our communities the department undertook mechanical operations in 300 ha in ward 5 Dlakavu and Bolotwa villages, ward 8 Magwala, ward 13 Mbulu/Sgubu villages, ward 15 & 19 Gqogqora village, ward 17, Khet-hi village. The budget for the programme was R 350 000 from the equitable share.

During this programme 240 bags of fertilizer were delivered on sites and later period 1200 bags of fertilizer was delivered on 19 December 2006. This programme is still continuing.

### Construction of Shering Sheds

The municipality introduced a livestock improvement programme as a way of reviving livestock in the area of Intsika Yethu. The construction of sheep shering sheds was done in ward 3 Deckets Hill and ward 11 in Mahlubini. Equipment was delivered in both sheds and the next phase has already commenced in the financial year of 2008/2009. Phase two of the programme focuses on genetic improvement and training of beneficiaries. The budget of this programme was R 632, 482 from the equitable share.

### Construction of Dipping Tanks

The department continued to erect dipping tanks for large stock unit in the areas of Intsika Yethu. Three dipping tanks were completed in ward 21, Mbaxa Village, ward 20 Qumanco Village and ward 23 Qumanco Village. The construction of the three dipping tanks was completed and they are all operational.

### Hydroponics Project

The hydroponics site has been identified in Tsomo area and an amount of R 100 000 was transferred to Intsika Yethu Municipality be DEDEA. The municipal-

ity, LED will be responsible for providing seedlings and training of the project beneficiaries.

### Pole Treatment Plant

To generate sustainable economy of the area one aspect that was identified construction of Pole Treatment Plant. The site was identified and EIA has done site surveying. This Pole Treatment Plant was ordered by the Chris Hani District Municipality. There was an invitation in expression of interest from potential partners from the management of operation.

## Poverty Alleviation and Household Food Security

### Poultry Projects

There are number of poultry projects that are operating in different wards. One project in ward 05, Masizakhe project, Broilers, Utensils Fodder and Medication were supplied to the project. Same material was also supplied to Masiphakame project also in ward 05. Construction of Poultry Structure was completed in ward 16 in August 2006 and Sicelamandla Project is utilizing the structure.

### Piggery Projects

In ward 01 at Siyanda Boomplaa equipments were supplied (Fodder and medication) 20 piglets have been delivered to the project. The department also took an initiative of providing technical training through the Department of Labour. The budget for this programme was R 50 000 from the equitable share.

### Community Gardens

Soil preparation was done in 7 ha for the community gardens projects in ward 16 Ngqutura. Seedlings, Fertilizer, insecticides and sprayers were supplied to the project. The members of the project were also trained on technical skills. The Department of Agriculture donated a two wheel tractor to Zenzele project.

## SMME Developmet

### Hawker Stalls

To improve the SMME sector, construction of Hawk-





have established a youth programme which focused on training youth in agricultural skills and social skills. A total number of 47 young people were trained in agricultural technical skills such as cultivation, fertilization, weeding etc. The other 49 was trained in social skills to assist local communities in social needs. The youth project was launched in July 2007.

veloped and presented to Intsika Yethu Municipality and adopted. The final IDP document was adopted in line with targeted timeframes. The document was printed and disseminated to the council, stakeholders and relevant partners. An amount of R 289,439 was allocated for the programme.

## Strategic Planning

### LED Strategy Development

To have a sustainable economy of the area, Intsika Yethu Municipality developed an LED Strategy document which serves as the guiding document in economic growth of the area. Comments from stakeholders were invited before the final document was developed. The budget for the programme was R 500, 000

### Challenges

- Lack of funding for implantation of projects
- Limited information submitted by sector departments on issues of IDP
- Lack of capacity on some service providers
- Lack submission of document from partners resulting to late submissions

### Conclusion

The report highlighted achievements to date with regards to Intsika Yethu initiatives. All LED projects are continua's and the department is keen on crafting sustainable plans and exit strategies to ensure on going running of the projects in Intsika Yethu.

### IDP Formulation

The final Integrated Development Plan (IDP) was de-

er Stalls was completed and officially handed over to Intsika Yethu Hawkers Association. This first structure of hawker stalls was constructed in ward 09 Cofimvaba town. A formal structure of all Intsika Yethu Hawkers Association was launched on the 10 May 2007. Phase two of the project is the development of the hawker stalls in different parts of Intsika Yethu and sits have been identified.

## Tourism Development

### Tourism Promotion

A draft Intsika Yethu Tourism brochure document was developed. The municipality also established LTO structure. Tourism awareness was conducted where two schools participated in the programme. The project consolidated to the sector plan development.

### Tourism Sector Planning

A service provider has been appointed to develop Intsika Yethu Tourism Sector Plan. Project Steering Committee is in place and five of the PSC members are involved in training on responsible tourism progress.

### Lubisi Dam Tourism Development Project

An amount of R500, 000 from Chris Hani District Municipality was donated for refurbishment of the project buildings in Lubisi Tourism Centre. 50 Beds and kitchen utensils, computers and television sets were provided to the centre. A tender for feasibility study and the business plan for the tourism centre was advertised.

Intsika Yethu Municipality in partnership with Triple Trust Organisation and Umsobomvu Youth Fund







## Infrastructure Department



### Overview

The existence of the Infrastructure Department is to ensure that the department contributes towards the local development of Intsika Yethu through implementation of capital programmes and projects like Municipal Infrastructure Grant. The department has managed to provide an excellent support services expected to the community of Intsika Yethu. The department ensures a favourable environment is created for provision of bulk infrastructure.

