



Central Karoo District Municipality

Annual Report

**in terms of section 46 of the
Municipal Systems Act**

2006/2007

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1. INTRODUCTION

1.1 FOREWORD: EXECUTIVE MAYOR – ALDERMAN JJ VD LINDE

This report provides us the space to compare our actions of the past year; to give feedback that tell us whether we were on course against a sense of shared vision and values, against imperatives that were both demanding and direct, but some also optimistic and how to use it to make corrections so that we could eventually arrived at our destination.

This destination allows us to better

understand our present situation and to realize that our destination and journey, although different concepts, were actually the same.



Certainly, our district was not free from challenges, but we have tried to act in ways that were responsible and have seen these challenges as opportunities to serve worthy. Some of these challenges include:

- The dispute with regard to the Municipal Manager and the Director without portfolio.
- The compilation of the budget which was the biggest challenge as limited funds were available from Provincial and National Treasury coupled with a DMA which is not financially self-sustainable.

But we have seen things manifest in various ways and has managed to

- resolved both disputes and to
- keep our overhead spend within budget. The unqualified Audited Financial report bears testimony of the latter.

In addition, the following were great successes:

- The Intervention on various levels by enforcing programmes successfully to meet provincial targets .

- Meet all the requirements of the 5 KPA's.
- The Growth and Development Summit
- The National and Provincial Imbizo's
- The hosting of the Provincial Parliament
- Submission of an IDP which were in line with the requirements of the province

I anticipate that the next twelve months are going to be tough as any that we have seen before and that we will be challenged by events not planned for or even imagined. But as been shown in the past, our district community will always be bigger than any challenge and, with adaptation and innovation; we will once again be able to ensure a good year.

1.2 FOREWORD: ACTING MUNICIPAL MANAGER – N NORTJÉ



The financial year under review was one of the most challenging in the history of Central Karoo District Municipality. The Municipal Manager, Mr T Prince was dismissed in February 2006 after a disciplinary action and was only re-instated on 2 July 2007 after a lengthy appeal process. To add to this critical vacancy the Council changed political leadership from an ANC/DA coalition to a DA/ICOSA coalition during December 2006.

We are however still proud of our various accomplishments and the fact that we maintained stability and effectiveness within our administration.

With regards to the five national KPA's I would like to report in summary as follows:

1. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	
<i>Accomplished</i>	<i>Challenges</i>
<ul style="list-style-type: none"> • In process to provide 600 pre-paid water meters to the low income group in Murraysburg to upgrade services but also to improve the current status of our debtors. • Ongoing upgrading of gravel roads in the community and also maintenance of already tarred roads. • Ongoing upgrading of storm water. • Maintenance of oxidation dams. • Maintenance and upgrading of electrification network in town (Murraysburg) and expansion of electrification in rural areas. • Upgrading of purchased hotel to a Thusong Centre with funding from Social Services and bridging finance from the Development Bank of South Africa. 	<ul style="list-style-type: none"> • Upgrading of roads and sanitation, expansion of electricity, funds for low cost housing and research for adequate water supply to the different Local Authorities in the region. • Transfer of Transnet houses in the region. • Revision of MIG allocations. • Electrification of rural areas (farms). • Completion of Merweville road (tarring of balance of 43 km).

1. BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	
<ul style="list-style-type: none"> • Complete 22 km's tarred road of a total of 43 kilometers from Merweville to Prince Albert Road. • Complete a project of 300 VIP-toilets in the rural area. 	

2. LOCAL ECONOMIC DEVELOPMENT	
<i>Accomplished</i>	<i>Challenges</i>
<ul style="list-style-type: none"> • Establishment of a Thusong Centre (MPCC) to serve as a vehicle to kick start economic development (e.g. beehive and accessibility to economic opportunities). • Establishment of a pig farm, vegetable gardens, poultry project, fire wood stand, brick making and the extension of the contract with the small farmers for the renting of the commonage from Council. • The re-activation of the tourism sector with the establishment of a Local Tourism Forum to eventually form part of a Regional Tourism Forum. • Creation of temporary job opportunities in smaller projects of the Municipalities (e.g. Cleaning of the town, fencing of cemetery, storm water channel at the cemetery, painting and other maintenance of the Council's fixed assets, etc.). • Drafting of a business plan for the establishment of an Economic Development Agency (EDA) in the region. • Completion and ongoing review of the LED Strategy for the region. 	<ul style="list-style-type: none"> • Agricultural dependence. • Natural and financial resource constraints with regards to access to agricultural land. • Confinement of CBD (Beaufort West and Laingsburg). • Lack of general entrepreneurship skills. • The second and first economy division that is still clearly visible within the Central Karoo economy. • Labour force which is characterised by primarily low and semi-skilled labourers. • Persistent poverty and over dependency on State support.

3. FINANCIAL VIABILITY	
Accomplished	Challenges
<ul style="list-style-type: none"> • Official application and presentation to National Treasury to revise the formula for the allocation of Equitable Share. • Various interactions with Provincial Treasury with regard to financial assistance. Unfortunately none of our pleas to both Provincial and National Treasury realised in assistance. • Also with reference to service delivery above we foresee that the installation of pre-paid water meters will impact positively on debtors. • We again initiated several efforts to increase the region's MIG allocations. • The District Co-ordinating Forum (DCF) was used as a platform to promote shared services in an effort to join forces on a regional basis to build capacity and save money. • The region was successful in its attempts to expand its personnel capacity with the services of an Engineer employed by the Inzimansi Project of the Development Bank. 	<ul style="list-style-type: none"> • Availability of adequate funding from internal and external sources. • Revision of Equitable Share formula. • Distance of traveling (costs). • Revenue base of District Municipality based in DMA on 80% indigent households. • The fact that the District Municipality will not be financially viable unless there are drastic amendments to existing allocation of funds. • There were again efforts to implement Council's Credit Control Policy but although there were significant successes with the payment of property related taxes the normal essential services (water, refuse, etc.) debtors are still a concern. • The improvement of MIG allocation.

4. TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

<i>Accomplished</i>	<i>Challenges</i>
<ul style="list-style-type: none"> • Local Authorities in the region jointly developed a shared service model for the region. • Although several posts were identified as shared services the first agreements will be for the IDP services (PIMSS), Internal Audit, Building Plans and Performance Management. • A new IDP was accepted for the region. • Council hosted a successful Growth and Development Summit for the region. • Negotiations with the Industrial Development Corporation (IDC) for skills development in the workplace but also in communities. • Creation of a databank for skills needed in the communities in the region. 	<ul style="list-style-type: none"> • Establishment of a unified town planning scheme for the different towns. • Attraction of suitable and qualified artisans and professionals. • Availability of adequate funding from internal and external sources. • Retaining of existing staff. • Implementation of Task Evaluations. • Limited funding to employ additional support personnel. • Multi-skilling versus remuneration.

5. GOOD GOVERNANCE

<i>Accomplished</i>	<i>Challenges</i>
<ul style="list-style-type: none"> • The District is proud of the effective functioning of the District -coordinating Forum (DCF) on a political as well as technical level. • The Communication Forum for the region was established and is effective. • Although a Youth Unit for the region was launched, Council needs financial assistance to appoint a coordinator for the region. • The Community Development Workers project is effective and used to good effect with regards to especially gathering of statistical information and related matters. 	<ul style="list-style-type: none"> • Political stability in the Municipal area. • Councilor training. • Ward/Area Committee training. • Capacity building at Ward/Area Committee level. • Improvement of communication internally as well as to the public.

5. GOOD GOVERNANCE

- The Area Committee of Murraysburg is effective and valuable as a link between Council and the community.
- Council use community meetings on a quarterly basis as means to compliment regular information pamphlets.

A very successful Growth and Development Summit was hosted in Beaufort West and the outcomes are already visible within the region especially in Beaufort West where there is currently a bloom in development activities.

I would like to congratulate Mrs Johanna Phillips (Director Health) with the effective manner in which she managed the transfer of the Health Department to the employment of the Western Cape Province, Mr Kobus Theron (Director Technical Services) for the completion of 23 kilometers tarred road from Merweville to Prince Albert Road with limited resources, but effective management and Mr Kimmie Kymdell (Director Finance) for the unqualified financial statements which is a first in my 11 years at the Central Karoo District Municipality. Thank you to all the personnel of the Municipality for your full-hearted support without which none of these accomplishments would have realised.

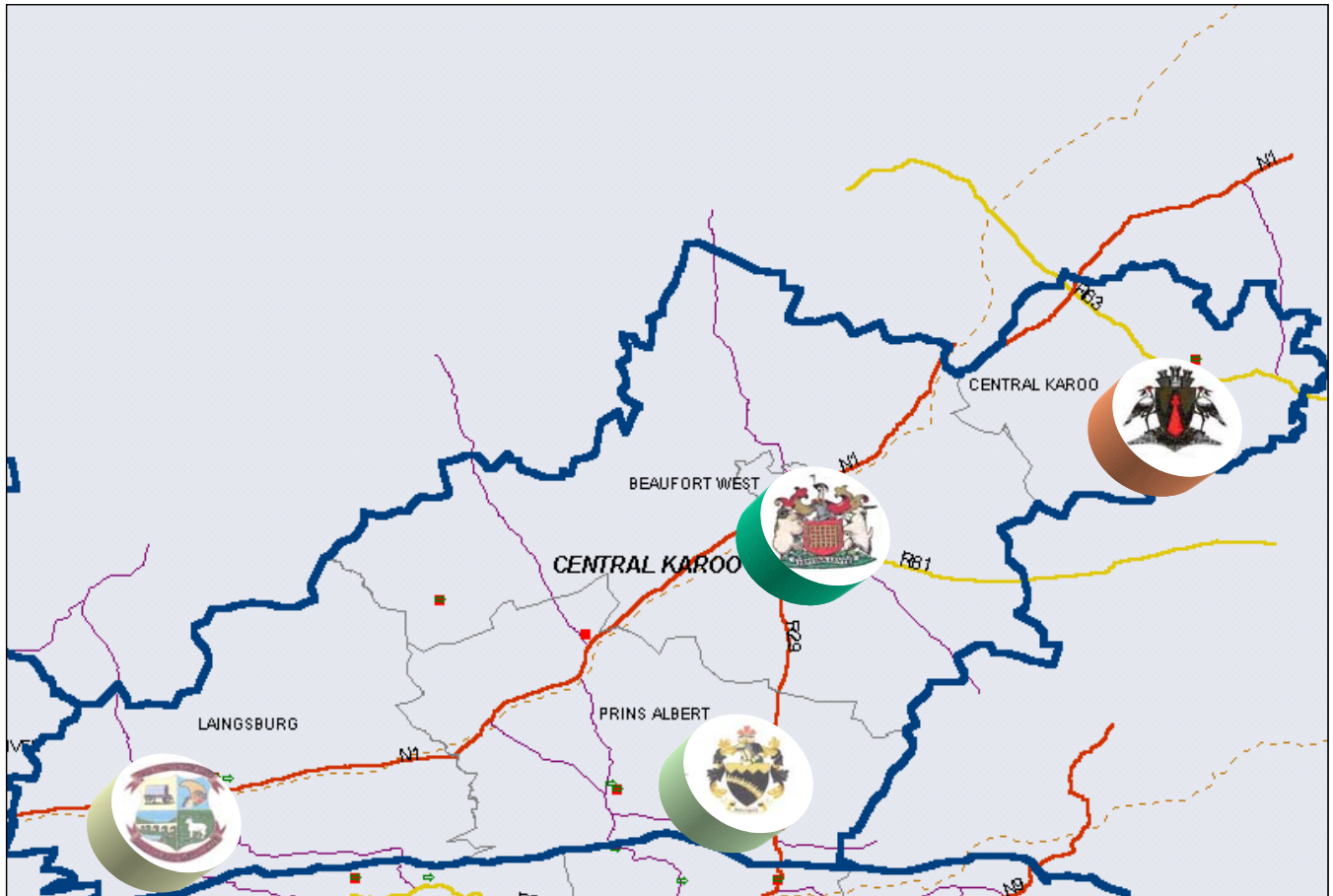
In conclusion it needs to be mentioned that with all the available plans there must now be a shift to execute the latter and in the process comply with the mandate given by National Government.

On behalf of the personnel of Central Karoo District Municipality I would like to extend our thanks to the Mayor and Council for there support and guidance during 2006/7.

The time has come to plan less and act more.

N W NORTJé
ACTING MUNICIPAL MANAGER

CENTRAL KAROO REGION



Vision
*Optimal quality of life
for all citizens*

Mission
*We provide quality services for sustainable
economic development and social stability
through dynamic stakeholder partnerships
and democratic involvement*

1.3 THE COUNCIL



		
<p>African National Congress (ANC)</p>	<p>Democratic Alliance (DA)</p>	<p>Independent Civic Organisation of South Africa (ICOSA)</p>
<p>Mrs DT Hugo</p>	<p>Mr JJ van der Linde</p>	<p>Ms SA Baartman</p>
<p>Mr W Toto</p>	<p>Mr FJ MacPherson</p>	<p>Mr SM Motsoane</p>
<p>Mr W Maxhegwana</p>	<p>Mr JP Goliath</p>	<p>Mr G van Wyk</p>
<p>Mrs R Lottering</p>		<p>Mr A Lyon</p>
<p>Mr SA Piti</p>		<p>Mr B Kleinboo</p>
<p>Ms J Jonas</p>		

The Council of the Central Karoo District Municipality consists of 14 members, which is representative of all the B-municipalities in the District (Beaufort West Municipality 4, Laingsburg Municipality 1, Prince Albert Municipality 1, Murraysburg DMA 1, Proportional List 6).

The council plays a very active role in the operations of the District Municipality. Apart from their functions as decision makers, councillors are also actively involved community work and the various social programmes in the District.

The following Council meetings were held during the year under review:

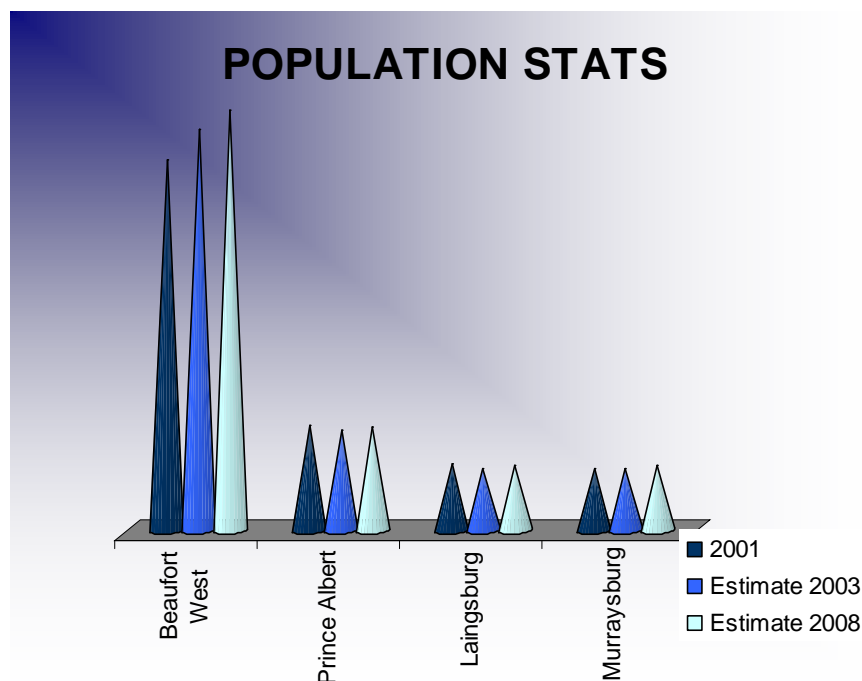
Meeting Type	No.
• General Council Meetings	7
• Special Council Meetings	10
• Constitutional Committee	0
• Ad Hoc Committee	1
• Mayoral Committee	11
• Financial Committee	5
• Health & Public Committee	9
• Labour Forum	2
• Training Committee	0
• PIMMS Committee	1
• External Audit Committee	2
• District Intergovernmental Committee	2
• DMA Committee	7
• Personnel Committee	15

1.4 DEMOGRAPHIC PROFILE

Population

There is a total number of 13 984 households that live in Central Karoo District, of this total, 75 % lives in urban areas with the remaining 25 % living in rural areas.

	Beaufort West	Prince Albert	Laingsburg	Murraysburg	TOTAL
2001	37,107	10,512	6,681	6,184	62,485
Estimate 2003	40,054	9,945	6,252	6,159	62,410
Estimate 2008	41,952	10,326	6,426	6,432	65,136

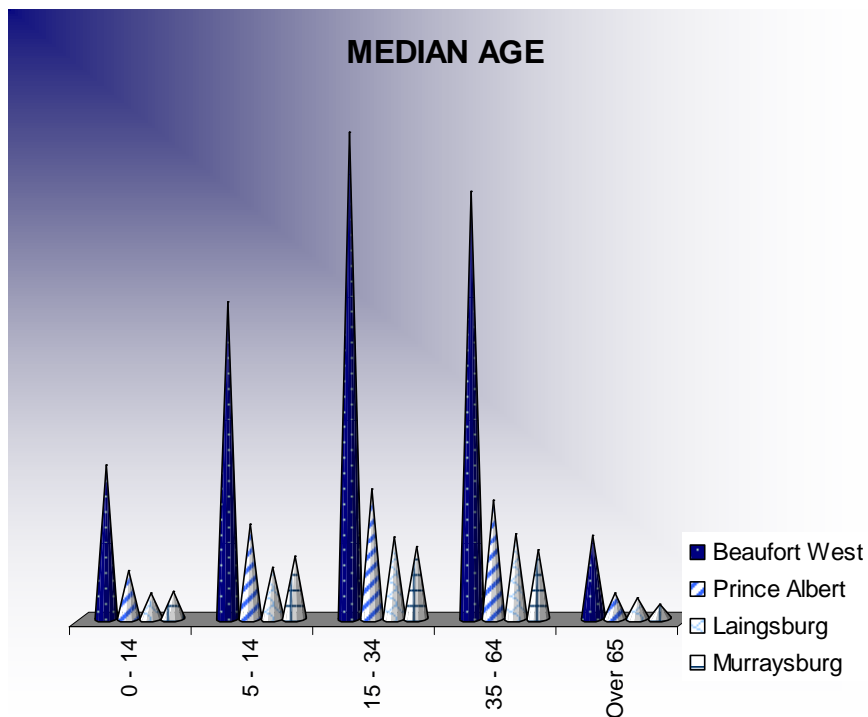


The shift in focus to Economic Development may have an influence in retaining and or attracting people back to the area that would most probably result in an increase in the population growth.

Table: Median Age

Source: Stats SA 2001

Age Group	Beaufort West	Prince Albert	Laingsburg	Murraysburg	Total
0 - 14	3,896	1,234	663	679	6,472
5 - 14	8,015	2,379	1,291	1,595	13,280
15 - 34	12,298	3,259	2,051	1,802	19,410
35 - 64	10,812	3,008	2,159	1,742	17,721
Over 65	2086	633	516	366	3,601
TOTAL	37,107	10,513	6,680	6,184	60,484



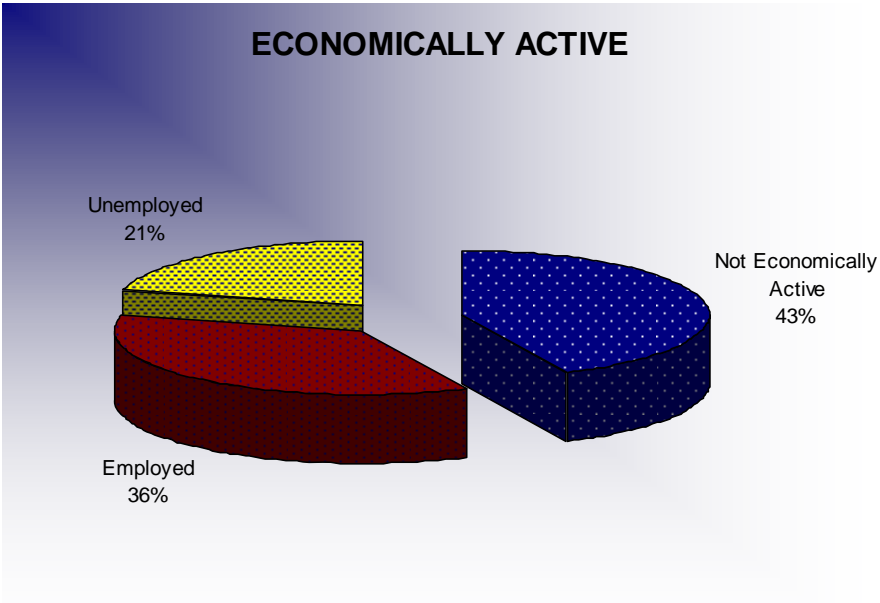
This table indicates that there is a decline in the birth rate. The median age group of 0-4 years is a reflection of this. The 15-34 and 35-64 cohorts represent the largest number of population.

Economic

Table: Number of Economic Active People

Source: Statsa 2001

Labour Market Status	Beaufort West	Prince Albert	Laingsburg	Murraysburg	Total
Employed	7,805	2,496	1,939	1,325	13,565
Unemployed	5,012	1,346	693	634	7,685
Not Economically Active	10,478	2,494	1,618	1,620	16,210
TOTAL	23,295	6,336	4,250	3,579	37,460



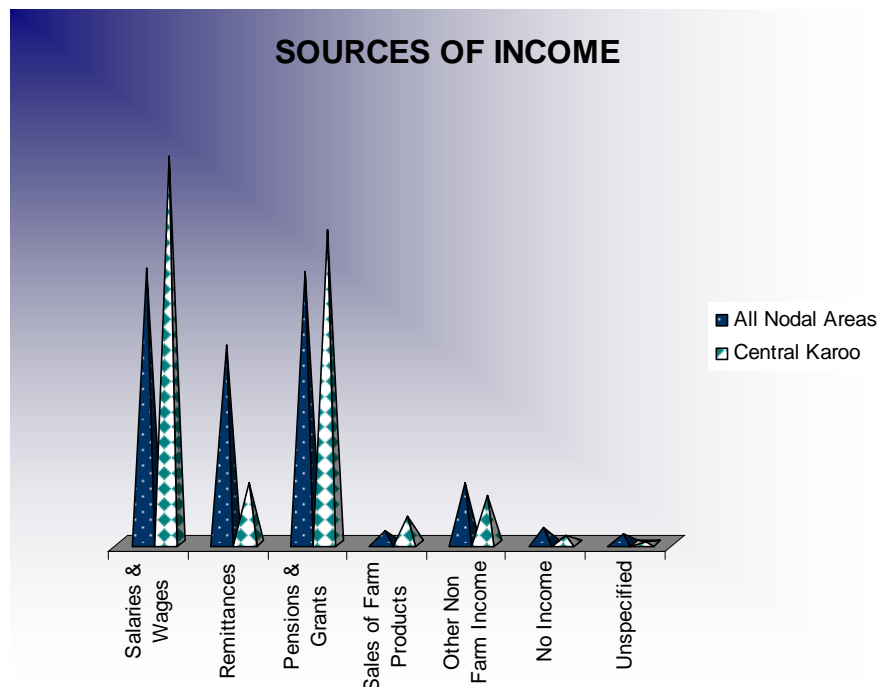
Income

Table: Sources of Income

Source: *Measuring Rural Development SSA 2002*

The sources of income for the area is as indicated in the following graph:

Source of Income	All Nodal Areas	Central Karoo
Salaries & Wages	32.6%	45.8%
Remittances	23.5%	7.1%
Pensions & Grants	32.2%	37.1%
Sales of Farm Products	1.5%	3.2%
Other Non Farm Income	7.2%	5.7%
No Income	1.9%	0.9%
Unspecified	1.1%	0.1%



Agriculture is one of the main sectors providing employment opportunities in the area. Processing is seen as a major opportunity for employment creation as raw materials are exported to neighbouring regions such as the Cape Winelands Districts in the Western Cape and Port Elizabeth in the Eastern Cape. There is however other potential areas within the agriculture sector such as fruit and olive production that has potential for expansion. Projects have been identified whereby the unemployed and the target group through the ISRDP can benefit together with the technical support of the commercial farmers.

EDUCATION

Education levels in the District are low, with 46.7% of the population being functionally literate while 28% of the population has an education level below grade 12. 22.5 % of the population has education levels above grade 12.

Availability of school facilities

Facilities include:

- Beaufort West – 4 secondary + 9 primary schools
- Murraysburg – 1 secondary, 3 primary schools
- Prince Albert – 1 secondary school, 5 primary schools
- Laingsburg – 1 secondary schools, 3 primary schools

Almost 209 youth participate in ABET programs that facilitate access to further learning and other development opportunities:

- Grade 9 – 41 learners
- Grade 10 – 21 learners
- Grade 12 – 147 learners

1.5 EXECUTIVE SUMMARY OF SERVICES

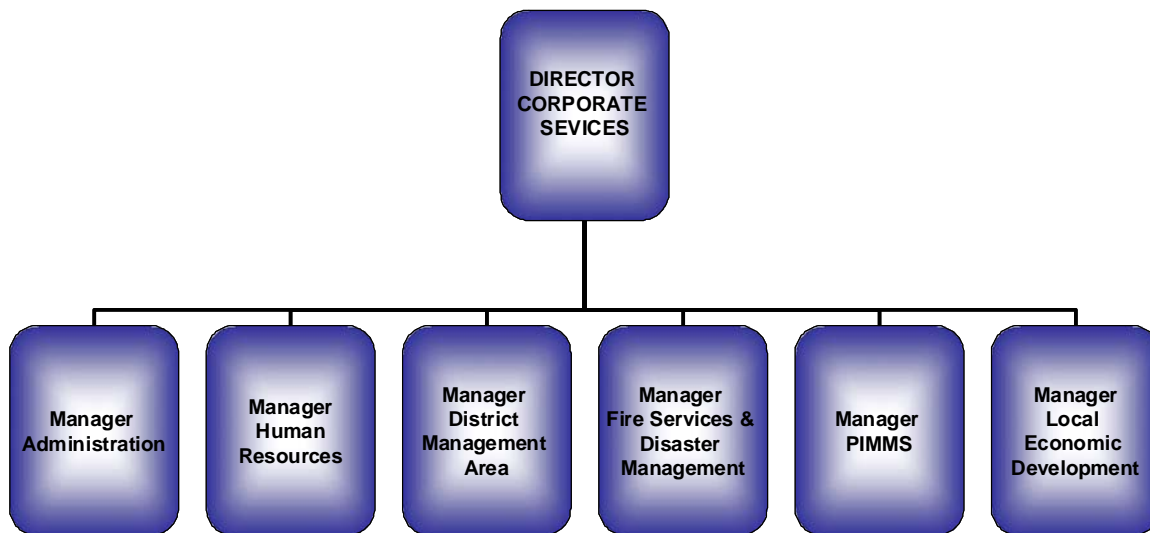
Key functions of the municipality are technical services, the provision of primary health services, rendering environmental health services and the management of the District Management Area. Four departments within the organisation, namely the Technical Department, the Health Department, Corporate Services and Financial Services, render these services.

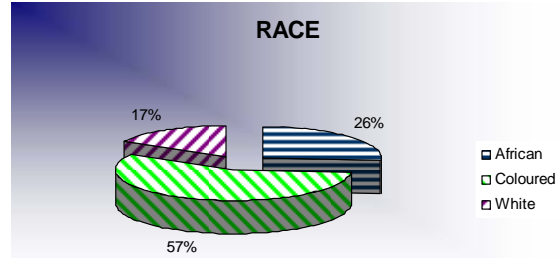
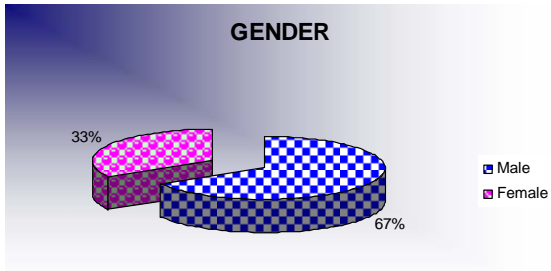
1.5.1 Corporate Services

The department consists of six divisions, namely Administration, Human Resources, District Management Area, Fire Services & Disaster Management, PIMMS, and Local Economic Development. Mr. N. Nortjé heads the department.



N NORTJÉ
DIRECTOR CORPORATE SERVICES





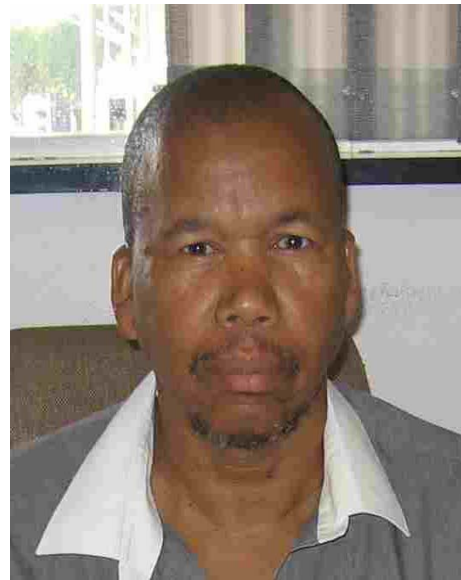
Total salary cost for the section

R2,199,000

Administration

Mr SS Ngwevu heads the Division. The Division handles the secretariat of Council, all secretarial and institutional services, record keeping and securities. This division is the responsible for the key performance areas and result indicators associated with the provision of an effective administrative service. This is accomplished by:

- amending, adjusting and reviewing policies and procedures against departmental, statutory and audit guidelines;
- reviewing and participating in the design, development and implementation of information technology infrastructure;
- the application of platforms capable of satisfying business requirements;
- aligning document management systems to facilitate effective circulation, response, storage and retrieval.





Human Resources

Mrs GL van Zyl is responsible for the management of the Human Resources Division. Refer to Chapter 3 – Human Resource and other organisational management.

District Management Area



Mr JD Neethling is the manager of the District Management Area of Murraysburg and has the overall responsibility for Administration, Library Services and the Works Department (electricity, water, sanitation, cleansing and public works) in Murraysburg.



PIMMS & Community Development

Mr S Jooste is responsible for the compiling and implementation of the IDP as well as the planning, support and implementation of community development and local economic development programs and projects. ISDRP – Integrated sustainable rural development programme with regard to the presidential node.



The District Municipality bought the Murraysburg Hotel. This will be converted into a multi purpose centre with office facilities to host social development programmes. The local community will have the opportunity to start SMME's in this building. The centre will also be used to accommodate government workers and visitors.

LED Strategy

The LED strategy for the Central Karoo District Municipality was finalized and adopted by Council in March 2006.

The strategy identifies various issues and strategic areas for intervention such as:

- **Improvement of the relationship with the private sector**
- **Human resource development**
- **SMME development**
- **Sector development**
- **Business development (investment and retention)**
- **Poverty alleviation and**
- **Black Economic Empowerment**

LED strategies for the Beaufort West, Laingsburg and Prince Albert Local Municipalities are also being completed through Project Consolidate.

Various interventions have been taken to start implementation of the LED strategy.

- The Department of Economic Development and Tourism had a focused engagement with the District and local municipalities on the LED implementation framework for the Western Cape and accessing of provincial funding for economic development.
- The REDDOOR initiative from the Department of Economic Development is rendering services to small businesses in the District.
- The Department appointed a “Plek plan” manager to provide direct support to municipalities in terms of translating the Micro-economic development strategy, global business intelligence and local opportunities into real business opportunities.
- The partnership between DPLG, IDT and Business Trust in implementation of the LED strategy is taking place in the Node.

- The process of establishing an Economic Development Agency in the District Municipality is also well on its way.
- The Provincial Department of Education also made available R1 000 000 for a glassmaking project in the Laingsburg municipality. This will create much-needed jobs for young people in the area.
- Other interventions also includes the initiation of the engagement process with the private sector through interviews with business so as to ascertain their needs and how business can be retained in the region, and especially in Beaufort West, the economic hub of the region.
- The Department of Land Affairs are in the process of implementing LRAD projects to the amount of R 5 592 639 in the Central Karoo. This amount covers 30 small farms in the Central Karoo District Municipality and makes people the proud owners of their own piece of land.

Local Economic Projects are provided in below.

- **Sport complex in Beaufort West**
Linkages include: SMME development, access to information, tourism, youth development and water recycling
Total investment: R44,000,000
R10,500,00 received and spent to date with R33,000,00 still required
Implementation underway: Central Karoo Leather is a Community owned venture
Socio Economic outcome expected: reduction of crime, increased tourism and increased job opportunities
- **Leather production in B/W**
Linkages: Abattoir
Total investment: R4,000,000
Implementation underway
Socio-economic outcome: wealth creation, improved job opportunities and improved quality of life
- **Essential Oil farming in Beaufort West**
Linkages include: Hydroponics and agricultural development
Total investment: R800,000 invested by the Dept. of Science and Technology
Status of project: in the pilot stage
Socio-economic outcome expected: improved job opportunities and skills development and transfer
- **Prince Albert Pont**
Linkages: Tourism and SMME development
Total investment: R5,000,000 – DEAT funding approved
Project status: planning phase completed and implementation phase to be underway
Socio-economic outcome expected: improved income, job opportunities and tourism
- **Tourism Gateway project**
Linkages: Tourism and SMME development
Total investment: R4 800 000 – DEAT funding approved
Project status: Planning and consultation processes completed
Socio-economic outcome expected: improved income, job opportunities and tourism

- **People and Parks project**
Linkages: Tourism and Conservation
Total investment: R7 400 000
Project status: in implementation
Socio-economic outcome expected: improved income for Karoo National Park, job opportunities and tourism

Tourism

Mr J Jonkers is in charge of the tourism function. Various activities were undertaken in the area to promote the Karoo. Several tourism societies were established and these officers underwent extensive training during the year.



Swartberg Pass – Get closer to nature. Get away from all cares and worries. Visit the Great Karoo. Experience real farm life and genuine friendliness of small village hospitality.



Boys with cars.



Fire Services & Disaster Management

Mr H Rust is responsible for the efficient Control of disaster management and the co-ordination of disaster management actions in the district.

A high risk for the Central Karoo District area is the fact that the N1 National road passes through for a distance of 400km.



Hazardous materials are transported on a daily basis on this road. Many tourists visit the Western Cape and make use of this road very often; it has been classified as “The Road of Death”.

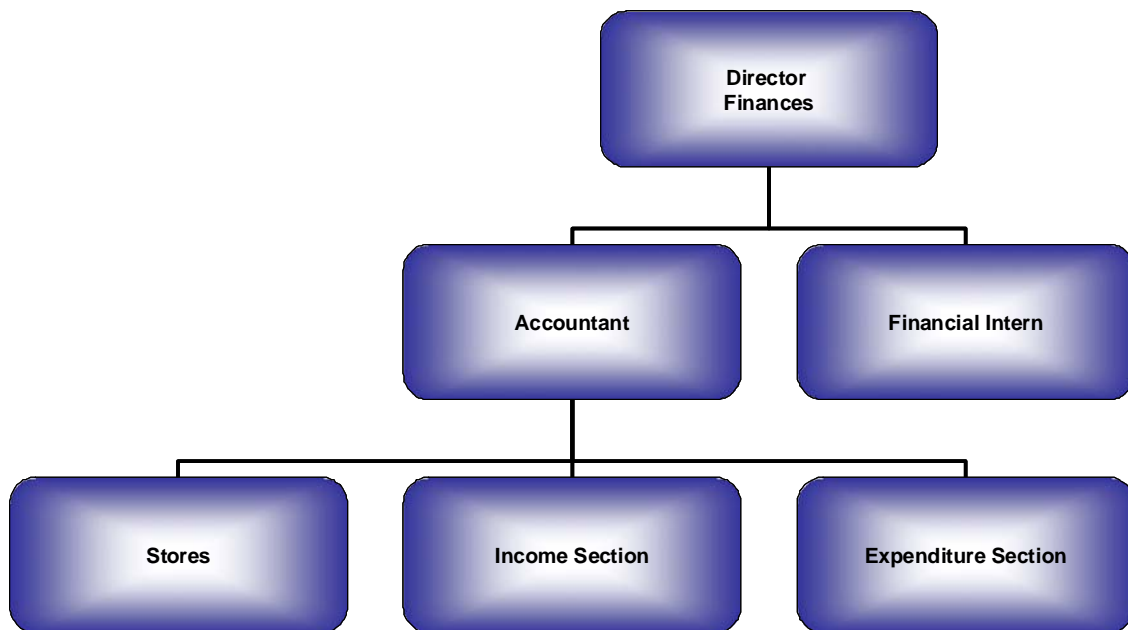
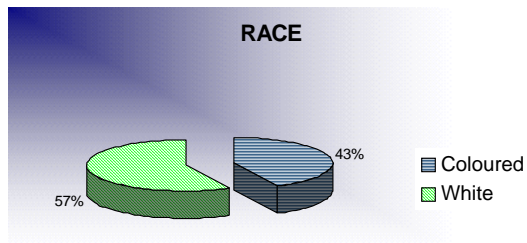
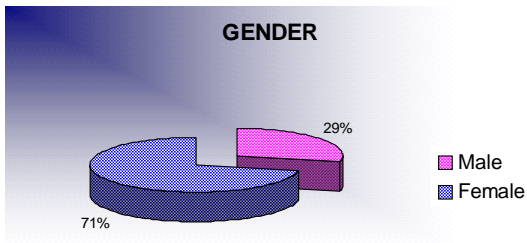
A newly built multi purpose emergency centre includes a call taking and dispatch centre, a disaster management centre and emergency medical services as well as provincial traffic services.