### Key Issues

- Water and sanitation
- Road maintenance and treatment works
- Land and housing
- Building and construction management
- Engineering

### Objectives

- Maintain the municipal water purification and reticular system
- Ensure environmental control in conjunction with relevant line function department(s)
- Arrange and implement a programme of regular inspection, maintenance and where necessary, repair of all buildings, fences and installations
- Maintain all buildings under the management of the municipality
- Maintain streets and public walkways
- Manage the repair of all pipes, water meters and general plumbing
- Ensure proper maintenance of the municipal pound and cemeteries

### Roads Construction

To address the key community need, number of roads was constructed during the financial year. Access road were completed in Mahlulgulu village (R 1, 3 million) and officially handed over to the community. Other access roads that were constructed and completed were in Nxamagale (R2, 3 million) and Lower Ncora Bridge and access road (R1, 3 million). All these roads were completed in 2006.

### Roads Construction (Municipal Infrastructure Grant)

Access road in Mtshanyane was completed and handed over its community and the amount allocated to the project was R 2,3 million. Also completed was Mtshabe access road (R 1,2 million), Nyamankulu



(R 1,8 million), Ngquthura (R 2,8 million). All these projects were allocated budget in the MIG. The Cofimvaba Street lighting was also funded by MIG. Street lights were installed in all entries to the town.

### Road Maintenance

Infrastructure department prioritised the maintenance of roads according to the priority list. The following roads were maintained and completed from 01/09/05 – 30/06/06:

- Khayamnandi
- Dalibuhle
- Magwala
- Jojweni
- Nququ

### Drought Relief Project

The municipality has been involved in the implementation of drought relief project. Water supply was done in Chaba, Nqutura, Khoncoshe and Mahlabathini. The Chaba project was completed in May 07, Nqutura May 07, Khoncoshe in April and Mahlabathini also in May 07.

### Chris Hani Water Projects

CHDM and Intsika Yethu Municipality has been involved in the implementation of water supply in a number of areas in Intsika Yethu. Below is a list of completed in the 2006/2007 where many communities are benefiting as a result. This programme had ensured that communities have access to safe drinking water.



Name of Project	Completed Date	Budget
<b>Phase 1: Southern bulk and reservation</b>	August 2007	This budget cover all phase to phase 4 – R7,4 million
EPWP Villages: Sijula, Mphotulo, New Mine, Ndenxe & Mangubomvu	December 2007	
<b>Phase 2: Southern Villages Reticulation</b>		
Southern Villages: Mdeni/Mzantsi, emdensa, Mdeni, Qutsa, Kwam-londleni, A&B, Entilini, Jojweni, Papisini, Goloza, Ndenxe, Elwalweni, Kwantsume, Emrhotshozweni, Iutuli, Ngocongcolorha B&C	April 2008	
<b>Phase 3: Northern Bulkline and Reservoirs</b>	April 2008	
Phase 4: Northern Villages Reticulation Gwadelala, Mission F, Emzantsi A, Gxalibomvu, Ngwenyama G, Jara A, Mission C	April 2008	
<b>Tsomo RDP3:</b>		
<b>Tsomo Phase 3A:</b> Catshile, Jwaji, Jojweni, Mampondweni, Mjula, Phakam'sciko, Xume and Tshetshengwana	October 2007	
<b>Tsomo Phase 3B:</b>		
In three villages (Mkhwinti, Sihobotini, Ntsongeni)		
<b>Tsomo Phase 3C:</b> (Ngcaca, Kumkwana, Ngonyama, Maxambeni, kuNcwana, Sijule, Bolana, Mjikane)	December 2007	
<b>Tsomo Phase 3D:</b>		
(Nxelesa, Dipini, Hoyana, Ngxabangu, Nquqhu, Nongqonqwana)	December 2007	
<b>Tsomo Water Supply 2005/2</b>		
Ngali Mzantsi, Fourty, Mdletyeni, Gcingca, Ndlunkulu, Mdeni, Mhlahlane, Sijongolweni, Gqogqorha, Mnyangula, Ndulini/Komkhulu	June 2007	
<b>Camama Forest Scheme</b>	August 2007	R 6,5 million
Camama Forest, Mthimbini, S'dubi Poort		
<b>Decketshill Water Supply Scheme</b>	August 2007	R 5,5 million
Decketshill, Cube B, Esikobeni		
Shweni and Ndungwana Water Scheme	March 2007	R 108 0 625.0
<b>Ward 11 Water Supply</b>	April 2007	R 6 million
<b>St Marks Water Supply Scheme</b>		
Bolokodlela, Ntlakwefolo, St Marks-lalini, Tyelera		
<b>Entshingeni Water Supply Scheme</b>	May 2007	R 2,1 million
Entshingeni, Mnandi, Mpomvane		
<b>Qamata Water and Sanitation Project:</b>		
Ntlonze, Mngqanga, Esihlabeni, Zwelitsha, Emkhukwini, Nogate township, Mgongxo, Maya	December 2008	R 388 380.00
<b>Ward 09 Water Reticulation</b>		
Cofimvaba town, Joe Slovo, Enyanisweni and Ekuphumleni	The design stage was completed and the project kick started in the financial year of 2007/2008	
<b>Cofimvaba Sewer</b>	August 2007	R 2,8 million
Phase 1a – construction of a collector sewer		
Phase 1b – construction of the treatment works	March 2006	R 3,3 million
Phase 2 – internal reticulation		
Phase 3 – (Enyanisweni) Phase 3 (Enyanisweni)		R 36 000 00
Phase 4 – Extension c (Joe Slovo)		
<b>Ward 7, 8 Sanitation Ward 7</b>		
Emmangweni, Ntwashini, Emampingeni, Qolweni, Cube, Mangu-bomvu, Kayamnandi, Maphungutyeni, Mthethuvumile, Nyongwane	The project was completed	R 6,3 million (DWAF)
Maya Bulk Water Supply	Feb 2007	R 2,5 million
<b>Ward 16 Sanitation</b>	July 2007	R 1,2 million
(Gcibala, Mbulukhweza, Mbulu, Luthuli, Ngocongcolorha, Mgweyana, Ntsume, Sgubudu		
<b>Upper Tsojane Sanitation</b>		R 5 009 897.00

## Challenges

- Lack of skills in some construction companies in constructing bridges
- Weather is a challenge sometimes
- Limited funds and prices are escalating
- Delays by contractors
- Village boundaries sometimes comes as challenge in some projects
- Contractors not finishing their work
- Slow progress on site by contractors
- Delays on budget approvals

Below is the list of the projects that were given special attention by Infrastructure Department. The reason for special attention was that contracts were terminated and the municipality took to complete the projects.