1.5.2 Finance



Mr C J Kymdell, Council's Chief Financial Officer, manages the Finance Department with the following sections: Salaries, Debtors, Creditors, Procurement and Stores. The primary function of this Division is to compile the Annual Budget and Financial Statements of the Council and to ensure efficient and effective financial management.





Mrs Lizette Strumpher, the Accountant, assists Mr Kymdell with the financial function of the District Municipality

Total salary cost for the section

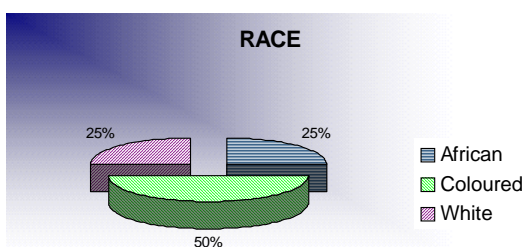
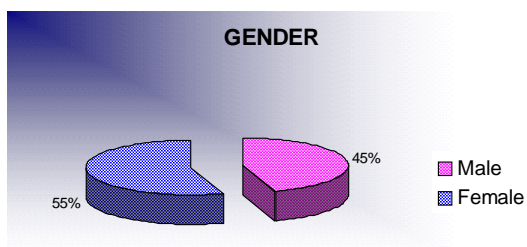
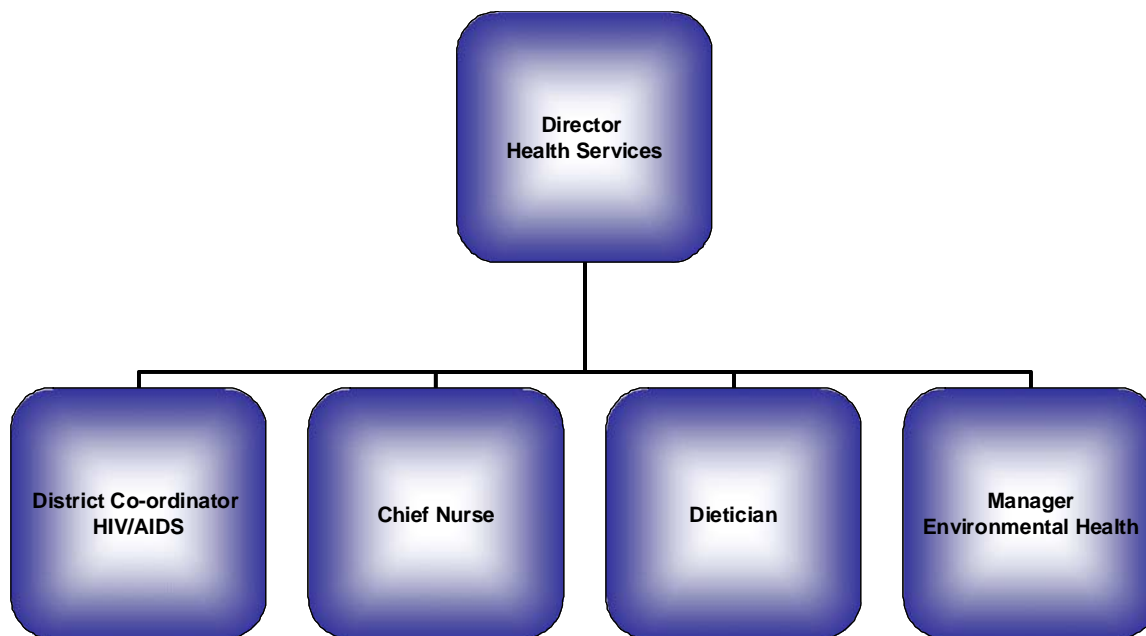
R1,362,000

1.5.3 Health



The Department of Health, headed by Ms J.E. Phillips, is primarily responsible for delivering Primary Health Care in the District. Environmental Health, which focuses on hygiene issues, also resorts under the Health Department and is headed by the Manager Environmental Health Services, Mr. GE van Zyl. Ms M Lund is the Dietician and responsible for Dieticianary Services. The Chief Nurse is Ms DE Nortje.

JE PHILLIPS
DIRECTOR HEALTH SERVICES



Total salary cost for the section

R5,090,153

Locality where services are rendered

The DM renders clinic services at 9 fixed clinics at-

- Prince Albert
- Laingsburg
- Murraysburg
- Merweville
- Matjiesfontein
- Klarstroom
- Leeu-Gamka
- Nelspoort
- Constitution Street

9 mobile clinics service the areas of-

- Prince Albert
- Laingsburg
- Swartberg

- Murraysburg
- Merweville
- Leeu-Gamka
- Nelspoort
- Area 1
- Area 2

The clinic in Prince Albert is operated through a joint venture with the Prince Albert Municipality and the Constitution Street clinic in Beaufort West is operated jointly with Beaufort West Municipality.

Functional analysis

Services include:

- Preventative services-
 - Mother and Child Health
 - Reproductive Health
 - EPI
 - Mental Health
 - TB
 - Aids & STI
 - Chronic diseases
- Curative services
 - Treatment of minor ailments
 - Chronic patients
 - Emergency treatment
 - Community involvement

Details of personnel employed in the section/functional unit during the financial year

Chief Professional Nurse in charge of:		
Laingsburg	Murraysburg	Merweville
3 Nurses	3 Nurses	1 Nurse
1 Staff nurse	1 Assistant nurse	1 Assistant nurse
1 Clinic assistant	1 Clerk	1 Nutrition Councillor
1 Cleaner	1 Cleaner	
1 Nutrition Advisor	1 Nutrition Advisor	
1 Nutrition Councillor	1 Nutrition Councillor	
Nelspoort	Leeu-Gamka	Area 1
1 Nurse	1 Professional Nurse	1 Professional Nurse
1 Assistant Nurse	1 Assistant Nurse	1 Assistant Nurse
1 Cleaner	1 Cleaner	
	1 Nutrition Councillor	
Prince Albert	Area 2	Constitution St
3 Professional Nurses	1 Staff Nurse	1 Assistant Nurse
1 Assistant nurse	1 Assistant Nurse	1 Cleaner
1 Clerk		1 Senior Nutrition Advisor
1 Cleaner		1 Nutrition Advisor
1 Nutrition Advisor		1 Nutrition Councillor
1 Nutrition Councillor		

Objectives of the Directorate/Section/Functional Unit

The rendering of dietitician services to all residents in the District

Locality where services are rendered

Prince Albert and Klaarstroom
Laingsburg, Matjiesfontein
Murraysburg
Beaufort West
Nelspoort
Merweville
Leeu Gamka
Routes in rural areas

Functional analysis

Dietician services include the following:

- Contribution to Household food security
- Disease specific nutrition support, treatment and counselling
- Growth monitoring and promotion
- Nutrition promotion, education and advocacy
- Breastfeeding promotion, protection and support
- Micronutrient malnutrition control
- Food services management
- Data collection, including surveys, surveillance, information gathering
- General management , i.e. planning, reporting
- Budget and stock/equipment management
- Administration of projects

Managing the impact of Aids

Interventions undertaken include the management of the impact of Aids. One of the priorities here is to implement the comprehensive HIV/Aids plan. There has been an increase in the number of clients receiving ARV treatment from a baseline figure of 42 to 112 in Beaufort West and 0-20 in Prince Albert.

There has also been an increase in the number of ARV sites, i.e.: Beaufort West was established in 2005 which includes satellite personnel to Murraysburg and Nelspoort; Prince Albert was established in 2006 which also serves Laingsburg. A site is planned for Laingsburg in the 2006/2007 book year.

There has been an increase in voluntary testing and counselling to the 15year and older population segment. The number of clients accessing VCT has increased from 3611 in 2003 to 5316 in 2005. Another divisional goal is the establishments of multisectoral action teams per sub-district to address the HIV/Aids focus areas of the Global Fund/Department of Health Western Cape. Funding of NGO's who deliver a service in one or all of the focus areas include:

- MSAT in Murraysburg where 5 NGO's were funded with R130 000 in 2005 and currently the Fund is in the process of funding the same NGO's with R130 000 in the second half of 2006.
- MSAT has also been established in Laingsburg and applications for funding have been submitted. The process is being finalized.
- MSAT establishment in Beaufort West has started and is still in the early stages of implementation.

Community Based Care

Home based care for category 3 patients – all bedridden cases:

- Number of home visits done 7730 and the target was 2200
- Number of home based cares appointed in the district is 28 and the target was 26
- Number of clients on the register is 54 with the target being 120

Support to the Khomanani programme implemented since 2005 in Beaufort West.

- Challenge: This programme has not yet been implemented in other local municipalities or towns in the district.
- The focus of this programme is HIV/Aids awareness, information, referrals to health facilities, awareness programmes on special health days, etc

Availability and access to health facilities

The district is well resourced with clinics in every sub-district as well as a hospital be it Provincial aided or Provincial Hospital and Mobile services. Some of the challenges however include a shortage of staff in local clinics which causes district staff to be channelled and pulled in man stations at clinics. Thus preventing them from getting to other areas as often as they should.

Water, sanitation in clinics

All clinics are well resourced with water, sanitation and electricity and mobile units stop on farms where water, sanitation and electricity are available at delivery points.

Managing other diseases

Programmes pertaining to Mother & Child, Chronic diseases, TB, Women's health and Antenatal care are well on course.

Measures to address challenges include the Mother and Child day planned for October-November throughout the district to address issues such as pap smears, immunizations, breast examinations, etc.

Provincialization of Primary health care

All efforts were undertaken to promote and support the process. The district health has had close cooperation and engagement with Provincial departments. Currently 6 posts have already been filled by the Provincial department and 3 posts are in the process of being filled.

Environmental Health

Environmental Health is headed by the Manager : Environmental Health Services, Mr. G E van Zyl.



GE VAN ZYL
MANAGER
ENVIRONMENTAL
HEALTH SERVICES

Objectives of the Directorate/Section/Functional Unit

Aware of the constitutional right of every person to an environment that is not harmful to his or her health or well-being, and the principles that underlie the National Health Act, 2003 (Act 61 of 2003) as well as the National Environmental Management Act, 1998 (Act 107 of 1998), the Section Environmental / Municipal Health want to protect and promote the health and well-being of all our residents in the Central Karoo Region by providing, in conjunction with applicable laws, a sustainable, effective and responsible Environmental / Municipal Health Service and ensuring a sustainable, safe and healthy environment for every citizen to live and work in.

Locality where service is rendered

The service is based at the DM Head Office's in 63 Donkin Street, Beaufort West. Inspection services are rendered by five (5) Environmental Health Practitioners in ten (10) communities, namely Murraysburg, Beaufort West, Merweville, Nelspoort, Prince Albert, Prince Albert Road, Leeu-Gamka, Klaarstroom, Laingsburg and Matjiesfontein as well as in the rural areas of the Murraysburg, Beaufort West, Prince Albert and Laingsburg districts.

Functional analysis

"Environmental Health" means a condition of optimal wholesomeness of the environment in which man exists and interacts with through the lowest possible presence therein or total absence of any stimuli detrimental to human health.

The Section Environmental / Municipal Health are therefore responsible for the identification, evaluation, control and prevention of those factors that can be detrimental to people's health and well-being.

The National Health Act, 2003 (Act 61 of 2003) defines Municipal Health Services as Environmental Health. In terms of the above mentioned Act the functions of the Division Environmental Health Services are as follows:

Water quality monitoring.

Monitoring of water reticulation systems. Monitoring of quality and availability of water intended for human consumption, recreation or use by industries. Regular taking of water samples for analysis. Identification and control of sources of water pollution. Protection of water sources and resources by enforcement of legislation relating to water quality. Enforcement of legislation to ensure a supply of water safe for health (Water services Act, 1977 Act No 108 of 1997) and SANS Code 241), Introduction of corrective and preventative actions (e.g. making recommendations to relevant authorities) Implementation of health and hygiene awareness actions and education relating to water supply and sanitation. Does not concern a water supply that is a function of district or local municipalities

Food control.

Food Control is described by the World Health Organization (WHO) as a mandatory regulatory activity of enforcement by National or Local Authorities to provide consumer protection and ensure that all foods during production, handling, storage, processing and distribution are safe, wholesome and fit for human consumption; conform to quality and safety requirements and are honestly and accurately labeled as prescribed by law.

Waste Management.

Monitoring of waste management systems, refuse, health care waste, hazardous waste and sewage

Health Surveillance of Premises.

The identification, monitoring and evaluation of health risks, nuisances and hazards and instituting remedial and preventative measures.

Surveillance and Prevention of Communicable Diseases, excluding immunisations.

The identification, monitoring and prevention of any disease which can be communicated directly or indirectly from any animal or through any agent or any person or from any person suffering there from or who is a carrier to any other person.

Vector Control.

A vector is any organism (insects or rodents) that can transmit a disease from one organism to another. Monitoring, identification and evaluation to ensure the prevention of vectors.

Environmental Pollution Control.

The identification, evaluation, monitoring and prevention of soil, water and air pollution

Public / Health Nuisance.

The definition of a nuisance was amended in the new Act and now includes only conditions threatening life or health or the well being of a person or community. Local municipalities will have to use their own legislation in this regard to address offensive conditions

Air Pollution Control.

The National Environment Management: Air quality Act, 2004 states under Section 36 that the District Municipality is charged with the implementation of the atmospheric emission licensing system and must for this purpose perform the functions of licensing authority.

Noise Control.

Taking cognizance of the definition of pollution, which states that any change in the environment caused by amongst others, noise emitted from any activity where the change has an adverse effect on human health and well being is regarded as noise pollution.

Control of Tobacco Products

This is however a self regulating piece of legislation and the person in charge of a facility has an obligation to ensure that the smoking of tobacco products in the work place or public places are prohibited or done in line with clear prescriptions contained in the relevant legislation.

Disposal of Human Remains

Monitoring of funeral undertakers, mortuaries, embalmers, crematoria, graves and cemeteries and to manage, control and monitor exhumations reburials or disposal of human remains.

Safe handling of Chemical Substances

The investigation, monitoring, identification, evaluation and prevention of risks relating to chemicals hazardous to humans (e.g. storing and using agricultural substances)

Land-use Planning

Land Use Planning Ordinance 15 of 1985 stipulates that a number of departments including health must give input on land use planning issues. All applications for changes in land-use planning and or rezoning received by the local municipality are also forwarded to the Municipal Health Services Section of District Municipalities for comment.

Building Control.

The National Building Regulations and Building Standards Act, 1977 (Act 107 of 1977) in Section 7 & 10 refer to health as well as safety and thus requires an input on issues relating to health. District Municipalities (Municipal Health Services) also comment on all building plan applications for public buildings, received by local municipalities. The Municipal Health Services Section at the Central Karoo District Municipality also provides a building control

service in the Murraysburg District Management Area as well as for whole Laingsburg District.

Business Licensing

In terms of the Businesses Act, 1991 (Act 71 of 1991) certain businesses, especially those in the food and entertainment trade must apply for a business license with the local municipalities. Applications are also referred to the Division: Municipal Health Services for comments. The nature of the business determines whether health input should be obtained when such applications are considered.

The extent of inspections relating to the above services during the reporting period was the following:

EHP/ Area of Service delivery	Food- premises	Accomm. Inst.		Training Inst.	Medical Inst.	Waste sites		Water- works	Other
		Food	Non- food			Solid	Sewerage		

P. Nakani									
Murraysburg	40	1	0	4	2	1	1	2	7
Nelspoort	9	0	0	2	2	1	1	1	3
Mandlenkosi	10	1	0	5	1	0	0	0	2
Rural	5	5	0	0	0	-	-	-	0
SUB-TOTAL	64	7	0	11	5	2	2	3	12

D. v. Rensb.									
Prince Albert	64	12	31	3	4	1	1	1	7
Leeu Gamka	28	0	0	2	1	1	1	1	6
Klaarstroom	8	1	0	2	1	1	1	1	3
Rural	16	5	16	6	0	0	0	0	0
SUB-TOTAL	116	18	47	13	6	3	3	3	16

L. Crafford									
Beaufort West	160	18	10	24	15	1	1	1	62
Rural	2	2	0	1	0	0	0	0	0
SUB-TOTAL	162	20	10	25	15	2	1	1	62

A. du Toit									
Laingsburg	63	5	0	2	4	1	1	1	10
Matjiesfontein	2	1	0	1	0	0	0	1	2
P/ A Road	2	1	0	0	0	1	0	1	2
Merweville	15	0	0	2	1	1	1	1	3
Rural	10	3	1	2	0	0	0	0	1
SUB-TOTAL	92	10	1	7	5	4	4	4	18

TOTAL	434	55	58	56	31	9	8	11	108
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Housing

General Information.

Formal	Urban	11 839	Informal	Urban	73
	Rural	2 072		Rural	Unknown (0)
	Sub - Total	13 911		Sub - Total	73
TOTAL : 13 984					

Informal Settlements.

Settlement	Local Municipality	Nr. of Structures
Informal	Prince Albert	5
Rondomskrik	Prince Albert	21
Informal	Murraysburg	5
Kwa Mandlenkosi	Beaufort West	34
Kwa Mandlenkosi (Other)	Beaufort West	8
TOTAL : 73		

Water Supply.

Water quality. (SANS 241 Standard)

No. of samples analysed	Bac	Urban	Chem	Urban	No. of samples conforming	Bac	Urban	Chem	Urban
		65		3			63		2
		Rural		Rural			Rural		Rural
		6		0			5		-

Access to safe water:

No. of households with a safe water supply on premises	Urban	11 860 ¹
	Rural	2 072
No. of households without a water supply on premises but with access to safe water	Urban	52 ²
	Rural	0
No. of households without access to safe water supply	Urban	0
	Rural	- ³

¹ 21 (of 73) Informal houses with water supply on premises, included.

² Informal households with access to safe water within 200 meters. (Communal water taps)

³ Unknown.

Sewage disposal:

No. of sewage plants	Mun.	8	Priv.	0	Govt.	0
No. of effluent samples analysed.	Mun.	15	Priv.	N/a	Govt.	N/a
No. of effluent samples conforming to requirements	Mun.	14	Priv.	N/a	Govt.	N/a
No. of Moore Pads analysed (cholera)	0	No of Moore Pads neg.				N/a
No. of sewage plants with safe/effective method of Effluent disposal	Mun.	8	Priv.	N/a	Govt.	N/a
No. of sewage plants with safe/effective method of Sludge disposal	Mun.	1 ¹	Priv.	N/a	Govt.	N/a

¹ Sludge disposal are done at only one of the eight sewage plants in the Region.
(The method of sludge disposal is safe and effective)

Health Care Waste disposal:

No. of health care waste generators	Urban	31
	Rural	0
No. of generators that dispose of their waste safely	Urban	36
	Rural	N/a
No. of registered health care waste disposal sites	Urban	0 ¹
	Rural	N/a



Sanitation.

Access to latrines:

No. of households with access to safe / effective latrine facilities	Urban 11 894 ¹
	Rural 1 800

¹ 55 (of 73) Informal houses with access to safe latrine facilities, included.

Type of latrine:

No. of households with the following types of latrines	Flush sewage system	Urban 11 894 ¹
		Rural 758
* Not acceptable as safe/effective latrine facility according to the National White Paper on Sanitation	Chemical	Urban 0
		Rural 0
	VIP	Urban 0
		Rural 1 042
	*Pit	Urban 0
	Rural 177	
	*Buckets	Urban 100 ²
		Rural 40
	None	Urban 18 ³
		Rural 55

¹ 55 (of 73) Informal houses on flush sewage system, included.

² Transnet houses in Leeu Gamka, Prins Albert-Road, Nelspoort and Matjiesfontein.

³ 18 (of 73) Informal houses.

Refuse removal / disposal:

Classification waste sites	General				Hazardous	
	Comm. < 1 ton / day	Small >1 - <25 t/d	Medium >25 - <500 t/d	Large >500 t/d	H-h	H-H
No. of sites	9	0	0	0	0	0
No. of sites where sanitary landfill procedures are practised	6	N/a	N/a	N/a	N/a	N/a
No. of households with effective removal service					Urban 11 912 ¹ - ²	
No. of transfer stations used					0	
No. of transfer stations operated nuisance free					N/a	

¹ 73 Informal houses included.

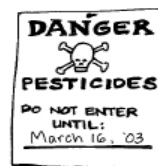
² There is no municipal removal system for solid waste on farms – every farm has it's own dumping site / area.



Food

Food handling premises:

No. of food handling premises	Formal	Urban	347	Informal	Urban	92
		Rural	48		Rural	2
No. of food handling premises with COA's	Formal	Urban	270	Informal	Urban	81
		Rural	33		Rural	2
No. of dairy farms					1	
No. of dairy farms with COA's					1	



Pesticide poisoning

No of pesticide poisonings (see definition).	Urban	0
	Rural	0
No deaths due to pesticide poisonings.	Urban	0
	Rural	0



Environmental Health related complaints.

Food.		8
Pollution.	Water.	2
	Soil (Environment).	16
	Air.	5
	Noise.	2
Tobacco control.		2
Pest control.		4
Housing.		3
Animals.		11
State premises.		0
Vacant land.		0
Total no of complaints.		53

Details of personnel employed in the section/functional unit during the financial year

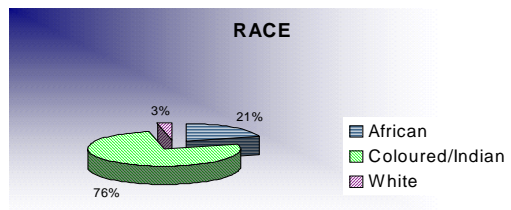
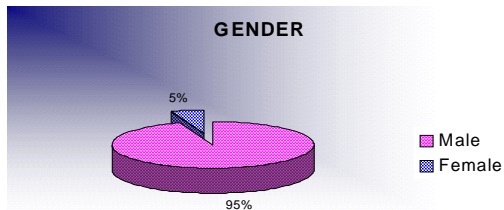
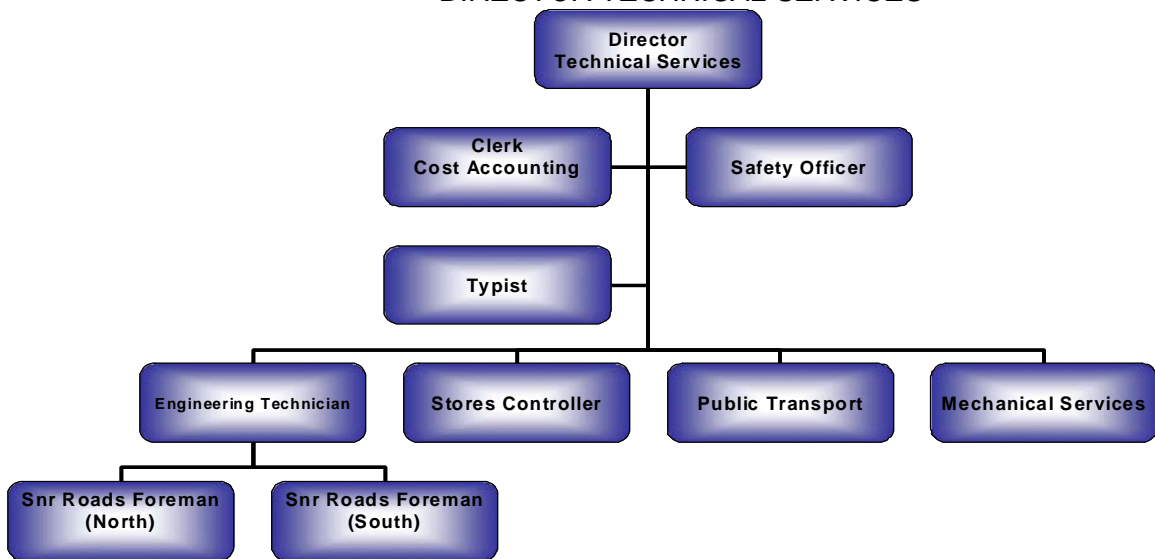
Initials / Surname	Position	ID Number	HPCSA Reg. Nr.
G. E van Zyl	Manager	66 04 30 5065 081	H I 003 7656
P. M. Nakani	Snr. EHP	60 12 27 5926 086	H I 004 5268
L. Crafford	EHP	66 06 08 5045 084	H I 003 3197
D.H.C. J v Rensburg	EHP	72 09 16 5042 086	H I 004 0568
A.M. du Toit	EHP	62 08 13 5048 083	H I 003 4991

1.5.4 Technical Services

Technical services perform an agency function for the Provincial government. Mr JH Theron who is responsible for the day-to-day management of the Department heads the Department. The main function of the department is to perform maintenance for listed provincial roads for the Western Cape Province while construction and technical work is also undertaken for other public institutions, as well as in the District Management Area, Murraysburg.



JH THERON
DIRECTOR TECHNICAL SERVICES



Total salary cost for the section: R9,087,000

Locality where service is rendered

The Head Office of the department is located at the DM office in Beaufort West, with regional offices at the following places:

- Mechanical Workshop and Supply depot at Beaufort West
- Minor depots at Laingsburg, Prince Albert, Merweville and Murraysburg

Functional analysis

- *Maintenance of certain categories of roads on behalf of the Provincial Roads Department*
- *Other transport related matters, such as Public Transport, transport plan and development of public transport infrastructure*
- *Maintenance of plant and equipment*
- *Operation of Maintenance Management System*
- *Recoverable construction work on municipal and private entrances*
- *Budget control*
- *Technical support service*
- *Administration of Roads agency function*
- *Application of Roads Ordinance and Roads Legislation*

Roads



The overall conditions of local and national roads in the region are satisfactory. However in most cases road infrastructure has been provided.

- Transport projects have contributed to the most temporary jobs within the region which amounted to 246 jobs over the past 6 months
- Interventions undertaken for road infrastructure included upgrading of pavements and sidewalks in Laingsburg, 3km storm water drainage in Prince Albert, tarring of roads and storm water drainage in Murraysburg as well as the upgrade of gravel roads in Beaufort West and a new storm water canal in Rustdene, Beaufort West.

- All of the projects, excluding that of Beaufort West have been 90% completed.
- Socio-economic impact includes the urban upgrade and regeneration of township and PDI areas in the region.
- The district wide budget allocated for road infrastructure was R7, 839,000 of which R6, 588,000 was spent.
- The funding sources were MIG and the Department of Transport.
- 246 temporary jobs were created.
- There is still a need for the tarring of 2km gravel road and storm water drainage in Murraysburg.



1.5.5 Internal Audit

Ms Edna Stadler was appointed as the Internal Auditor. Key performance areas include audit planning, internal control, audit procedures and tests, audit reporting and internal queries.

Internal audit is a key factor in ensuring that the Central Karoo District Municipality is effectively managed and that its resources are not misused or misappropriated. Internal Control is not limited to financial matters. Essentially, it is a management system, a culture, and a set of values designed to ensure that the CKDM is managed efficiently and effectively, with the appropriate policies and procedures that promote the achievement of its overall goals and objectives.

Ms Stadler is also the Internal Auditor of Prince Albert Municipality as part of shared services.



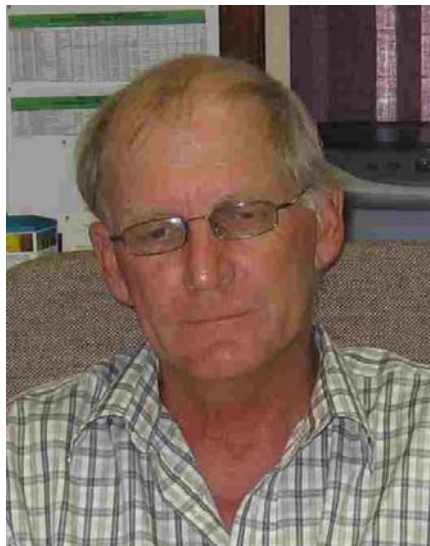
1.5.6 Infrastructure Development

Mr WH Terblanche is responsible for the co-ordination of MIG projects. Mr Terblanche administers finances of all the projects in the district.

The following projects were undertaken and completed during 2006/2007:

Water
Electricity
Sewerage

WH TERBLANCHE
SNR MANAGER
PROJECTS



2. BACKGROUND ON SERVICES PROVIDED BY THE MUNICIPALITY

2.1 SERVICE DELIVERY PERFORMANCE

Water, Sanitation and Refuse removal

Collectively over the financial year R6, 463,000 was allocated for water, sanitation and refuse services district wide of which R5, 466,000 was spent to date, thus having reached 84.5% expenditure with 95% completion. The District has dealt with remaining challenges in sanitation and refuse removal especially in rural communities and currently all households have access to clean running water, thereby reaching national goals. The district has also met the national challenge of eradicating bucket toilets by the end of 2007.

Water



The interventions undertaken included reservoir and upgrading of bulk water upgrade through the provision of a water pipe line in Prince Albert. There is also an investigation for a new aquifer in Beaufort West.

Water and upgrade of water supply in Murraysburg (DMA) amounts to R834 182.48.

Socio-economic impact of these interventions will address the issue of water wastage. This in turn will add to the preservation of our water resources in this region where water is a limited resource.

- Budget allocated for water infrastructure for this period amounts to R1 921 477.43
- The budget sources included MIG and internal funding.
- Challenges include a need for additional water resources in Prince Albert and Beaufort West due to recent drought experienced.

Sanitation

- Interventions undertaken in the District pertaining to sanitation include the provision of 100 sanitation units in Beaufort West, Nelspoort and Merweville as well as Murraysburg (DMA), an amount of R362 000 for this period.
- All of the above are 90% complete.
- Socio-economic impact: Sanitation provided previously disadvantaged communities with a healthier environment (prevention of water and airborne illnesses) and also contributed to restoring the dignity of our people.
- The District wide budget allocated for sanitation in the region included R362 000.
- Funding sources included MIG and internal sources.
- 28 temporary and permanent jobs were created.
- Challenges include a need for sanitation on some farms in Murraysburg.

Refuse

- Interventions undertaken in the District pertaining to refuse removal have been completed.
- Socio-economic impact relates to better health conditions and healthier environment.
- No budget allocated for refuse removal for this period.
- Funding sources only included MIG.
- Only temporary jobs were created.
- Currently there are no challenges.

Electricity Connections/supply

- Interventions undertaken for the supply of electricity to PDI areas included the connections to 108 housing units in Laingsburg and 260 units in Murraysburg. High mask lighting has also been provided in the PDI areas of Laingsburg.
- All housing units have received electricity connections, however the provision of high mask lighting have reached 50% completion to date.
- Socio-economic impact: Ensuring each household has access to electricity. Electricity provides immense opportunities for development in terms of being able to work and study at night. It also provided a safer environment during night time in public spaces.
- The primary source of funding was MIG and Department of Minerals and Energy.
- 24 temporary and permanent jobs were created.
- Currently there are no challenges.

Land

All land claims within the region have been processed and completed to date.

Housing

Transformation towards fully implementing the integrated human settlements paradigm within the region is moving slowly due to capacity constraints. A number of officials within technical services are currently being capacitated in IHS at the University of Cape Town. This capacity building together with the planned housing plan which has been identified as a need for the region should kick start future planning and housing provision towards the goals of integrated human settlements and the eradication of apartheid planning. These steps will therefore ensure that housing development contributes to eliminating duality of living spaces inherited from apartheid planning.

The PIMS centre at the District Municipality has also engaged with the Department of Environmental Affairs and Development Planning to re-establish an operational GIS unit which will form the basis of identification of land parcels for future planning purposes.

Prince Albert Municipality is currently in the process of engaging with Transnet for the provision of housing stock (which was rented by local poor communities).

- Other interventions undertaken include the provision of 460 new low-income housing units in Murraysburg which have also been fenced. 108 units in Laingsburg.
- 95% of these projects have been completed.

- Socio-economic impact: a home for all residents, which can serve as an asset and access to the economic mainstream.
- The district wide budget allocated for housing was R10, 232,829 of which R9, 962,829 was spent to date.
- Budget sources included the Department of Local Government and Housing.
- 150 temporary jobs were created during the construction phase.
- No challenges exist to date as all backlogs have been dealt with to date.

Social Cohesion and National Identity

Community facilities such as halls, recreational facilities, libraries, etc are available and accessible in the district. However, this is still a problem in some rural farming communities.

Availability of community facilities such as halls, recreational facilities, libraries

Facilities include:

Laingsburg: 6 halls, 1 MPCC, 3 sport facilities

Prince Albert: 3 halls, 3 sport facilities, MPCC funding from DSS for 2007/08

Murraysburg: 3 halls (1 community- and 2 school halls), 1 sport facility

Beaufort West: 8 halls, 1 MPCC, 7 sport facilities



Interventions in the last 6 months include the upgrading of the sport facility in Matjiesfontein and the clubhouse in Laingsburg, which have been completed to date.

- The budget allocated was R2, 430,000.
- MIG funding was allocated for both projects and 15 temporary jobs were created.
- The Department of Social Services and Poverty Alleviation also support and implement the following initiatives within the Central Karoo:

- Protective workshops	54 202.50
- Local Direct Service providers	1 348 262.24
- After School Care	24 200.00
- Service Centres	358 559.30
- Shelters for Children	315 000.00
- Shelters for Victims of Violence	66 000.00
- Homes for older Persons	2 251 305.00
- ECD	1 590 606.00
- Child Abuse Protocol	30 000.00
Special Programmes	
- Nodals	198 100.00
- Persons with Disabilities	48 250.00
- MPCC Operational Exp.	364 500.00
HIV/Aids	460 162.00
Poverty National	950 000.00
Total	8 059 147.04

Food security and nutrition

Interventions include:

- The local municipalities availed land for food gardens to improve food security. These projects are Murraysburg, Merweville, Leeu-Gamka, Prince Albert Road, Klaarstroom, Prince Albert, Matjiesfontein, Beaufort West and Nelspoort.
- The Department of Agriculture took responsibility for the sinking of the boreholes, while the Department of Social Services budgeted R950 000 in the 2006/07 book year and R1,6m over a period of 3 years to strengthen and expand these projects. All of these community garden projects are also linked to the soup kitchens in each community.
- The Department of Education has committed to support R1 272 871 through the School Nutrition Programme to the Central Karoo.

Justice Crime Prevention & Security Programmes

Availability of crime and prevention facilities

The following facilities are available:

- Correctional facilities – Beaufort West 1; Prince Albert 1
- Courts – Beaufort West 1, Laingsburg 1, Prince Albert 1 and Murraysburg 1
- Police Stations: Beaufort West 3, Nelspoort 1, Laingsburg 1, Laingsburg 1, Leeu Gamka 1, Merweville 1, Klaarstroom 1, Prince Albert 1 and Murraysburg 1.

Integrated Crime Prevention Strategy

The Integrated Crime Prevention Strategy has been approved and is in the process of being rolled out and implemented in all the municipalities in the Central Karoo District Municipality. The municipalities are in the process of establishing LCPS forums. The node is currently forming local crime prevention steering committee.

One of the major challenges in the roll out of this is lack of capacity.

Implementation of Social Crime Prevention Measures

The co-ordination of the implementation will be driven by the district mayor. The District Municipal Manager is the accounting person for this implementation.

Beaufort West South African Police Services is currently engaged in two projects that is addressing social crime prevention in Beaufort West. These include:

Schools are also visited to promote awareness concerning crime and crime prevention.

Women and Children

The Victim Support Group is a structure that addresses violence against women and children. These people received training from Business Against Crime and a second group was trained by Nicro. In addition, most police officers are trained in domestic violence so that they are equipped to deal with such cases. Awareness material regarding rape is also distributed by the SAPS.

The Street Kids Project

SAPS in association with the New Life Street Kid Project, street children are taken from the streets to Nelspoort where they can continue their school careers and are taken back home every month.

Governance & Administration

Implementation of Second-generation strategy of MPCC and CDW's

- Beaufort West MPCC is completed and functional.
- Laingsburg MPCC completed to the second phase and functional
- Prince Albert MPCC budgeted and planned for 2008/09
- Murraysburg MPCC budgeted for 2007/08

Number and Contribution of Community Development Workers

- Beaufort West - 22
- Laingsburg – 9
- Prince Albert – 10
- Murraysburg – 9
- Of the 50 CDW's 26 are permanent and 24 are still learners.

Number, functionality and contribution of established ward committees

Beaufort West 7 ward committees established and in progress

Laingsburg – Area committee

Prince Albert – Area committee

Murraysburg – Area committee

2.2 SERVICE DELIVERY IN MURRAYSBURG DMA

The administrative function relating to the management of Murraysburg DMA is performed at the offices of Central Karoo District Municipality in Beaufort West and at Murraysburg.