## Road Construction

Access roads were completed in Mthwaku Access Road and Sdubi Poort Bridge, Cwecweni and Skhobeni, Zigudu Mission and Taleni Access Road, Mkhwinti-Ntsongeni, Tsakana and Maxhama villages. The budget to complete the access roads was from the Equitable Share.

## Land and Housing Services

### St Marks Housing

In addressing the issue of housing in Intsika Yethu, the municipality introduce the St Marks Housing to tackle the challenge. The municipality engaged the Department of Local Government to assist in the matter. Phase one of the project has started where infrastructural installation and development of top structures was done. This project is in St Marks and it is funded by Department of Local Government. An allocated amount for the project was R 5, 2 million. The project is currently progressing well.

### Formalisation of Extension 4 and C

The municipality partnered with Department Housing Local Government in conducting of planning and surveying of extension 4 and C in Cofimvaba. This programme was successfully completed in the financial year of 2006/2007. The programme is currently progressing well in the office the Deputy Minister after it was forwarded to the office.

Planning and surveying in Tsomo was done in formalisation of extension 4 Tsomo. The same project was completed in Ekuphumleni in Cofimvaba. Planning and surveying was completed in ward 2,3,7 and 8 by the municipality in partnership with Department of Land Affairs. The programme was also completed in Tabo Village, Mahlubini/extension 7.

### Revalidation of Joe Slovo

Service provider was engaged and log was done with land use board for approval of the registration of the township. Revalidation of extension 1 Cofimvaba was approved but pending land use approval.

### Development of Housing Sector Plan

To set a trend for housing development a Housing Sector Plan was needed. All stakeholders were invited to the development of the Housing Sector Plan for both Cofimvaba and Tsomo.

### Challenges

- Policy (rates policy) is not in place with community awareness
- Low pace on internal fund allocated for projects
- Pending Item 28 certificate (Revalidation of Joe Slovo)
- Land issue – top up funding is required

## Building Control Office

### Office Extension

One challenge of the municipality is the office space and to respond to the challenge the municipality took back the ownership of the Dutch House in Cofimvaba. The building will be used as office space by Infrastructure Department. To renovate the structure an amount of R 29 260.39 was allocated for the project. The project is progressing on a very slow pace but engagements to accelerate project were made.

### RDP Houses

The office continues to work with Community Services Department in scrutinising and approving of building plans. This office approves all building plans and consults with all relevant departments for the approval of the building plans.

## Finance Department Report

*Mr S. Dinga*  
*Finance Manager*



### Overview

The function of financial management within the municipality is administered by this office and services are rendered to Council with staff compliment in different sections. In the financial year of 2006/2007, the department of finance has provided a good financial support to departments and offices as expected. The Department has the following strategic objectives:

- Provide support to other municipal departments and sections
- Implement revenue generating strategies
- Ensure full compliance with all accounting and implementation of the MFMA standards

### Description of Activity

- Maintenance of an effective system of expenditure control, including procedure for the approval
- Production of annual budget and compliant financial statement
- Continuous introduction of budgetary and accounting reforms in line with the requirements of MFMA
- Provision, maintenance and implementation of sound financial management policies, controls and systems
- Providing of relevant and accurate and reliable financial information to all users including managers, levy payers and other stakeholders to facilitate informed decision making

- All budgets were captured in the system
- The annual presentation to the council of the annual budget was done
- The draft budget was completed on 31 March 2006
- Adoption of final budget was adopted on 31 May 2006
- Adjustment budget for 2007/2008 was prepared and adopted by Council in March 2007

### Monitoring of Budget Expenditure

The budget was constantly monitored throughout the year and the expenditure was within the year budget. The office effectively maintained an effective system of expenditure, including procedures for approval of all purchases against available money. Monthly reports to Departmental Heads indicating expenditure were disseminated monthly. Reports were distributed to every document to check their expenditure. The department successfully implemented the E Venus on 01 July 2007 and it is operational.

### Key Performance Areas

#### Compilation of Annual Budget

- The office successfully linked the budget and IDP process
- Finance department consolidated all departmental budget and operating capital budgets of the municipality



### **Updating of Accounting Records**

The department continues to update its subsidiary book of accounts on a monthly basis and posting them to general ledger. The generation of monthly trial balance and monthly bank is done monthly. There is improvement of timeframes on monthly closure of books and reconciliation. Financial reports were produced for Council.

### **Revenue Collection**

Through the Finance Department, the Municipality effectively followed up on all outstanding accounts on a monthly basis. Implementation of credit control and dept policy. Collection rental income on all properties owned by municipality is done monthly.

The office frequently followed up departments by writing reminder letters to defaulters to arrange payment for both Tsomo and Cofimvaba. Meetings were held in Cofimvaba with some the rate payers as indigent persons. Revenue collection against billing was 65% as graphs shows.

### **Generation and Printing**

Finance continues to bill all municipal consumers on monthly bases. The updating of customers accounts with all payments received is done monthly. Generation of monthly age analysis and comparing debtors control account. The billing was done manually for

both Cofimvaba and Tsomo units. There was a temporary water meter reader located at Finance Department which allows the department to issue statements to consumers. The department successfully improved the billing system as temporary employee was allocated for this job and that person is operating under finance department.

### **Year End Closure of Books**

The office recorded financial transactions relating to the financial year in the financial period they occurred. Preparation of audit files was done and audited. Financial statements were submitted on 14 September 2006. Due to a technical error by the service provider a revised financial statements were submitted on February 2007. To reduce load of work financial books are done on monthly basis. The accounting system E Venus was rolled out to ensure financial statements are finalized well in time. Audit for 2005/2006 by AG was completed in April 2007 and the report was issued out.

### **Recording and Safeguarding**

All new municipality assets bought are bar coded and asset register is updated frequently. An inventory list in each office was compiled and updated timeously. The tender for the reconciliation and reviewal of the asset register and Financial Statement was prepared and issued out.

### **Generation of Management Statutory**

The office continues to develop monthly and quarterly returns but the challenge is that they are not completed before the 7th in some reports due to manual system.

### **Identifying Training Needs and Develop Training Programme**

The training was offered to those areas identified for training. Training needs is based on the draft budget 2007/2008.

### **Risk Management**

The tender to draft Risk Management Policy, plan the Financial System and draft policies was submitted to Portfolio Committee. Draft financial policies for the Council were done by the service provider.

### **Free Basic Service**

The directorate successfully registered all indigent households in all wards. This resulted to all wards to benefit from the energy (Paraffin/Electricity). Bids for Free Basic Energy adjudicated and service providers delivered in time. The number of households benefited in Free Basic was 10 847. Due to demand and workload of Free Basic Services section appointment of assistant Free Basic Services Coordinator was done. A total number of 19 546 households benefited from the Free Basic Energy (Paraffin).

### **Procurement of Goods and Services**

This unit focuses on purchasing of goods and services in line with municipal Supply Chain Management regulations. Tenders awarded amounting to R 27.1 million have been processed through the unit. R 22.6 million awarded to HDI/PDI and R 4.4 million was awarded to established businesses.

### **Challenges**

- Departmental expenditure not completed in time on the 7th each month due E Venus implementation progressing
- Meetings called with customers not fruitful in Tsomo
- Water meters are not working making it difficult to bill customers
- Non availability of asset acquisition committee
- Lack of funds for training due to budget constraints
- Possibilities of people who are not suppose to benefit slipping through the net
- Some service providers not adhering to the terms of the contract
- Less participation by departments with Supply Chain Management Regulations

### **Conclusion**

Although some minor targets were not met, there were valid reasons why some targets were not met. The directorate in an overall, performed good in attempts to achieve targets that were set of it in the beginning of the financial year.

The office strives to render services in an effective and equitable manner to all inhabitants of Intsika Yethu Municipality.



## ***Financial Statements Index***

*Unaudited (Refer to Compilation Report)*

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## Foreword by the Mayor

It is that time of the year again when the municipality has to present its annual financial statements. The year under review has been characterized by new developments within the municipality insofar as the developmental agenda is concerned.

As the municipality we are obliged to manage resources in line with MFMA prescripts. Implementation of Integrated Accounting System and adoption of financial policies has moved in the direction that will ensure ultimately that we fully comply with the Act.

The municipality has employed all senior managers and critical posts have been filled and the organogram is populated to ensure good governance of the institution and improve service delivery.

Performance Management System has been implemented and senior managers have signed their performance contracts. Committees of the Council and the Council sat throughout the financial year according to the year planner. Consultation meetings with the community were held to discuss draft budget & IDP and Imbizo's held to get their views on issues affecting them in order to take into account their inputs when final proposals are presented to Council.

During 2006/7 the municipality was receiving its MIG allocation directly from National Government for the first time and the spending of the funds was satisfactory taking into account that the municipality had to establish the Unit and finalize its plans for the year.

Capital Projects using MIG and Equitable Share funds to address the road backlogs that are currently high in our municipal areas. Three Year Capital Plan has been adopted by Council and the activities to ensure there is no delay when those outer year budgets are to be implemented.

Implementation of Free Basic Services has been intensified to all wards to get Free Basic Electricity of 50kw and where there is no electricity infrastructure indigent households were given paraffin.

The project of delivery of paraffin local has created opportunities to emerging business people and created job opportunities in the wards.

S.D. PLATA  
Mayor

## Approval of Annual Financial Statements

The financial statements set out on pages ... to ... were approved by the Municipal Manager on:

MUNICIPAL MANAGER

FINANCIAL MANAGER

## POPULAR PARTICIPATION FOR SUSTAINABLE DEVELOPMENT

## General Information

### Executive Committee Members as at 30 June 2007:

SD Plata (Mayor)	K Makapela
WN Mdwayingana	N Nkota
EZ Mdyosi	N Boyana
Y Gasa	AZ Mbotoloshi

### Members of the Council as at 30 June 2006:

Mayor	SD Plata
Speaker	M Sokujika

### Councillors:

WN Mdwayingana	J Peter	N Tayitile
EZ Mdyosi	MG Ntshinka	M Yamile
Y Gasa	MN Rigala	NE Stata
K Makapela	CS Voloki	K Vimbayo
N Nkota	N Tsomo	N Tukwayo
N Boyana	M Mbebe	N Berana
AZ Mbotoloshi	MH Hewu	M Mahali
LN Ntshanka	N Magaga	G Kuse
SN Bizana	M Papiyana	S Tame
FN Dangazele	Z Qayiya	M Shugu
VG Matomela	FN Dyushu	P Nqandela
J Mdekazi	M Mkhumbuzi	M Kolofane
D Wakeni	B Mboniswa	S Myataza
N Mteli	MS Mafanya	D Kaspile
M Yotsi	L Mbabiso	