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Water backlogs (<6kl)									
Backlogs to be eliminated (Households not receiving minimum level of service)			1440	0	0	0			
Backlogs to be eliminated (% backlog Households/ total households in municipality)			0	0	0	0			
Spending on new infrastructure to eliminate backlogs (R'000)			0	880,000	0	880,000			
Spending on Renewal of existing infrastructure to eliminate backlogs (R'000)			0	0	0	0			
Total spending to eliminate backlogs			0	0	0	0			
Spending on maintenance to ensure no new backlogs created (R'000)				R108 400	R108 400	R79 959			
Sanitation backlogs									
Backlogs to be eliminated (Households not receiving minimum level of service)			1440	0	0	0			
Backlogs to be eliminated				0	0	0			

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
(% backlog Households/total households in municipality)									
Spending on new infrastructure to eliminate backlogs (R'000)				R212400	0	R212400			
Spending on Renewal of existing infrastructure to eliminate backlogs (R'000)				0	0	0			
Total spending to eliminate backlogs				0	0	0			
Spending on maintenance to ensure no new backlogs created (R'000)				R55 000	R55 000	R37 330			
Refuse removal backlogs									
Backlogs to be eliminated (Households not receiving minimum level of service)			1440	0	0	0			
Backlogs to be eliminated (% backlog Households/total households in municipality)				0	0	0			
Spending on new infrastructure to eliminate backlogs (R'000)				0	0	0			
Spending on Renewal of existing infrastructure to eliminate backlogs (R'000)				0	0	0			
Total spending to eliminate				0	0	0			

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
backlogs									
Spending on maintenance to ensure no new backlogs created (R'000)				0	0	0			
Electricity backlogs (<10kWh per month)									
Backlogs to be eliminated (Households not receiving minimum level of service)			660	0	0	0			
Backlogs to be eliminated (% backlog Households/total households in municipality)			750	0	0	0			
Spending on new infrastructure to eliminate backlogs (R'000)				R339155	R339155	R339155			
Spending on Renewal of existing infrastructure to eliminate backlogs (R'000)				0	0	0			
Total spending to eliminate backlogs				0	0	0			
Spending on maintenance to ensure no new backlogs created (R'000)				R62000	R62000	R46275			
Roads backlogs									
Backlogs to be eliminated (Households not receiving minimum level of service)			8km	0	0	0			
Backlogs to be eliminated				0	0	0			

	30 June 2006			30 June 2007			30 June 2008		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
(% backlog Households/total households in municipality)									
Spending on new infrastructure to eliminate backlogs (R'000)				R1802235	R1802235	R1802235			
Spending on Renewal of existing infrastructure to eliminate backlogs (R'000)				0	0	0			
Total spending to eliminate backlogs				0	0	0			
Spending on maintenance to ensure no new backlogs created (R'000)				R23881287	R23881287	R21192533			

Functional analysis

A community of 6 300 residents is serviced. Mr. J. Neethling is the Manager of the District Management Area and has the overall responsibility for administration, Library services and the Works Department (electricity, water, sanitation, cleansing and public works). There are a total of 27 personnel members of which three are administrative and report directly to Mr. Neethling. Normal administrative functions namely, secretarial, record-keeping, motor registrations, processing of meter readings, upkeep of registers, cash receipts, credit control etc. are delivered by Mrs. Anna Victor and Ms Alfreda Christoffels. Mr Donovan Snyders manages Council's Library. Mr Songololo Stuurman (Works Foreman) manages Councils' work teams, while Mr Hennie Booyen is responsible for the Council controlled electricity network.

Functions of the unit include:

- Management and control
- Provide inputs for Council meetings
- Execute Council resolutions
- Communication with other sectors
- Obtain funding
- Manage and control financial administration of the DMA, including income, expenditure, debtors, creditors, stores, assets and investments
- Preparation of monthly meetings
- Compilation of HR policies
- Preparation, revision and implementation of the IDP for the DMA
- Manage vehicle registration process in the DMA



A high quality service is delivered to approximately 1 000 households. Evident of the high quality service is the monthly distribution of free refuse bags – a service few larger authorities can provide.

Water provision

Water is supplied to all consumers in Murraysburg. Every consumer's water meter is read on a monthly basis and a service account for water is delivered to the consumer. Boreholes, pipelines and reservoirs are maintained regularly.

Sewerage

The service is delivered to all households connected to the sewerage system. .

The service further includes maintenance work and purification. A monthly service account for sanitation is delivered to each consumer.

No problems of any significance are experienced with the delivery of the sewerage function.

Refuse Removal

The service is delivered to all households, schools and businesses. The maintenance of the dumping site and the delivering of a monthly service account for refuse removal to the consumer is part of this service.

The refuse site does not comply with required standards and will need upgrading as well as an application for a permit.

Electricity

Electricity is supplied by the DM to 660 households, schools and businesses in Murraysburg DMA. Eskom supplies electricity to 750 households.

Pre-paid electricity meters (Conlog System) are in use. Regular maintenance is done on the electricity network.

Planning and Surveying

Virtually no growth is experienced in the District Management Area of Central Karoo District Municipality, as indicated in the table below.

Category	Applications outstanding on 1 July 2006	Number of new applications received 2005/06	Total value of applications received	Applications outstanding 30 June 2006
Residential new	0	1	R251 625	0
Residential additions	0	7	R412 628	0
Commercial	0	0	R0	0
Industrial	0	0	R0	0
Other : <ul style="list-style-type: none"> • Cell phone antennae • Store for flammable goods • Classrooms at College 	0	0	R0	0

2.3 PROGRESS ON KEY PERFORMANCE AREAS

CROSS CUTTING INTERVENTIONS (these are interventions that will have an influence on the implementation of all 5 KPA's)

District Communication Plan

The Communication Framework has been completed and adopted by the District Municipality in December 2006. It is currently in circulation for acceptance by the B-municipalities. The regional communication forum was launched during May 2007.

Youth and Gender

An integrated unit will be established in the office of the District mayor with the support of the Provincial Department of Local Government and Housing. A decision was also taken to include the disabled, elderly and children into this program. An appointment into this office will be made soon.

A youth centre was launched in March 2007.

CDW's

MOU's have already been finalised in October 2006. The CDW's are now also reporting to the DCF on a bi-monthly basis and are fully functional.

Establishment of 2010 Soccer Committee

The DCF initiated the establishment of a regional 2010 Soccer Committee to accommodate specific issues forthcoming the 2010 event.

Performance Management

All the relevant Performance Contracts of the Section 57 appointments are in place. Authorities in the region make use of the e-perform Performance Management System and was the latter earmarked for maintenance by the District through Shared Services.

2.3.1 KPA1: Transformation & Organisational Development

Shared Services Centre.

All the Local Authorities in the region have adopted a DCF agreed-upon, Shared Services Centre model. The first appointment for a Supply Chain/Performance Management officer will take into effect at the end of February 2007.

Retaining of existing skills and personnel through the Human Capital Plan

The Skills Development Plan, as part of the Human Capital Development Plan, is currently in the implementation phase and is due for review in June 2007.

Appointments of Municipal Managers

- Central Karoo District Municipality
 - Still acting pending the appeal outcome of previous Manager.
- Beaufort West Municipality
 - Municipal Manager appointed.
- Laingsburg Municipality
 - Municipal Manager appointed.
- Prince Albert Municipality
 - Municipal Manager currently suspended; Acting Manager appointed.

Development of 5-year District and local IDP's

The development of the new 5-year IDP is on track. The District is currently not using any consultants and the PIMS centre is managing the process.

The different municipalities have established IDP Forums and will be engaged on a more regular basis as the process is unfolding. The District and the B-municipalities are also working in close relationship with the Sector Department's district offices at a local level.

2.3.2 KPA2: Basic Service Delivery

The objective is to sustain the quality, affordability and equitability of services to the communities in the Central Karoo. The District is in process to facilitate the development of the following strategies and plans:

- Integrated Human Settlement Strategy
- Land Reform Strategy and Area-base planning in conjunction with the Department of Land Affairs
- Land Use Management Strategy
- Infrastructure Maintenance Plan

The process of reviewing the Waste Management Plan and Spatial Development Framework is also continuing. The Department of Environmental Affairs availed R60 000,00 to complete this process.

2.3.3 KPA3: Local Economic Development (LED)

The objective is to strengthen and stimulate the economy for sustainable growth in conjunction with our Social Partners.

LED Progress.

As previously stated, strategies are in place in all Central Karoo municipalities. The socio-economic profile, which has been done by the Provincial Treasury, will now be aligned and worked into the LED strategies as well as the IDP. The District is also working on a District Economic Marketing Strategy. This will be finalised by the end of June 2007.

Some LED projects are already taking place in communities:-

PROJECT	PROVISION OF EMPLOYMENT		PROJECT FUNDED BY
	PERMANENT	TEMPORARY	
1. Brick making	4	25	Job Creation Trust of DBSA
2. Firewood	1	20	Job Creation Trust of DBSA
3. Driver's Licences		60 unemployed	Department of Education
4. Pig Farming	10 small farmers		Department of Agriculture
5. Chicken Farming	In progress		Department of Agriculture
6. Working for Water	30		

Tourism Plan.

The draft Tourism Plan for the district is now being work shopped with the different stakeholders.

Economic Development Agency.

The feasibility study, which aims at testing the viability and the management structure for such an Agency, will be completed by the end of August 2007 which will drive economic development in the Central Karoo.

2.3.4 KPA4: Financial Viability

- The Billing System in the Local and District municipalities has been implemented and is functional.
- Currently the municipalities in the region are on track regarding the transition process of financial reporting in terms of GRAP.
- The CDW's are used to motivate and encourage the culture of payment.
- All municipalities have debt collection policies and are implementing the policies agreed upon.
- Part of the solution for municipalities is also the implementation of Pre-paid water meters, which they are all busy with at the moment.
- A Regional Property Valuation of all properties in the region will be done in terms of the Property Rates Act.

2.3.5 KPA5: Good Governance & Public Participation

- Internal and External IGR arrangements are firmly established in the Central Karoo District Municipality.
- Full utilization of District- and Local IDP forums, as the basis for coordination and participation in order to develop a credible IDP, is now taking place.
- Ward committees will be utilized to strengthen and support IDP processes.

2.4 SPECIAL ACHIEVEMENTS FOR THE PAST YEAR

- Approval of the Shared Services Centre model by the DCF and different municipalities.
- Laingsburg Municipality won the Provincial Vuna Award for Institutional development.
- Both Prince Albert and Laingsburg municipalities have Unqualified Financial Reports.
- LED strategies were approved in the three B-municipalities.
- The Draft Communication Strategy for the District has been approved

2.5 EXCELLERATED SERVICES REGARDING IMBIZOS

Equity and transformation

- Municipalities need to inform communities of their equity policy and targets and the transformation process.
- Request to extend the indigent policy to the whole community.

Action:

- Financial constraints hamper the intention to extend the indigent policy to all.
- Communication Strategy is approved and will be implemented.

2.5.1 Customer Service and awareness

- Greater community awareness needed around services that government provide and how community can access these services.

Action:

- Community Meetings with specific emphasis on burning issues.

2.5.2 Good Governance

- Alledged corruption in some processes of contracts and tendering.

Action:

- Supply Chain Management policy has been reviewed.
- Municipalities also communicated the anti-corruption policy with the internal stakeholders.

2.5.3 Infrastructure and sanitation

- Community must be informed of policy with regard to free basic services in terms of qualification, framework and criteria.
- Inadequate clean up by municipality after repair or maintenance work has taken place.

Action:

- Indigent policy conditions and criteria will be communicated.
- Communication Strategy.

2.5.4 Housing

- Asla Devco housing development – poor quality of houses and ownership needs to be resolved.
- Request for additional housing.

Action:

- Municipality gave a Timeframe for completion and rectification before end of April 2007.
- Preliminary approval for 600 houses in Beaufort West; 200 in Nelspoort and 90 in Merweville obtained.

2.5.5 Local Economic development – Job creation

- Unemployment is a serious concern (youth).

Action:

- Launch of Western Cape Youth Commission took place in Beaufort West - employment opportunities and exit strategies for Youth were explained.

2.6 INTEGRATED HOUSING DELIVERY

CKDM – Murraysburg



The Housing project in the DMA was completed in October 2006 – 460 houses in total to the amount of R17 984 305,36. Asla Devco is currently rectifying shortcomings. CKDM obtained an amount of R1,610m from the DME for electrification of the 460 houses – completed successfully.

Beaufort West

240 beneficiaries received their keys the past 6 months. BWM received R 6 842 592 from April 2006 to January 2007 and spent 66%.

Laingsburg

Laingsburg received R1 907 993 from April 2006 to January 2007 and spent 128%

2.7 INFORMAL SETTLEMENT DEVELOPMENT

Relatively spoken there are few Informal Settlements in the Region.

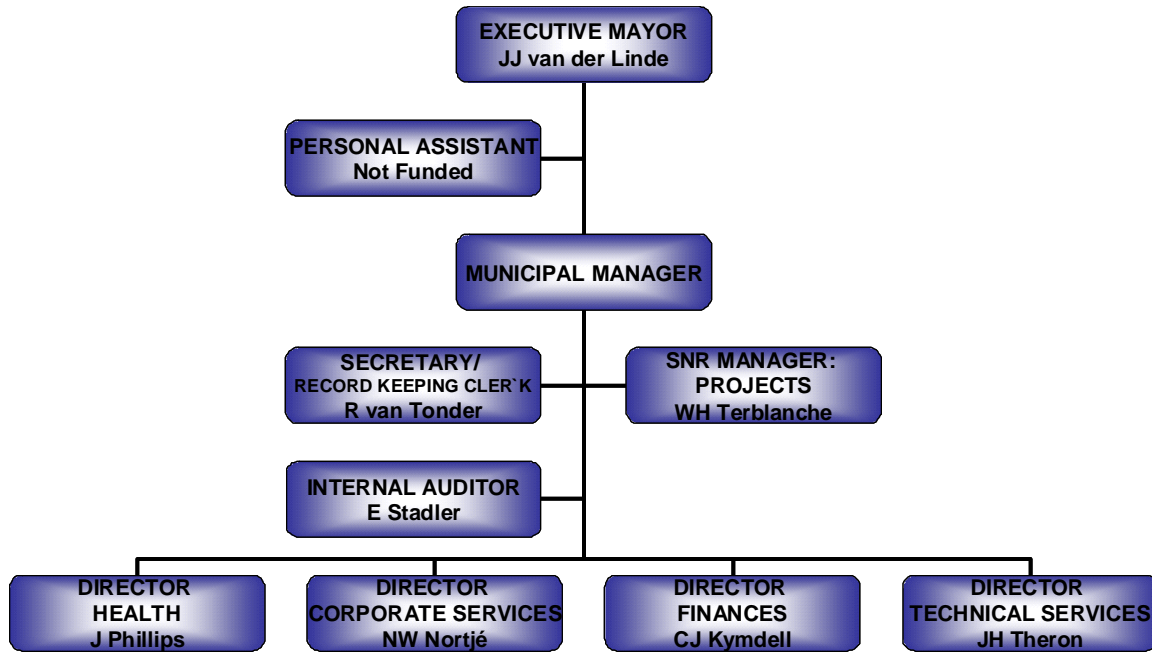
Prince Albert

Prince Albert received R 627,291 for the purchase of 44 erven for informal settlements. Negotiations in process for purchasing of the land

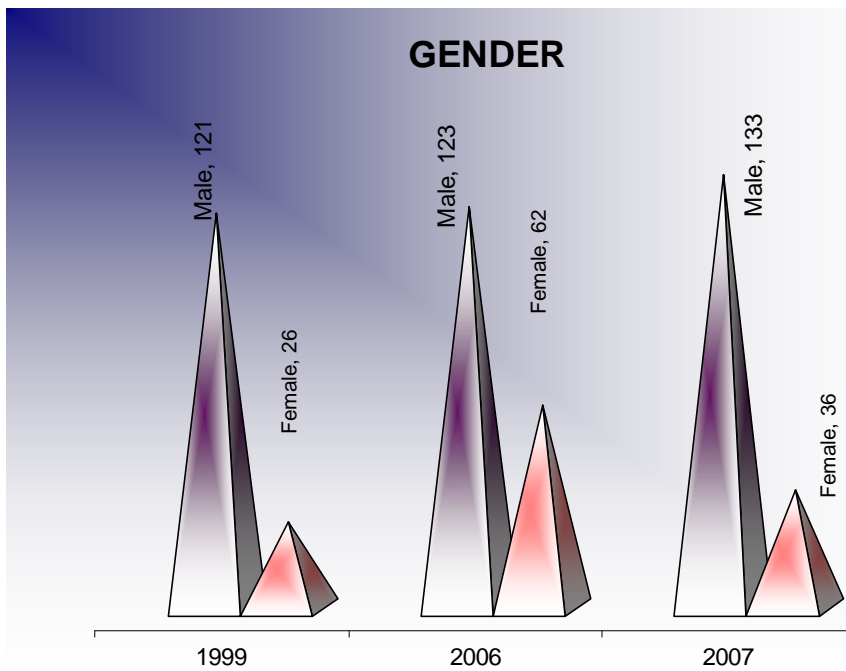
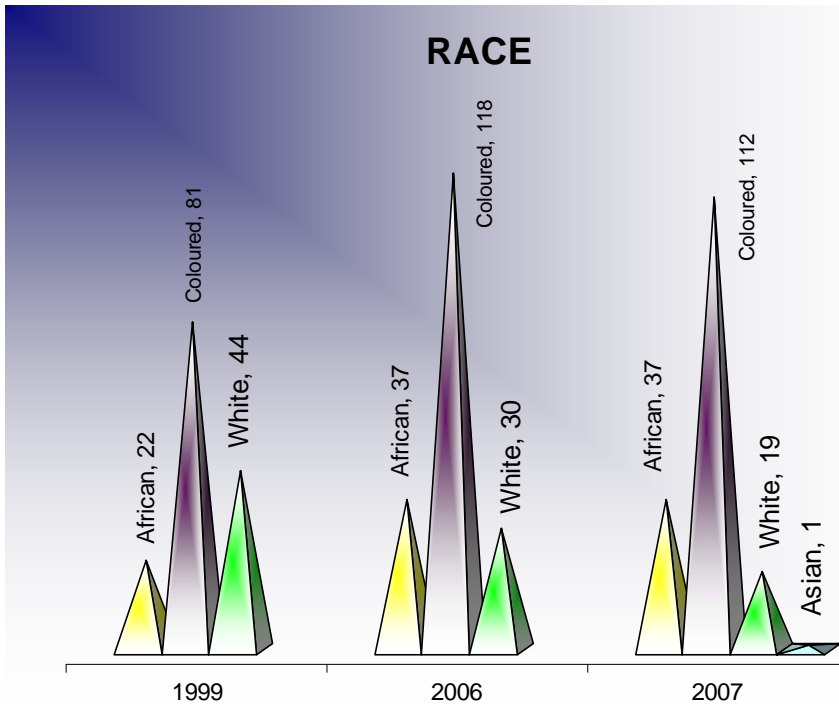
3. HUMAN RESOURCE AND OTHER ORGANISATIONAL MANAGEMENT

3.1 BACKGROUND

A high level organogram of the Municipality indicate the following organisational structure:



The Personnel by Race and Gender are as follows:



3.2 EMPLOYMENT EQUITY

Occupational Categories	Male			Female				White Male	Foreign Nationals		TOTAL
	A	C	I	A	C	I	W	Male	Female		
Legislators, senior officials and managers	1	1						3			5
Professionals	3	2			2	4		6			17
Technicians and associate professionals	2	8						1			11
Clerks		3		1	7	4					15
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers	6	24	1								31
Elementary occupations	18	54		6	12						90
TOTAL PERMANENT	30	92	1	7	21	8		10			169
Non – permanent employees	0	10	0	0	2	0		0			12
GRAND TOTAL	30	102	1	7	23	8		10			181

Employees/Representation in occupational categories

The number and percentage staff in occupational categories as per Regulations EEA2, broken down by race and gender as at 30 June 2007 are as indicated in the table below.