**Auditors:** The Auditor General

**Bankers:** First National Bank

**Registered office:** P.O. Box 11, Cofimvaba, 5380

**Telephone:** (047) 874 0704

**Facsimile:** (047) 874 0010

**Chief Financial Officer:** MS Dinga

## Treasurer's Report

For the year ended 30 June 2007

### 1. Operating Results

Details of the operating results per department, classification and object of expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2007 are as follows:

	ACTUAL 2007	ACTUAL 2006	VARIANCE 2006/2007
<b>INCOME</b>			
Accumulated (deficit)/surplus brought forward	76 119 011	69 392 547	10%
Operating income for the year	58 487 494	27 671 775	111%
<b>TOTAL</b>	<b>134 606 506</b>	<b>97 064 322</b>	<b>40%</b>
<b>EXPENDITURE</b>			
Operating expenditure for the year	82 457 452	20 963 745	293%
Surplus/(deficit) for the year	(23 969 958)	6 708 030	(457%)
Appropriation for the year	1 785 881	18 434	9585%
Net surplus/(deficit) for the year after appropriation	(22 184 077)	6 726 464	430%
Accumulated surplus/(deficit) carried forward	53 934 934	76 119 011	(29%)

The classification and object of Income and Expenditure are included in Appendix D, while the detailed operating results per department are shown in Appendix E. After taking into account the operating expenditure, the Council ended the financial year with an Operating Deficit of R22 184 077 (2006: R6 708 030). The Accumulated surplus at the beginning of the year of R 76 119 011 (2006: R69 392 547) decreased the accumulated surplus at the end of the year to R 53 934 934 (2006: R76 119 011).

Specific comments relating to budgeted income and expenditure are made in the following paragraph under the headings Rate and General Services and Trading Services.

### 1.1. Rates and General Services

	ACTUAL 2007	ACTUAL 2006	VARIANCE 2006/2007
<b>INCOME</b>	<b>58 487 494</b>	<b>27 671 775</b>	<b>111%</b>
Expenditure	82 457 452	20 963 745	293%
<b>SURPLUS/ (DEFECIT)</b>	<b>(23 969 958)</b>	<b>6 708 030</b>	<b>457%</b>
Surplus as % of Total income	(41%)	25%	

The operating account of the Rates and General Services reflect a deficit of R23 969 958 as compared to the prior year surplus of R6 708 030.

### 2. External Loans, Investments and Cash

There were no external loans outstanding at 30 June 2007.

Investments on 30 June 2007 amounted to R 27 329 045 (2006: R28 984 223.) Bank and cash on hand on 30 June 2007 amounted to R 19 881 949 (2006: R45 842 238.)

### 3. Outstanding Debtors

Overall debtors amounted to R10 782 217 (2006: R6 436 968). A provision for bad debts was provided for in the current year of R 3 030 861 (2006: R 2 952 833).

### 4. Expression of Appreciation

I wish to express my sincere appreciation to the Executive Mayor, Councillors, the City Manager, Directors and Head of Departments and the staff for their support and co-operation received during the year.

.....  
MR DINGA  
Chief Financial Officer





## Accounting Policies

### 1. Basis of Presentation

- 1.1. These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Practice for local Government accounting (1997) and the Published Annual Financial Statements for Local Authorities (Second edition – January 1996 as amended).
- 1.2. The financial statements are prepared on the historical cost basis. The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.
- 1.3. The financial statements are prepared on the accrual basis:
  - Income is accrued when collectable and measurable
  - Certain direct income is accrued when received, such as traffic fines and licenses
  - Expenditure is accrued in the year it is incurred

### 2. Consolidation

The balance sheet includes Rate and General Services, Trading Services and the different funds, reserves and provisions. All inter-departmental charges are set-off against each other, with the exception of assessment rates; refuse removal, electricity and water, which are treated as income and expenditure in the respective departments.

### 3. Fixed Assets

- 3.1. Fixed assets are stated at historical cost, or at valuation (based on the market value at the date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated useful life as determined by the Treasurer.
- 3.2. Depreciation: The balance shown against the heading “Loans Redeemed and other Capital Receipts” in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this “provision” assets are written down over their estimated useful life. Apart from advances from the various council funds, assets may also be acquired through:
  - Appropriations from operating income, where the full cost of the asset forms an immediate and direct charge against operating income, and therefore it is unnecessary to make any further provision for depreciation
  - Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the “Loans Redeemed and other Capital Receipts” account
- 3.3. All nett proceeds from the sale of property and proceeds from the sale of all other assets are credited to the Revolving Fund.
- 3.4. Capital assets are financed from different sources, including external loans, operating income, endowments and internal advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans and advances. Interest is charged

to the service concerned at the ruling interest rate applicable at the time the advance is made.

### 4. Inventory

Inventory (stores and materials) is valued on the weighted average basis.

### 5. Funds and Reserves

#### 5.1. Revolving Fund

The Municipalities Act, 1979 requires that a contribution be made which is not less than 7,5% of the product of the General Rate Fund which levied in respect of the year immediately preceding the year for which such contribution is required to be made.

### 6. Leased Assets

All leases are treated as operating leases and the relevant rentals are charged to the operating account in a systematic manner related to the period of use of the assets concerned

### 7. Provisions

Provisions are created for liabilities or contingencies, which are known at the date of the balance sheet but for which the amounts involved, cannot be determined with substantial accuracy.

### 8. Investment

Investments are shown at market value and are invested according to the provisions contained in Circular 43 of 1993 issued by the Provincial Administration.

### 9. Income Recognition

#### 9.1. Water Billings

Meters on all properties are read and billed monthly. Income is recognized when it is billed.

#### 9.2. Assessment Rates

Assessment rates are levied on all properties at the same rate. Income is recognized when it is billed.

#### 9.3. Other Services

The income from services such as refuse removal is recognized when such levies are billed. The income from other small services, licenses or fees is recognized when it is received.

## Balance Sheet

As at 30 June 2007

	Notes	2007 (R)	2006 (R)
<b>CAPITAL EMPLOYED</b>			
FUNDS AND RESERVES	1	549,374	454,139
Funds		549,374	454,139
<b>RETAINED INCOME</b>		53,934,934	76,119,011
		54,484,308	76,573,150
<b>EMPLOYMENT OF CAPITAL</b>			
FIXED ASSETS	2	–	–
INVESTMENTS	3	27,329,045	28,984,223
		27,329,045	28,984,223
<b>NET CURRENT ASSETS</b>		27,155,263	47,588,927
<b>CURRENT ASSETS</b>		30,680,339	52,317,936
Inventory	4	16,173	38,730
Debtors	5	10,782,217	6,436,968
Bank and Cash	6	19,881,949	45,842,238
<b>CURRENT LIABILITIES</b>		3,525,076	4,729,009
Provisions	7	1,208,463	1,365,486
Creditors	8	2,316,613	3,363,523
		54,484,308	76,573,150

## Income Statement

For the year ended 30 June 2007

	2006 Actual income R	2006 Actual expenditure R	2006 Surplus/deficit R	2007 Actual Income R	2007 Actual expenditure R	2007 Surplus/deficit R	2007 Budget Surplus/deficit R
<b>RATES &amp; GENERAL SERVICES – Community Services:</b>							
	27,671,775	20,963,745	6,708,030	58,487,494	82,457,452	(23,969,958)	41,044,482
	27,671,775	20,963,745	6,708,030	58,487,494	82,457,452	(23,969,958)	41,044,482
<b>TOTAL</b>							
	27,671,775	20,963,745	6,708,030	58,487,494	82,457,452	(23,969,958)	41,044,482
Appropriations for the year (note 13):							
			18,434			1,785,881	
Net surplus/(deficit) for the year:							
			6,726,464			(22,184,077)	
Accumulated surplus/(deficit) at beginning of the year:							
			69,392,547			76,119,011	
<b>ACCUMULATED SURPLUS/(DEFICIT) AT THE END OF THE YEAR:</b>							
			76,119,011			53,934,934	

## Cash Flow Statement

For the year ended 30 June 2007

	Notes	2007 (R)	2006 (R)
<b>CASH RETAINED FROM OPERATING ACTIVITIES</b>			
Cash generated by operations	14	(24,664,716)	1,545,823
External Investment Income (interest received)	12	2,480,673	454,139
(Increase)/decrease in working capital	15	(5,526,625)	529,325
		<b>(27,710,668)</b>	<b>7,255,944</b>
Less : External interest paid	12	(34)	(155)
<b>Cash available from operations</b>		<b>(27,710,702)</b>	<b>7,255,789</b>
<b>CASH EFFECTS OF FINANCING ACTIVITIES</b>			
(Increase)/decrease in cash investments	16	1,655,178	(8,976,406)
(Increase)/decrease in cash	17	25,960,289	1,691,067
Increase/(decrease) in funds		95,235	29,550
<b>Net cash (generated)/utilised</b>		<b>27,710,702</b>	<b>(7,255,789)</b>

## Notes to the Financial Statements

As at 30 June 2007

	2007 (R)	2006 (R)
<b>1 STATUTORY FUNDS</b>		
Revolving fund	549,374	454,139
<i>(Refer to Appendix A for more details)</i>	<b>549,374</b>	<b>454,139</b>
<b>2 FIXED ASSETS</b>		
Fixed assets at beginning of year	53,755,036	52,656,460
Capital expenditure during the year	3,459,788	1,331,410
Less: Assets written off, transferred or disposed of during the year	141,899	232,834
<b>Total fixed assets</b>	<b>57,072,925</b>	<b>53,755,036</b>
Less: Loans redeemed and other capital receipts	57,072,925	53,755,036
<b>Net fixed assets</b>	<b>—</b>	<b>—</b>
<i>(Refer to appendix C for more details)</i>		
<b>3 INVESTMENTS</b>		
CMIP - Investment	1,105,338	1,018,886
Equitable Share - 74045339170	13,223,473	12,286,979
IDP Call Account	641,351	604,852
Municipal Rank - Investment	1,059,836	897,911
Peoples Housing Account	196,047	196,429
Registry Investment - 620270934	39,245	39,245
Registry Investment - 62027101245	92,489	83,881
Standard Bank - Notice Deposit	26,131	24,626
Testing Station Investment Account	42,596	40,460
Meeg Bank: Revolving fund	473,286	444,485
MIG Funds - 62101651398	317,037	1,335,329
Survey - 62027179127	20,782	20,782
FNB Acc. No. 94865858	150,000	150,000
Trust account	9,938,715	11,840,358
Intsika Yethu Secondary - 62132786338	2,719	—
	<b>27,329,045</b>	<b>28,984,223</b>
<b>4 INVENTORY</b>		
Stock represents consumable stores, raw materials, work in progress and finished goods. Where necessary specific provision is made for obsolete stock.		
Inventory	16,173	38,730
	<b>16,173</b>	<b>38,730</b>