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											

Occupational Categories	Male				Female				Foreign Nationals		TOTAL
	A	C	I	W	A	C	I	W	Male	Female	
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers											
Plant and machine operators and assemblers		1									1
Elementary occupations	1				1						2
TOTAL PERMANENT	1	1			1						3
Non – permanent employees											
GRAND TOTAL	1	1			1						3

EMPLOYMENT EQUITY PLAN

Central Karoo District Municipality's holistic approach to employment equity relates to the vision of an institutional culture that is free of all forms of discrimination (including harassment), that nurtures everyone and that not only tolerates differences but values diversity for the richness it brings to the work of a Municipality.

During the year appointments and promotions were conducted in accordance with the EE Plan, as far as possible. Following to the Plan and EE Policy, appointments will be made according to an Employment Equity schedule of numeric goals.

3.3 TRAINING

The Municipality values its staff and considers training of staff imperative for continued excellent service delivery. During the financial year several workshops were attended by both staff and Councillors and extensive training of staff took place, as indicated below:

Training Course	No of staff trained
Supervisory	30
Roadwork Machinery Operation	1
HASCEM (Dangerous Goods Transportation)	2
ABET	11
Disaster Risk Management	10
Computer Training	2
Drivers Licenses	12
NAVIS Traffic System	1

Training Course	No of staff trained
BA Degree	2
Basic Registry Skills	2
Skills Development Facilitator Training	1
Supply Chain Management	3
Dispensing Practitioner	1
Strategic Planning and Project Management	2
Telephone Etiquette	1
BCOM	1
Mancosa Management	1
First Aid	2
BA Social Development	1
Public Administration	2
LED	2
Financial Management	2
Discipline Skills	1
Library Information	1
Civil Designer	1
Construction Regulations	1

Capacity building and training for new councillors

- SALGA training to councillors – introduction to Local Government held 3-7 April 2006
- District CBP training – 3 days – 5-7 July 2006
- DPLG Councillor training – August 2006
- Councils capacity building training – 17 & 18 October 2006



3.4 STAFF MOVEMENTS

Staff movements, appointments, promotions and terminations for the current financial year are indicated in the tables below:

Recruitment

	Male			Female				White Male	Foreign Nationals		TOTAL
	A	C	I	A	C	I	W	Male	Female		
Top management	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management	-	-	-	-	-	-	-	-	-	-	-
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	-	1	-	-	-	-	-	-	-	-	1
Semi-skilled and discretionary decision making	-	-	-	-	1	-	-	-	-	-	1
Unskilled and defined decision making	1	6	-	1	1	-	-	-	-	-	9
TOTAL PERMANENT											
GRAND TOTAL	1	7		1	2						11

Terminations

	Male			Female				White Male	Foreign Nationals		TOTAL
	A	C	I	A	C	I	W	W	Male	Female	
Resignation	1	2	-	-	1	-	1		-	-	5
Non-renewal of contract	-	1	-	-	-	-	-	-	-	-	1
Dismissal – Operational requirements (retrenchment)	-	-	-	-	-	-	-	-	-	-	-
Dismissal - misconduct	1	-	-	-	-	-	-	-	-	-	1
Dismissal - incapacity	-	-	-	-	-	-	-	-	-	-	-
PENSION	1	-	-	-	-	-	-	-	-	-	1
DEATH	1	2	-	-	-	-	-	1	-	-	4
Other	-	-	-	-	-	-	-	-	-	-	-
TOTAL	4	5	-	-	1	-	1	1	-	-	12

Promotions

	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	-	-	-	-	-	-	1	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	-	-	-	-	2	-	-	-	-	-	2
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	-	-	-	-	-	-	-	-	-	-	-
TOTAL PERMANENT	-	-	-	-	-	-	-	-	-	-	-
Non-permanent employees	-	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL	-	-	-	-	2	-	1	-	-	-	3

3.5 MEDICAL AID AND PENSION FUND MEMBERSHIP

All employees are members of a medical aid and pension fund, selected by own choice from the list below:

Medical Aids

- Munimed
- Hosmed
- LA Health
- Bonitas
- Samwumed

Pension Funds

- Joint Municipal Councillors Pension Fund
- Cape Joint Retirement Fund
- Cape Joint Pension Fund
- SAMWU National Provident Fund
- Pension Fund for Municipal Councillors

3.6 IT SYSTEMS

Central Karoo District Municipality utilizes the following IT systems:

Payday
E Perform
Abacus
Combined Systems (Baud)
Ms Office
Flexgen
Quidity

3.7 DISCLOSURE CONCERNING COUNCILLORS AND STAFF

Disclosure concerning Councillors and Managers for the period 1 July 2005 to 30 June 2006

Description	Mayor	Councillors (x13)	Municipal Manager	CFO	Other Managers x3 (Corporate Services, Health Services, Technical Services)	TOTAL (ALL STAFF)
	R'000	R'000	R'000	R'000	R'000	R'000
Salaries	392	1,855	654	565	1,670	9,901
Contributions to:					Included in CTC Package	
• Pensions						

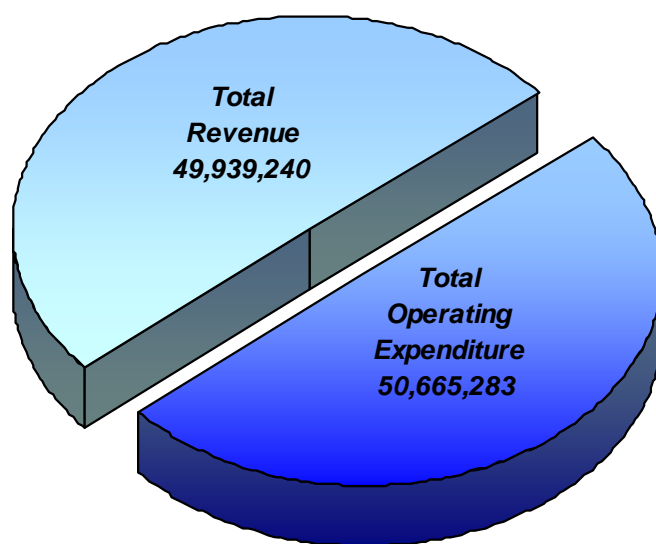
Description	Mayor	Councillors (x13)	Municipal Manager	CFO	Other Managers x3 (Corporate Services, Health Services, Technical Services	TOTAL (ALL STAFF)
	R'000	R'000	R'000	R'000	R'000	R'000
& • Medical Aid			10	5		2,503
Allowances • Travel & Car& • Accommodation& • Subsistence			26	7	Included in CTC Package	696
Housing Benefits & Allowances				0	Included in CTC Package	155
Loans & Advances			0	0	0	
Other Benefits & Allowances			17	0		369
Arrears owed to municipality	0	0	0	0	0	0

4. AUDITED STATEMENTS AND RELATED FINANCIAL INFORMATION

The complete financial statements are attached as Annexure B.

Actual income and expenditure for the 2006/2007 financial year were as follows:

FUNCTION	Actual Income	Actual Expenditure
Executive & Council	728,000	3,357,348
Finance & Admin	6,326,475	12,023,334
Planning & Development	4,875,702	4,670,975
Health	52,031	1,587,033
Community & Social Services	2,162	183,109
Public Safety	-	507,526
Sport & Recreation	2,078	201,922
Environmental Protection	-	-
Waste Management	985,719	1,349,149
Road Transport	23,431,753	24,746,808
Water	803,600	977,984
Electricity	1,208,443	1,362,020
Other	11,523,277	5,725,700
Less Inter-Dept Charges		(6,027,625)
TOTAL	49,939,240	50,665,283



The following outputs have been achieved:

The region's MIG grants for 2006/2007 amounted to R3,210,000. The grants were awarded as follows:

Sanitation – reservoir	R212 400
Upgrading water network	R854 042
Upgrade gravel roads	R308 000
Rural sanitation	R307 460
New storm water	R202 280
Investigate new speed bumps (keerwalle)	R193 355
Rehabilitation streets	R154 400
Upgrade water	R778 063
Rehabilitation water mains	R200 000

The table provides an overview of the interventions undertaken in the period under review, i.e. last 6 months for the Central Karoo District. The interventions are discussed in terms of the cluster programmes and show the following key areas as provided by the general guideline for the report. These key areas include:

- Interventions undertaken in the period under review
- Implementation progress made within the last 6 months
- Socio-economic impact
- Budget allocated
- Expenditure to date
- Budget source
- Job created

Project challenges and measures taken to rectify challenges

BEAUFORT WEST		
ISSUES	DELIVERABLE	RESOURCES REQUIRED
Financial viability	Strategic plan on financial viability	R 182 000.00
LED strategy	Integrated LED strategy	R 249 000.00
Institutional development	(aligned)	R 195 000.00
Project management and Executive leadership support	Model for shared services (Available amount – R734 000.00)	R 108 000.00
LAINSBURG		
ISSUES	DELIVERABLE	RESOURCES REQUIRED
Economic development	Integrated LED strategy	R 350 000.00
Updating of Waste and Sewerage rules of Order	(aligned)	R 50 000.00
S78 Assessments	Updating of Rules and Order	R 30 000.00
Model for Shared Services	Assessment of services to all farms	R 196 000.00
Project management and Executive leadership support	Model for shared Services (Available amount – R734 000.00)	R 108 000.00

PRINCE ALBERT		
ISSUES	DELIVERABLE	RESOURCES REQUIRED
Infrastructure and Housing	Unblocking of	R 50 000.00
Financial Viability	Housing/water/land issues	R 22 000.00
LED and job creation	Transport Plan	R 30 000.00
Project management and	Staffing plan for entire	R 108 000.00
Executive leadership support	municipality	R 44 000.00
	Model for Shared Services	R 135 000.00
	ID resources for revenue	R 108 000.00
	enhancement	
	Develop LED Strategy	
	(Available amount –	
	R734 000.00)	

4.1 INDIGENT POLICY

Free basic services are provided for indigent households. The Indigent Policy is applicable to all households in Murraysburg DMA with a monthly income less than R1,560 per month. Currently 1,100 households in Murraysburg qualify for the monthly subsidy of municipal accounts. The Indigent Policy is confined to Murraysburg DMA as this is the only area where municipal services are rendered.

R0 - R180 pm

SERVICE	MONTHLY SUBSIDY	NUMBER OF SUBSIDIES	TOTAL SUBSIDIES
Rates			
Water Basic	R 18.50	100	R 22,200.00
6kl Water	R 12.00	100	R 14,400.00
Sewerage	R 23.50	100	R 28,200.00
Refuse Removal	R 26.00	100	R 31,200.00
50kw Electricity	R 22.50	100	R 27,000.00
VAT	R 14.35	100	R 17,220.00
TOTAL	R 116.85	100	R 140,220.00

R181 - R780 pm

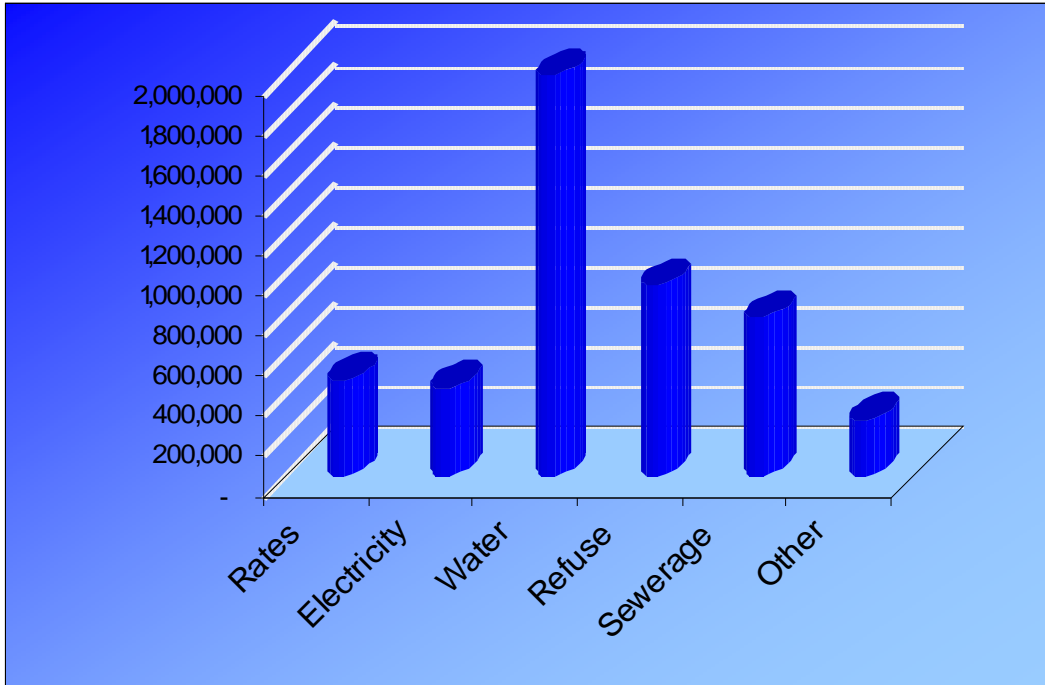
SERVICE	MONTHLY SUBSIDY	NUMBER OF SUBSIDIES	TOTAL SUBSIDIES
Rates			
Water Basic	R 9.25	317	R 35,187.00
6kl Water	R 12.00	317	R 45,648.00
Sewerage	R 11.75	317	R 44,697.00
Refuse Removal	R 0.00	0	R 0.00
50kw Electricity	R 22.50	317	R 85,590.00
VAT	R 7.77	317	R 29,557.00
TOTAL	R 63.27	317	R 240,679.00

R781 - R1 560

SERVICE	MONTHLY SUBSIDY	NUMBER OF SUBSIDIES	TOTAL SUBSIDIES
Rates			
Water Basic	R 9.25	683	R 75,813.00
6kl Water	R 12.00	683	R 98,352.00
Sewerage	R 0.00	0	R 0.00
Refuse Removal	R 0.00	0	R 0.00
50kw Electricity	R 22.50	683	R 184,410.00
VAT	R 6.13	683	R 50,241.48
TOTAL	R 49.88	683	R 408,816.48

4.2 OUTSTANDING DEBTORS

The outstanding debtors in respect of services for Murraysburg as on 30 June 2007, are the following:



5. FUNCTIONAL SERVICE DELIVERY REPORTING

See Excel Spreadsheets (Annexure A)

5.1 PERFORMANCE MANAGEMENT

- ***The report by the Auditor General on the Performance Management System is attached as Annexure***

5.2 BACKGROUND

ePerform Performance Management software, as developed by PricewaterhouseCoopers, has been installed and implemented at the District Municipality, as well as the local municipalities of Laingsburg, Prince Albert and Beaufort West. This means that the entire region now have *ePerform* software.

The Performance Management System was developed and implemented to measure the Municipality on the following levels:

- ***Organisation***

The institutional preparedness of the municipality to implement change drivers such as the IDP and other initiatives to improve and increase service delivery is measured. The result of this exercise serves as input for other spheres, e.g. the development of indicators, review of the IDP and development of human resources.

- ***IDP/Budget***

The validity of the strategy of the municipality and the extent to which it is successful is measured by comparing actual results with strategy and plans.

- ***Human Resources***

The performance of individuals is measured against personal performance targets, which are set in accordance with job descriptions and their role in the strategy of the municipality.

Performance Management at all the municipalities in the Central Karoo is currently hampered by a lack of capacity. The small staff numbers of the municipalities means that the maintenance of a PMS have to be done by staff in addition to their normal tasks.

To address this problem, consideration is to be given to a shared service centre as well as extended support and resource capacitating by PricewaterhouseCoopers.

5.3 NATIONAL INDICATORS

In terms of section 43 of the Systems Act, Regulation 10 of the Regulations to the Act, the following general key performance indicators are

INDICATOR	2002/03	2003/04	2004/05	2005/06	2006/07
Percentage of household with access to all basic household services	95%	100	100	100	100
Percentage of households earning less than R1100 per month with imputed expenditure with access to all free basic services	71%	71%	71%	73%	76%
Percentage of capital budget spent on projects identified in terms of the Integrated Development Plans (IDPs)	76,6%	95%	98%	85%	100%
Number of jobs created through local economic development initiatives supported by the municipality	0	0 ¹	75 ²	10 ²	36 ²
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;	2 Coloured 4 White	1 African 3 Coloured 4 White	1 African 3 Coloured 4 White	1 African 3 Coloured 4 White	1 African 2 Coloured 4 White
Percentage of skills levy received in rebate as a measure of the municipality's investment in human resource development			67%	55%	60%
Financial viability defined as: debt coverage = (total revenue-conditional grants)/debt service payments	0,77	1,24	1,02	1.11	2.36

INDICATOR	2002/03	2003/04	2004/05	2005/06	2006/07
Outstanding debtors to revenue = total outstanding debtors/annual revenue	1,77	1,5	1,54	1.34	.91
(cash inclusive of transfers + investments) / (monthly) salary / wage bill + average fixed expenditure)	3,66	2,1	1,28	1.18	1.46

¹ Although no jobs were created, various job creation activities were undertaken, during which unemployed persons were used extensively.

² Primarily temporary jobs with a ratio of about 10% which is permanent.