	2007 (R)	2006 (R)	
5	<b>DEBTORS</b>		
	Current debtors – Consumer	4,023,442	6,072,113
	Less: Provision for bad debts	3,030,861	2,952,833
		992,581	3,119,280
	Current debtors (other)	3,083,227	227,495
	VAT	6,706,409	3,090,193
		10,782,217	6,436,968
6	<b>BANK AND CASH ON HAND</b>		
	Bank	19,881,432	45,841,947
	Petty Cash	517	291
		19,881,949	45,842,238
7	<b>PROVISIONS</b>		
	Leave Payments	701,208	913,086
	Audit fees	507,255	452,400
		1,208,463	1,365,486
8	<b>CREDITORS</b>		
	Sundry creditors and accruals	2,315,633	3,362,943
	Deposits	980	580
		2,316,613	3,363,523
9	<b>ASSESSMENT RATES</b>		
	Site valuation as at 1 July: Residential, commercial, state and municipal	4,304,394	4,304,394
	Actual Income	714,114	885,796
10	<b>COUNCILLORS' REMUNERATION</b>		
	Councillor allowances	9,560,779	4,510,960
		9,560,779	4,510,960
11	<b>AUDITORS' REMUNERATION</b>		
	Audit fees	883,711	137,928
12	<b>FINANCE TRANSACTIONS</b>		
	<i>Total external interest earned or paid :</i>		
	• Interest earned	2,480,673	1,545,823
	• Interest paid	(34)	(155)

	2007 (R)	2006 (R)	
13	<b>APPROPRIATIONS</b>		
	<b>Appropriation account</b>		
	Accumulated surplus/(deficit) at beginning of year	76,119,011	69,392,547
	Operating surplus/(deficit) for the year	(23,969,958)	6,708,030
	Appropriations for the year		
	- Prior year adjustments	1,785,881	18,434
	Accumulated surplus/(deficit) at end of year	53,934,934	76,119,011
	<b>Operating account</b>		
	Contribution to:		
	• Revolving fund	66,435	9,654
	Prior year adjustment:		
	Appropriation for the year consists primarily of adjustments relating to the overstatement of trade creditors in the prior year		
14	<b>CASH GENERATED BY/ (UTILIZED IN) OPERATIONS</b>		
	Surplus/(deficit) for the year	(23,969,958)	6,708,030
	Prior year adjustments	1,785,881	18,434
	Capital charges	34	155
	Less :		
	Investment income (operating)	(2,480,673)	(1,545,823)
		(24,664,716)	5,180,796
15	<b>(INCREASE)/DECREASE IN WORKING CAPITAL</b>		
	(Increase)/decrease in inventory	22,557	(38,730)
	(Increase)/decrease in debtors, long term debtors	(4,345,249)	(1,162,682)
	Increase/(decrease) in creditors and provisions	(1,203,933)	1,730,737
		(5,526,625)	529,325
16	<b>(INCREASE)/DECREASE IN EXTERNAL CASH INVESTMENTS</b>		
	Investments made	1,655,178	(8,976,406)
		1,655,178	(8,976,406)
17	<b>(INCREASE)/DECREASE IN CASH ON HAND</b>		
	Cash balance at beginning of year	45,842,238	47,533,305
	Less: Cash balance at end of year	19,881,949	45,842,238
		25,960,289	1,691,067

## Appendix A

### Accumulated Funds, Provisions and Trust Funds

	Balance at 30 June 2006	Contributions during the year	Interest on investments	Other income	Expenditure during the year	Balance at 30 June 2007
STATUTORY FUNDS						
Revolving Fund	454,139	66,434	28,801	–	–	549,374
<b>TOTAL</b>	<b>454,139</b>	<b>66,434</b>	<b>28,801</b>	<b>–</b>	<b>–</b>	<b>549,374</b>

## Appendix C

### Analysis of Fixed Assets

Expenditure 2006 (R)	Service	Budget 2007 (R)	Balance at 30 June 2006 (R)	Expenditure during year (R)	Redeemed, transferred or written off (R)	Balance at 30 June 2007 (R)
<b>1,331,410</b>	<b>Rates &amp; General Services</b>	<b>41,044,482</b>	<b>52,960,261</b>	<b>3,459,788</b>	<b>141,899</b>	<b>56,278,150</b>
<b>1,331,410</b>	<b>Community Services</b>	<b>41,044,482</b>	<b>52,663,605</b>	<b>3,459,788</b>	<b>141,899</b>	<b>55,981,494</b>
–	Land & Buildings	–	832,374	205,537	–	1,037,911
–	Plant & Equipment	–	799,000	1,588,854	–	2,387,854
517,395	Technical Services	32,712,000	37,286,984	–	–	37,286,984
319,192	Municipal Manager & Admin	500,000	10,863,046	763,487	141,899	11,484,634
–	Finance	–	1,913,929	–	–	1,913,929
19,836	Traffic Services	–	66,982	503,047	–	570,029
461,763	Office Equipment	–	691,013	374,054	–	1,065,067
13,224	Community Assets	7,832,482	210,277	24,809	–	235,086
–	<b>Economic Services</b>	–	<b>296,656</b>	–	–	<b>296,656</b>
–	Sewerage & Sanitation	–	296,656	–	–	296,656
–	<b>Trade Services</b>	–	<b>794,775</b>	–	–	<b>794,775</b>
–	Water	–	794,775	–	–	794,775
<b>1,331,410</b>	<b>TOTAL FIXED ASSETS</b>	<b>41,044,482</b>	<b>53,755,036</b>	<b>3,459,788</b>	<b>141,899</b>	<b>57,072,925</b>
<b>LESS : LOANS REDEEMED AND OTHER</b>						
<b>1,331,410</b>	<b>CAPITAL RECEIPTS</b>		<b>53,755,036</b>	<b>3,459,788</b>	<b>141,899</b>	<b>57,072,925</b>
–	Loans redeemed & advances repaid		30,000	–	–	30,000
1,331,410	Contributions from operating income		9,452,155	–	141,899	9,310,256
–	Grants & subsidies		44,272,881	3,459,788	–	47,732,669
–	<b>NET FIXED ASSETS</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Appendix D