ANNEXURE A

Functional Service Delivery



CHAPTER 5 - FUNCTIONAL SERVICE DELIVERY REPORTING

TABLE OF CONTENTS

Function	Sub-Function	Page
General Information		2
Executive and Council		3
Finance and Administration	Finance	4
	Human Resources	8
	Other Administration (Procurement)	9
Planning and Development	Economic Development	10
Health	Clinics	11
	Ambulance	12
Community and Social Services	All inclusive	13
Housing		14
Public Safety	Police (Traffic)	15
Waste Management	Solid Waste	16
Waste Water Management	Sewerage	17
Road Transport	Roads	18
	Public Buses	19
Water	Water Distribution	20
Electricity	Electricity Distribution	22
	Street Lighting	24

CENTRAL KAROO DISTRICT MUNICIPALITY
GENERAL INFORMATION

Reporting Level	Detail	Total	
Overview:	The Central Karoo District Municipality is based in Beaufort-West. The District consist of three B-municipalities, namely Beaufort West, Laingsburg and Prince Albert		
Information:	<i>Statistical information on 30/06/2007</i>		
	Geography:		
	1 Geographical area in square kilometres		39 190km ²
	Source of information:		
	Demography:		
	2 Total population		62 410
	Source of information: Stat SA 2001		
	3 Indigent Population		1100 households
	Income less than R1 560 per month		
	4 Total number of voters		29 588
5 Aged breakdown:	- 65 years and over		3 601
	- between 40 and 64 years		17 721
	- between 15 and 39 years		19 410
	- 14 years and under		19 752
	Source of information: Stat SA 2001		
6 Household income:	- between R781,00 - R1 560,00 per month		683
	- between R181,00 - R780,00 per month		317
	- R0 - R180,00 per month		100

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:

Function:	Executive and Council
Sub Function:	N/A

Reporting Level	Detail	Total																																					
Overview:	The Council of the Central Karoo District Municipality consists of 14 members, which is representative of all the B-municipalities in the District (Beaufort West Municipality 5, Laingsburg Municipality 1, Prince Albert Municipality 1, Murraysburg DMA 1, Proportional List 6).																																						
Description of the Activity:	<p>The function of executive and council within the municipality is administered as follows and includes:</p> <p>CORPORATE SERVICES:</p> <ul style="list-style-type: none"> - Administration - Human Resource Management - District Area Management - Fire Services & Disaster Management - PIMMS - Local Economic Development <p>These services extend to include district of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <p>provide services as per legal proclamation</p> <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> Improvement of the relationship with the private sector Human Resource Development SMME Development Sector Development Business Development (Investment & Retention) Poverty Alleviation Black Economic Empowerment <p>The key issues for 2006/07 are:</p> <p>The district needs to look at ways to budget internally for LED</p> <p>The coherence of the LED/IDP needs attention</p> <p>IDP - budget link needs improvement</p> <p>The financial health is a concern and specific issues were highlighted</p> <p>The issue of the maintenance infrastructure is a concern</p>																																						
Analysis of the Function:	<p>Provide statistical information on 30/06/2007</p> <p>1 Councillor detail:</p> <table border="1"> <tr> <td>Total number of Councillors</td> <td>14</td> </tr> <tr> <td>Number of Councillors on Executive Committee</td> <td>3</td> </tr> </table> <p>2 Ward detail:</p> <table border="1"> <tr> <td>Area Committees</td> <td>1</td> </tr> <tr> <td>Number of Ward Meetings</td> <td>6</td> </tr> </table> <p>3 Number and type of Council and Committee meetings:</p> <table border="1"> <tr> <td>General Council Meetings</td> <td>7</td> </tr> <tr> <td>Special Council Meetings</td> <td>10</td> </tr> <tr> <td>Constitutional Committee</td> <td>0</td> </tr> <tr> <td>Ad Hoc Committee</td> <td>1</td> </tr> <tr> <td>Mayoral Committee</td> <td>11</td> </tr> <tr> <td>Financial Committee</td> <td>5</td> </tr> <tr> <td>Health & Public Committee</td> <td>9</td> </tr> <tr> <td>Labour Forum</td> <td>2</td> </tr> <tr> <td>Training Committee</td> <td>0</td> </tr> <tr> <td>PIMMS Committee</td> <td>1</td> </tr> <tr> <td>External Audit Committee</td> <td>2</td> </tr> <tr> <td>District Intergovernmental Committee</td> <td>2</td> </tr> <tr> <td>DMA Committee</td> <td>7</td> </tr> <tr> <td>Personnel Committee</td> <td>15</td> </tr> </table> <p>List here Council meetings, followed by individual committee and the number of times that each met</p>	Total number of Councillors	14	Number of Councillors on Executive Committee	3	Area Committees	1	Number of Ward Meetings	6	General Council Meetings	7	Special Council Meetings	10	Constitutional Committee	0	Ad Hoc Committee	1	Mayoral Committee	11	Financial Committee	5	Health & Public Committee	9	Labour Forum	2	Training Committee	0	PIMMS Committee	1	External Audit Committee	2	District Intergovernmental Committee	2	DMA Committee	7	Personnel Committee	15		
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Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

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 should appear in Chapter 4 on <i>Financial Statements and Related Financial Information</i> .																										
Description of the Activity:	<p>The function of finance within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Salaries - Debtors - Creditors - Procurement - Stores <p>The primary function of this division is to compile the Annual Budget and Financial Statements of the council and to ensure efficient and effective financial management</p> <p>The staff of the Finance Department consist of.</p> <ul style="list-style-type: none"> * Director Finance * Accountant * Income Clerk/Cashier * Interns * Creditor Clerk * Salary Clerk <p>The strategic objectives of this function are to:</p> <p>The primary objective is to compile the Annual Budget and Financial Statement of Council and to ensure effective financial management</p> <p>The key issues for 2006/2007 are:</p> <ul style="list-style-type: none"> - A Shared Services Centre can address the capacity gaps in a holistic way in the district together with the local municipalities - Provide Opportunities to extend property tax to Provincial & National Government and State-Owned Enterprises for all land occupied by public infrastructure such as railway lines and national roads. As the regulations for the Property Rates Act are not finalised and the provisions that allow this are being debated, the necessary lobbying process needs to take place to ensure that such provisions remain as this will have a profound impact on the income of the municipality 																										
Analysis of the Function:	<p><Provide statistical information on 30/06/2007</p> <p>1 Debtor billings: number and value of monthly billings: Function - <list function here eg: water, electricity etc></p> <table border="1"> <thead> <tr> <th>Total for Rates, Water, Electricity, Sanitation, Refuse</th> <th>Billed</th> <th>Received</th> </tr> </thead> <tbody> <tr> <td>Jul-06</td> <td>877 721</td> <td>88 223</td> </tr> <tr> <td>Aug-06</td> <td>223 807</td> <td>113 112</td> </tr> <tr> <td>Sep-06</td> <td>498 098</td> <td>330 739</td> </tr> <tr> <td>Oct-06</td> <td>199 478</td> <td>175 427</td> </tr> <tr> <td>Nov-06</td> <td>208 606</td> <td>93 534</td> </tr> <tr> <td>Dec-06</td> <td>196 730</td> <td>79 869</td> </tr> <tr> <td>Jan-07</td> <td>253 210</td> <td>212 141</td> </tr> </tbody> </table>	Total for Rates, Water, Electricity, Sanitation, Refuse	Billed	Received	Jul-06	877 721	88 223	Aug-06	223 807	113 112	Sep-06	498 098	330 739	Oct-06	199 478	175 427	Nov-06	208 606	93 534	Dec-06	196 730	79 869	Jan-07	253 210	212 141		
Total for Rates, Water, Electricity, Sanitation, Refuse	Billed	Received																									
Jul-06	877 721	88 223																									
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Nov-06	208 606	93 534																									
Dec-06	196 730	79 869																									
Jan-07	253 210	212 141																									

Function: Finance and Administration
 Sub Function: Finance

Feb-07	223 712	92 173
Mar-07	237 860	266 512
Apr-07	208 459	56 625
May-07	233 856	96 123
Jun-07	212 157	84 168
TOTAL	3 573 695	1 688 648
Rates	Billed	Received
Jul-06	697 196	7 185
Aug-06	2 451	22 399
Sep-06	2 453	207 749
Oct-06	2 453	44 374
Nov-06	2 451	28 147
Dec-06	2 451	12 941
Jan-07	2 451	52 435
Feb-07	2 369	8 871
Mar-07	2 369	37 844
Apr-07	2 369	9 582
May-07	2 369	11 856
Jun-07	2 369	16 575
TOTAL	723 748	459 959
Water	Billed	Received
Jul-06	57 272	21 172
Aug-06	74 341	13 168
Sep-06	69 089	23 756
Oct-06	75 910	20 445
Nov-06	81 386	17 369
Dec-06	84 717	10 574
Jan-07	100 272	34 135
Feb-07	94 609	23 182
Mar-07	102 374	60 493
Apr-07	78 460	14 921
May-07	110 695	18 715
Jun-07	70 631	15 993
TOTAL	999 756	273 922
Electricity	Billed	Received
Jul-06	44 476	38 560
Aug-06	66 433	43 501
Sep-06	342 136	78 711
Oct-06	36 057	79 151
Nov-06	39 768	29 808
Dec-06	24 557	39 326
Jan-07	65 713	90 034
Feb-07	41 678	37 630
Mar-07	48 060	113 885
Apr-07	42 573	17 892
May-07	35 679	47 260
Jun-07	53 817	32 392
TOTAL	840 946	648 149
Refuse	Billed	Received
Jul-06	39 262	8 489
Aug-06	40 210	6 368
Sep-06	42 226	10 619
Oct-06	42 848	9 919

Function:	Finance and Administration
Sub Function:	Finance

Nov-06	42 818	7 896
Dec-06	42 818	5 706
Jan-07	42 565	14 843
Feb-07	42 848	10 397
Mar-07	42 848	28 952
Apr-07	42 848	6 781
May-07	42 878	8 971
Jun-07	42 996	9 514
TOTAL	507 165	128 455
Sewerage	Billed	Received
Jul-06	39 515	12 818
Aug-06	40 373	27 676
Sep-06	42 194	9 905
Oct-06	42 210	21 539
Nov-06	42 183	10 314
Dec-06	42 186	11 322
Jan-07	42 210	20 694
Feb-07	42 210	12 094
Mar-07	42 210	25 338
Apr-07	42 210	7 449
May-07	42 236	9 321
Jun-07	42 344	9 694
TOTAL	502 079	178 163
- Number and amount billed each month across debtors by function (eg: water, electricity etc)		
Water	3 663	999 756
Electricity	118	840 946
Sewerage	2 221	502 079
Rates	2 298	723 748
Refuse	2 241	507 165
Other		
TOTAL	10 541	3 573 695
Note: create a suitable table to reflect monthly billed and received (against billed) across debtors by function (eg: water, electricity etc)		
2 Debtor collections: value of amount received and interest:	<i>R (000s)</i>	<i>R (000s)</i>
Function - <list function here eg: water, electricity etc>		
- Value received from monthly billings each month and interest from the previous month across debtors by function (eg: water, electricity etc)	<i>See no 1</i>	<i>No interest</i>
3 Debtor analysis: amount outstanding over 30, 60, 90 and 120 plus days:		
Function - <list function here eg: water, electricity etc>		
	2007	2006
Service debtors	386 961	434 918
Rates	478 107	421 000
Electricity	439 336	511 125
Water	1 994 815	1 582 459
Refuse	949 724	628 478
Sewerage	787 288	533 778
Other	276 635	246 127
Less: Provision for Bad Debts	- 4 538 944	- 3 488 049
Housing rentals	-	-
Total	386 961	434 918

Function:	Finance and Administration
Sub Function:	Finance

	Current	30 days	60 days	90 days	>120 days	Total
Rates	2386.91	1559.00	1419.00	1381.50	233332.93	240079.34
Electricity	53788.80	22283.69	15102.51	16606.20	331555.17	439336.37
Sanitation	42294.60	38998.68	35586.51	34496.84	635911.08	787287.71
Refuse	42977.00	39533.56	36828.25	35796.58	794588.61	949724.00
Water	56956.18	54214.66	53527.03	57095.19	1773021.58	1994814.64
4 Write off of debts: number and value of debts written off: - Total debts written off for the 2006/2007 financial year						R (000s) 0
5 Property rates (All categories): - Number and value of properties rated - Number and value of properties not rated - Number and value of rate exemptions - Rates collectible for the current year						R (000s) 125 831 None 724
Reporting Level	Detail					Total
6 Property rates (Commercial): - Included in All categories						R (000s)
7 Regional Service Council (RSC) levies: - Number and value of returns					12	R (000s) 912
8 Property valuation: - Year of last valuation - Regularity of valuation						Jul-03 every 4 years
9 Indigent Policy: - Quantity (number of households affected) - Quantum (total value across municipality)					1100 116.85	9 897
10 Creditor Payments: <i>Note: create a suitable table to reflect the five largest creditors individually, with the amount outstanding over 30, 60, 90 and 120 plus days</i>					R (000s)	No outstanding creditors
Total Commercial Services					0	0
Prima Klipbrekers					0	0
Trentyre					0	0
Hoofweg Motors					0	0
Karoo Vleisboere Koop					0	0
11 Credit Rating: <i>No credit rating</i>					R (000s) N/A	N/A
12 External Loans: - Total loans received and paid during the year					R (000s) None	R (000s) 0
13 Delayed and Default Payments: <List delayed and default payments here> List here whether Council has delayed payment on any loan, statutory payments or any other default of a material nature <i>Note: This information need not be reported here if reported as notes to the accounts.</i>					None	0

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Finance and Administration
Sub Function:	Human Resources

Reporting Level	Detail	Total																													
Overview:	Includes all activities relating to the finance function of the municipality. Mrs G van Zyl is responsible for the management of the Human Resource Division.																														
Description of the Activity:	<p>The function of human resource management within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Liaise with Heads of Departments on departmental personnel related issues - Act as link between organised labour and the employer - Co-ordinate Performance Management System - Compile skills plan - Determine training needs - Administration of recruitment, selection, induction and resignations - Keep records of training completed - Compile and implement Employment Equity Plan <p>HR administration, which includes:</p> <ul style="list-style-type: none"> Leave administration Salary administration Investigation and claims administration of injury on duty claims Attend to personnel queries Upkeep of personnel register Co-ordinate and facilitate disciplinary hearings Facilitate disputes Communication of information to staff <p>personnel</p> <p>Personnel employed:</p> <ul style="list-style-type: none"> * Director Corporate Services * Manager Human Resources <p>These services extend to include district of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - provide services as per legal proclamation <p><i>The strategic objectives of this function are to:</i></p> <p>Management of the Human Resource function of the municipality</p> <p>The key issues for 2006/07 are:</p> <ul style="list-style-type: none"> - Provide working conditions for fixed and contract employees (revising existing employee related policies and align them accordingly) - Revise human resource policies - Improve working conditions 																														
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <table border="1"> <tr> <td>1</td> <td>Number and cost to employer of all municipal staff employed:</td> <td></td> <td>R (000s)</td> </tr> <tr> <td></td> <td>- Professional (Managerial/Specialist)</td> <td>1</td> <td>220</td> </tr> <tr> <td></td> <td>- Field (Supervisory/Foremen)</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>- Office (Clerical/Administrative)</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>- Non-professional (blue collar, outside workforce)</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>- Temporary Staff</td> <td>0</td> <td>0</td> </tr> <tr> <td></td> <td>- Contract Staff</td> <td>0</td> <td>0</td> </tr> </table> <p>Note: total number to be calculated on full-time equivalent (FTE) basis, providing detail of race and gender according to the breakdown described above. Total cost to include total salary package</p>	1	Number and cost to employer of all municipal staff employed:		R (000s)		- Professional (Managerial/Specialist)	1	220		- Field (Supervisory/Foremen)	0	0		- Office (Clerical/Administrative)	0	0		- Non-professional (blue collar, outside workforce)	0	0		- Temporary Staff	0	0		- Contract Staff	0	0		
1	Number and cost to employer of all municipal staff employed:		R (000s)																												
	- Professional (Managerial/Specialist)	1	220																												
	- Field (Supervisory/Foremen)	0	0																												
	- Office (Clerical/Administrative)	0	0																												
	- Non-professional (blue collar, outside workforce)	0	0																												
	- Temporary Staff	0	0																												
	- Contract Staff	0	0																												

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Finance and Administration
Sub Function:	Other Administration (Procurement)

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. Mr SS Ngwevu heads the Division. The Division handles the secretariat of Council, all secretarial and institutional services, record keeping and securities		
Description of the Activity:	The function of procurement within the municipality is administered as follows and includes: <ul style="list-style-type: none"> • Procurement: The function of procurement within the municipality is administered by the Financial and Corporate Services Departments. Tenders are considered by the Tender Committee, consisting of the Municipal Manager and Managers appointed in terms of Section 57 of the MSA. All procurement activities and the administration thereof are done by the Finance Department 		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
	1 Details of tender / procurement activities: - Total number of times that tender committee met during year - Total number of tenders considered - Total number of tenders approved - Average time taken from tender advertisement to award of tender Note: Figures should be aggregated over year across all municipal functions	9 N/A 7 1 - 2 months	
	2 Details of tender committee: SS Ngwevu – Assistant Director Corporate Services; JH Theron – Director Technical Services CJ Kymdell – Director Finances JE Phillips – Director Health Services Note: List details of each member of the tender committee		

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Planning and Development
Sub Function:	Economic Development

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with economic development initiatives		
Description of the Activity:	<p>The function of economic planning / development within the municipality is administered as follows and includes:</p> <ul style="list-style-type: none"> - Economic development - Environmental development - Social development - Land and Housing - Infrastructure development - Institutional development - Financial (Management) <p>These services extend to include district of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - provide services as per legal proclamation <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - Sustainable Municipal Service Delivery - Improve the economy for sustainable growth - Accessible and affordable primary health care - Adequate access to land and housing - Appropriate infrastructure - Safe natural and built environment - Social development - Financially viable municipalities - Community participation. <p>The key issues for 2006/07 are:</p> <ul style="list-style-type: none"> • The district needs to look at ways to budget internally for LED • The coherence of the LED/IDP needs attention. • IDP-budget link needs improvement. • The financial health is a concern and specific issues were highlighted • The issue of the maintenance of infrastructure is a concern. 		
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)	2	727
	- Non-professional (Clerical / Administrative)	3	507
	- Temporary	0	
	- Contract	0	
	Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package		
2	Detail and cost of incentives for business investment:		R (000s)
	None		-
3	Detail and cost of other urban renewal strategies:		R (000s)
	None		-
4	Detail and cost of other rural development strategies:		R (000s)
	None		-
5	Number of people employed through job creation schemes:		
	- Short-term employment	0	
	- Long-term employment	0	
	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	0	0
	- 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:		R (000s)
	- Number of building plans approved	8	
	- Value of building plans approved	252 041	
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)
	Equitable Share	1	9897
	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
	See Annexures B & C of the Annual Report		