### Analysis of Operating Income and Expenditure for the Year

Actual 2006 (R)	INCOME	Actual 2007 (R)	Budget 2007 (R)
23,744,344	Grants and Subsidies	53,266,725	40,704,538
885,796	Rates	714,114	1,000,000
377,123	Water	439,271	6,647,488
–	Electricity	–	2,996,322
139,015	Sewerage	111,514	716,000
145,932	Refuse	212,128	170,000
233,844	Property Rental	221,899	–
330,080	Traffic Fines	295,875	–
164,401	Other Services	176,024	43,000
–	Roll Overs	–	5,000,000
1,651,240	Other Income	3,049,944	34,492,633
<b>27,671,775</b>	<b>TOTAL INCOME</b>	<b>58,487,494</b>	<b>91,769,981</b>
Actual 2006 (R)	EXPENDITURE	Actual 2007 (R)	Budget 2007 (R)
17,512,266	Salaries, Wages and Allowances	29,246,052	28,139,884
(5,254,940)	General Expenses	34,710,366	18,173,553
–	– Free Basic Electricity / Purchase of Electricity	12,036,798	–
113,246	– Purchase of Water	78,290	6,008,488
–	– Bulk Sewerage	–	–
(5,368,186)	– Other General Expenses	22,595,278	12,165,065
7,014,007	Repairs and Maintenance	14,963,218	555,740
541,977	Bad Debts	78,028	–
51,859	Loss on Sale of Asset	–	–
1,098,576	Contributions to Fixed Assets	3,459,788	–
<b>20,963,745</b>	<b>NET EXPENDITURE</b>	<b>82,457,452</b>	<b>46,869,177</b>
<b>6,708,030</b>	<b>NET PROFIT</b>	<b>(23,969,958)</b>	<b>44,900,804</b>

## Appendix E

### Detailed Income Statement for the Year

2006 Actual income (R)	2006 Actual expendi- ture (R)	2006 Surplus/ (deficit) (R)		2007 Actual Income (R)	2007 Actual Expendi- ture (R)	2007 Surplus/ (deficit) (R)	2007 Budget Surplus/ (deficit)(R)
27,671,775	20,963,745	6,708,030	RATES & GENERAL SERVICES	58,487,494	82,457,452	(23,969,958)	41,044,482
27,671,775	20,963,745	6,708,030	Communi- ty services	58,487,494	82,457,452	(23,969,958)	41,044,482
478,566	362,555	116,011	General ex- penditure	–	5,194,017	(5,194,017)	(3,195,213)
3,718,416	2,817,020	901,396	Financial Services	41,547,902	27,513,785	14,034,117	48,265,161
1,366,116	1,034,950	331,166	Council	1,525,198	17,193,223	(15,668,025)	(8,183,670)
983,815	745,324	238,491	Local Economic				
Development	6,373,271	2,903,101	3,470,170	8,214,094			
804,081	609,160	194,921	Communi- ty Services	186,100	10,596,101	(10,410,001)	(6,226,423)
264,389	200,297	64,092	Traffic	318,664	3,862,367	(3,543,703)	(1,876,019)
19,365,521	14,671,045	4,694,476	Technical Services	8,536,359	10,486,586	(1,950,227)	6,942,948
690,871	523,394	167,477	Corporate Services	–	4,708,272	(4,708,272)	(2,896,396)
<b>27,671,775</b>	<b>20,963,745</b>	<b>6,708,030</b>	<b>TOTAL</b>	<b>58,487,494</b>	<b>82,457,452</b>	<b>(23,969,958)</b>	<b>41,044,482</b>
		18,434	Appropriations for the year (refer to note 13)			1,785,881	
		6,726,464	Net surplus/(deficit) for the year			(22,184,077)	
		69,392,547	Accumulated surplus/(deficit) at the beginning of the year			76,119,011	
		76,119,011	ACCUMULATED SURPLUS/(DEFICIT)			53,934,934	



## Appendix F

### Statistical Information

GENERAL STATISTICS	2006/7	2005/6	2004/5
Population	194 246	194 246	194 246
Registered voters	76 573	73 556	73 556
Area ( square km)	2 901	2 901	2 901
<b>Total valuations: Taxable (R000)</b>			
Non taxable (R000)	932 915	895 499	128 716
Residential (R000)	586 594	530 876	75 942
Commercial (R000)	346 321	364 623	52 774

Valuation date: 2004/5 Interim valuation

Number of properties: Residential	332	188	188
Commercial	136	136	136
Assessment rate: Basic (per Rand)	0,0175c	0,0175c	0,0175c
Rebate: residential	Nil	Nil	Nil
Number of employees	147	155	114

#### ELECTRICITY STATISTICS

Units (kWh) purchased ('000)	N/A
Units (kWh) sold ('000)	N/A
Units (kWh) lost in distribution ('000)	N/A
Percentage lost in distribution	N/A
Cost per unit sold	N/A
Income per unit sold	N/A

#### WATER STATISTICS

Kl purchased	83112	30 713	29998
Kl sold			
Kl lost in distribution	N/A	N/A	N/A
Percentage lost in distribution			
Cost per kl sold	R1.53	R1.53	R1.53
Income per kl sold	R2.20	R2.00	R2.00

NB: Consumption water statistics: please work out the missing statistics for water as per the financial statements.  
Lost in distribution: meter readings not taken.