Function:	Health
Sub Function:	Clinics

Reporting Level	Detail	Total	
Overview:	The Department of Health, headed by Ms J.E. Phillips, is primarily responsible for delivering Primary Health Care in the District. Environmental Health, which focuses on hygiene issues, also resorts under the Health Department and is headed by the Senior Environmental Health Officer, Mr. GE van Zyl. Ms M Lund is the Dietician and responsible for Dieticianary Services. The Chief Nurse is Ms DE Nortje.		
Description of the Activity:	<p>The function for the provision of community health clinics within the municipality is administered as follows and includes:</p> <p>The delivering Primary Health Care in the District. Environmental Health focuses on hygiene issues, also resorts under the Health Department.</p> <p>These services extend to include district of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <p>- provide services as per legal proclamation</p> <p>The strategic objectives of this function are to:</p> <p>The delivery of Primary Health Care in the District</p> <p>The key issues for 2005/06 are:</p> <p>With the process of centralising the health function no new appointments get finalised. This causes a shortage of personnel.</p>		
Analysis of the Function:	<p><Provide statistical information on (as a minimum):-></p> <p>1 Number and cost to employer of all health personnel:</p> <ul style="list-style-type: none"> - Professional (Doctors/Specialists/Director) - Professional (Head Nurses) - Professional (Nurses/Aides) - Nursing assistant - Staff Nurses - Dieticians - Non-professional (Clinic staff unqualified) - 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, cost of public, private clinics servicing population:</p> <ul style="list-style-type: none"> - Public Clinics (fixed) - Private Clinics (mobile) <p>- Total Cost of clinics</p> <p>3 Total annual patient head count for service provided by the municipality:</p> <ul style="list-style-type: none"> - 65 years and over - between 40 and 64 years - between 15 and 39 years - 14 years and under <p>Note: if no age range available, place to other</p> <p>4 Estimated backlog in number of and costs to build clinics:</p> <p><list details></p> <p>Note: total number should appear in IDP, and cost in future budgeted capital works programme</p> <p>5 Type and number of grants and subsidies received:</p> <ul style="list-style-type: none"> Global Fund Department Health Primary Health Care <p>Note: total value of specific health clinic 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.</p> <p>6 Total operating cost of health (clinic) function:</p>		<p><i>R (000s)</i></p> <p>441</p> <p>280</p> <p>1 325</p> <p>285</p> <p>151</p> <p>564</p> <p>113</p> <p>17</p> <p><i>R (000s)</i></p> <p>4 072</p> <p>2 242</p> <p>9 206</p> <p>15 541</p> <p>12 069</p> <p><i>R (000s)</i></p> <p>N/A</p> <p>N/A</p> <p><i>R (000s)</i></p> <p>1391</p> <p>440</p> <p>4604</p> <p>1587</p>

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Health
Sub Function:	Ambulance N/A

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of ambulance services		
Description of the Activity:	The function of provision of an ambulance service within the municipality is administered as follows and includes:		

Function:	Community and Social Services
Sub Function:	All inclusive

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with the provision of community and social services		
Description of the Activity:	<p>The function of provision of various community and social services within the municipality is administered as follows and includes: These services extend to include disctrict of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - provide services as per legal proclamation <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> - <i>Implementation of the community crime prevention strategy</i> - <i>Establishment of a local innovation centers for skill development and establish links with relevant institutions</i> - <i>Education and awareness (Culture, moral re-generation and encourage participation in sport and related activities)</i> - <i>Develop a district poverty coordination strategy across various sectors</i> <p>The key issues for 2005/06 are:</p> <ul style="list-style-type: none"> - <i>The Provincial Department of Education initiated Learners Drivers Licence project</i> - <i>The appointment of a TB /HIV and AIDS District coordinator through Global Fund to address VCT and MTCT Programmes</i> - <i>ARV Clinics</i> - <i>The appointment of community based care Sub-district coordinators</i> - <i>Community based care and HIV/AIDS awareness days</i> - <i>Implementation Crime prevention strategies</i> 		
Analysis of the Function:	<p><Provide statistical information on (as a minimum):></p> <p>1 Nature and extent of facilities provided:</p> <ul style="list-style-type: none"> - Library services - Other community halls/facilities - Cemeteries - Child care (including creches etc) - Aged care (including aged homes, home help) - Schools - Sporting facilities - Parks - MPCC <p>2 Number and cost to employer of all personnel associated with each community services function:</p> <ul style="list-style-type: none"> - Library services - Other community halls/facilities - Cemeteries and crematoriums - Child care - Aged care - Schools - Sporting facilities - Parks <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>6 Total operating cost of community and social services function</p>	<p><i>no of facilities:</i></p> <p>1 1 2 2 2 2 2 2 1 1 2 2 2 2 3 3 0 0</p> <p><i>no of users:</i></p> <p>1289 500 2280 180 250 1600 1000 2000 0</p> <p><i>R(000s)</i></p> <p>2 167 2 N/A 2 N/A 2 0 1 0 2 0 2 9 3 N/A</p>	183

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Housing
Sub Function:	N/A

Reporting Level	Detail	Total	
Overview:	Includes all activities associated with provision of housing		
Description of the Activity:	The function of provision of housing within the municipality is administered as follows and includes:		

Function:	Public Safety
Sub Function:	Police (Traffic) N/A

Reporting Level	Detail	Total	
Overview:	Includes police force and traffic (and parking) control		
Description of the Activity:	The policing and traffic control functions of the municipality are administered as follows and include:		

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: These services extend to include district Murraysburg, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - provide services as per legal proclamation <p>The strategic objectives of this function are to:</p> <ul style="list-style-type: none"> The management of the Murraysburg DMA <p>The key issues for 2006/07 are:</p> <ul style="list-style-type: none"> Upgrading of refuse dumps 		
Analysis of the Function:	<Provide statistical information on (as a minimum):>		
1	Number and cost to employer of all personnel associated with refuse & sewerage removal: - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Temporary - Contract Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package	0 1 2 4 0 0	<i>R (000s)</i> 0 159 115 186 0 0
2	Number of households receiving regular refuse removal services, and frequency and cost of service: - Removed by municipality at least once a week - Removed by municipality less often - Communal refuse dump used - Own refuse dump - No rubbish disposal Note: if other intervals of services are available, please provide details	1 446 0 0 n/a	<i>R (000s)</i> 594 0 0
3	Total and projected tonnage of all refuse disposed: - Domestic/Commercial - Garden Note: provide total tonnage for current and future years activity	1350 32	594 35
4	Total number, capacity and life expectancy of refuse disposal sites: - Domestic/Commercial (number) - Garden (number) Note: provide the number of tip sites, their total current capacity and the expected lifespan as at end of reporting period	5ha 5ha	20 20
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	0 0	<i>R (000s)</i> 0 0
6	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) All households qualify for 100% rebate on basic charge	1100 R26 incl sewerage	343
7	Total operating cost of solid waste management function		594

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Waste Water Management
Sub Function:	Sewerage etc

Reporting Level	Detail	Total	Cost
Overview:	Includes provision of sewerage services not including infrastructure and water purification, also includes toilet facilities		
Description of the Activity:	<p>The sewerage functions of the municipality are administered as follows and include:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include district Murraysburg, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <p>provide services as per legal proclamation</p> <p>The key issues for 2006/07 are:</p> <p>Upgrading of oxidation dams</p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Number and cost to employer of all personnel associated with sewerage & solid waste functions:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/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 with sewerage services, and type and cost of service:</p> <ul style="list-style-type: none"> - Flush toilet (connected to sewerage system) - Flush toilet (with septic tank) - Chemical toilet - Pit latrine with ventilation - Pit latrine without ventilation - Bucket latrine - No toilet provision <p>Note: if other types of services are available, please provide details Source: Demarcation Board - Stats SA 2001</p> <p>3 Anticipated expansion of sewerage:</p> <ul style="list-style-type: none"> - Flush/chemical toilet - Pit latrine - Bucket latrine - No toilet provision <p>Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality</p> <p>4 Free Basic Service Provision:</p> <ul style="list-style-type: none"> - Quantity (number of households affected) - Quantum (value to each household) 		
			R (000s)
		0	0
		1	159
		2	115
		4	186
		0	0
		0	0
			R (000s)
		13 454	595
		0	0
		0	0
		197	0
		0	0
		153	0
		107	0
			R (000s)
		0	0
		0	0
		0	0
		0	0
		1100	343
		R26 incl refuse	
Reporting Level	Detail	Total	Cost
	All households qualify for 100% rebate on basic charge		
5	Total operating cost of sewerage function		595

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Road Transport
Sub Function:	Roads

Reporting Level	Detail	Total	Cost
Overview:	Construction and maintenance of roads within the municipality's jurisdiction		
Description of the Activity:	<p>The road maintenance and construction responsibilities 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 district of Central Karoo, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <p>- provide services as per legal proclamation</p> <p>The strategic objectives of this function are to:</p> <p><List here></p> <p>The key issues for 2006/07 are:</p> <p>Upgrading of stormwater</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 road maintenance and construction:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) (Consultants partly paid by Prov. Admin. Western Cape) - Field (Supervisors/Foremen) + Mechanical - Office (Clerical/Administration) - Non-professional (blue collar, outside workforce) - Contract <p>Note: total number to be calculated on full-time equivalent (FTE) basis, total cost to include total salary package</p> <p>2 Total number, kilometres and total value of road projects planned and current:</p> <ul style="list-style-type: none"> - New bitumenised (number) - in progress - Existing re-seal (number) - New gravel (number) - Existing re-gravel (number) <p>Public transport traffic calming, road safety for school children & pedestrian</p> <p>Note: if other types of road projects, please provide details</p> <p>3 Total kilometres and maintenance cost associated with existing roads provided</p> <ul style="list-style-type: none"> - Tar - Gravel <p>Note: if other types of road provided, please provide details</p> <p>4 Average frequency and cost of re-tarring, re-sheeting roads</p> <ul style="list-style-type: none"> - Tar - Gravel <p>Note: based on maintenance records</p> <p>5 Estimated backlog in number of roads, showing kilometres and capital cost</p> <ul style="list-style-type: none"> - Tar - Gravel 		<p>R</p> <p>1 131</p> <p>1 090</p> <p>233</p> <p>2 980</p> <p>798</p> <p>R</p> <p>18 396</p> <p>399</p> <p>900</p> <p>1 800</p> <p>R (000s)</p> <p>1 052</p> <p>7 360</p> <p>R (000s)</p> <p>none</p> <p>200 p/km</p> <p>R (000s)</p> <p>60 000</p>
Reporting Level	Detail	Total	Cost
	Note: total number should appear in IDP, and cost in future budgeted road construction programme		
6	Type and number of grants and subsidies received:		R (000s)
	none		
	Note: total value of specific road grants actually received during year to be recorded over the five quarters - Apr to Jun this year, Jul to Sep, Oct to Dec Jan to Mar, Apr to Jun this year.		
7	Total operating cost of road construction and maintenance function		93 159

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Road Transport
Sub Function:	Public Buses N/A

Reporting Level	Detail	Total	Cost
Overview:	Includes all activities associated with the provision of a public bus service to the community		
Description of the Activity:	The public bus service responsibilities of the municipality are administered as follows and include:		

Function:	Water
Sub Function:	Water Distribution

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of water		
Description of the Activity:	<p>The water purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i></p> <p>These services extend to include disctrict Murraysburg, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <ul style="list-style-type: none"> - <i>provide services as per legal proclamation</i> <p>The key issues for 2006/07 are:</p> <p>None</p>		
	<i><Provide statistical information on (as a minimum):></i>		
1	Number and cost to employer of all personnel associated with the water distribution function:		<i>R (000s)</i>
	- Professional (Engineers/Consultants)	0	0
	- Field (Supervisors/Foremen)	1	159.37956
	- Office (Clerical/Administration)	2	205.26072
	- Non-professional (blue collar, outside workforce)	3	154.24236
	- 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.		
2	Water usage per month		
	<i><Insert table showing monthly water usage ></i>	25000kl	own water
	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		<i>R (000s)</i>
	<i>None</i>	0	0
4	Total volume and receipts for bulk water sales in kilolitres and rand, by category of consumer:		<i>R (000s)</i>
		241458	483
5	Total year-to-date water losses in kilolitres and rand		<i>R (000s)</i>
	<i>None</i>	6000	12
Reporting Level	Detail	Total	Cost
6	Number of households in the Region with water service, and type and cost of service:		<i>R (000s)</i>
	- Piped water inside dwelling	8752	
	- Piped water inside yard	5435	
	- Piped water on community stand: distance < 200m from dwelling	502	
	- Piped water on community stand: distance > 200m from dwelling	367	
	- Regional Local School	11577	
	- Borehole	2829	
	- Spring	341	
	- Rain-water tank	51	
	- Dam/Pool/Stagnant	293	

Function:	Water
Sub Function:	Water Distribution

	- River/Stream - Water Vendor - Other Note: if other types of services are available, please provide details		
7	Number and cost of new connections: <i>Make use of borehole</i>	2	R (000s) 0.95
8	Number and cost of disconnections and reconnections: <i>Make use of borehole</i>	35	R (000s) 0.7
9	Number and total value of water projects planned and current: - Current (financial year after year reported on) - Planned (future years) Note: provide total project and project value as per initial or revised budget	1 2	R (000s) 1 430 3 000
10	Anticipated expansion of water service: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank Note: provide total number of households anticipated to benefit and total additional operating cost per year to the municipality	- - - - - - -	R (000s) - - - - - -
11	Estimated backlog in number (and cost to provide) water connection: - Piped water inside dwelling - Piped water inside yard - Piped water on community stand: distance < 200m from dwelling - Piped water on community stand: distance > 200m from dwelling - Borehole - Spring - Rain-water tank Note: total number should appear in IDP, and cost in future budgeted capital housing programmes	- - - - - - -	R (000s) - - - - - -
12	Free Basic Service Provision: - Quantity (number of households affected) - Quantum (value to each household) All households qualify for 100% rebate on basic charge & 6kl water	1446 30.5	529.236
13	Type and number of grants and subsidies received: <i>Department of Water Affairs</i> 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.	1	R (000s) 1 430
14	Total operating cost of water distribution function		978

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Electricity
Sub Function:	Electricity Distribution

Reporting Level	Detail	Total	Cost
Overview:	Includes the bulk purchase and distribution of electricity. Electricity is supplied by the DM to 196 households, schools and businesses in Murraysburg DMA. Eskom supplies electricity to ? households.		
Description of the Activity:	<p>The electricity purchase and distribution functions of the municipality are administered as follows and include:</p> <p><i>Meters are read monthly, where after consumer accounts are issued.</i></p> <p><i>Regular maintenance is done on the electricity network.</i></p> <p>These services extend to include disctric Murraysburg, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to:</p> <p><i>- provide services as per legal proclamation</i></p> <p>The key issues for 2006/07 are:</p> <p>Upgrading of electricity network</p>		
Analysis of the Function:	<p><i><Provide statistical information on (as a minimum):></i></p> <p>1 Number and cost to employer of all personnel associated with the electricity distribution function:</p> <ul style="list-style-type: none"> - Professional (Engineers/Consultants) - Field (Supervisors/Foremen) - Office (Clerical/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 Total quantity and cost of bulk electricity purchases in kilowatt hours and rand, by category of consumer</p> <p><i>All categories</i></p> <p>3 Total quantity and receipts for bulk electricity sales in kilowatt hours and rand, by category of consumer:</p> <p><i>All categories</i></p> <p>4 Total year-to-date electricity losses in kilowatt hours and rand</p> <p><i>All categories</i></p> <p>5 Number of households with electricity access, and type and cost of service:</p>		<i>R (000s)</i>
		0	0
		1	130
		1	93
		1	46
		0	0
		0	0
			<i>R (000s)</i>
		2350	
			<i>R (000s)</i>
		2232968 kWh	950
			<i>R (000s)</i>
		164	None
			<i>R (000s)</i>
Reporting Level	Detail	Total	Cost
	- Electrified areas		
	- Municipal	656	1362
	- Eskom	720	unknown
	- Alternate energy source		
	- Gas	0	0
	- Paraffin	0	0
	- Solar	0	0

Function:	Electricity
Sub Function:	Electricity Distribution

Reporting Level	Detail	Total	Cost
	- Wood	0	0
	- Non electrified	0	0
	Note: if other types of services are available, please provide details		
6	Number and cost of new connections:		R (000s)
	<detail total>	0	
7	Number and cost of disconnections and reconnections		R (000s)
	<i>Make use of prepaid meters</i>	0	0
8	Number and total value of electrification projects planned and current:		R (000s)
	- Current (financial year after year reported on)	0	0
	- Planned (future years)	1	100 000
	Note: Make use of prepaid meters		
9	Anticipated expansion of electricity service:		R (000s)
	<i>None</i>	0	0
10	Estimated backlog in number (and cost to provide) electricity connection:		R (000s)
	<detail total>	0	
	Note: total number should appear in IDP, and cost in future budgeted capital housing programmes		
11	Free Basic Service Provision:		
	- Quantity (number of households affected) (Escom included)	1100	
	- Quantum (value to each household)	R22,50	297
	All households qualify for 100% rebate on basic charge & 50 Kwh free electricity		
12	Type and number of grants and subsidies received:		R (000s)
	<i>MIG</i>	0	0
	Note: total value of specific electricity 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.		
13	Total operating cost of electricity distribution function		1362

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

Function:	Electricity
Sub Function:	Street Lighting

Reporting Level	Detail	Total	Cost
Overview:	Includes all activities associated with the provision of street lighting to the community		
Description of the Activity:	Street lighting responsibilities of the municipality are administered as follows and include: <i><List administration of each function here: this should detail what is offered, and how it is offered to the community></i> These services extend to include disctric Murraysburg, but do not take account of areas outside the district within the jurisdiction of national/provincial/other private sector/government. The municipality has a mandate to: The key issues for 2006/07 are: Festive lighting		
Analysis of the Function:	<i><Provide statistical information on (as a minimum):></i>		
	1 Number and total operating cost of streetlights servicing population: <i><complete></i> Note: total streetlights should be available from municipal inventory	372	R (000s) n/A
	2 Total bulk kilowatt hours consumed for streetlighting: <i><complete></i> Note: total number of kilowatt hours consumed by all street lighting for year	192,105 Kw	

Key Performance Area	Performance During the Year, Performance Targets Against Actual Achieved and Plans to Improve Performance	Current	Target
	See Annexures B & C of the Annual Report		

ANNEXURE B

Financial Statements



CENTRAL KAROO DISTRICT MUNICIPALITY

ANNUAL FINANCIAL STATEMENTS

for the year ended

30 June 2007

I am responsible for the preparation of these annual financial statements, which are set out on pages 1 to 28, in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

I certify that the salaries, allowances and benefits of Councillors as disclosed in note 21 of these annual financial statements are within the upper limits of the framework envisaged in Section 219 of the Constitution, read with the Remuneration of Public Officer Bearers Act and the Minister of Provincial and Local Government's determination in accordance with this Act.

N W Nortjé
Municipal Manager

Date

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CENTRAL KAROO DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net assets		23 723 584	24 449 627
Housing Development Fund	1	348 691	506 401
Capital replacement reserve		-	319 081
Capitalisation reserve		114 382	247 119
Government grant reserve		19 094 920	17 812 310
Accumulated Surplus/(Deficit)		4 165 591	5 564 716
Non-current liabilities		134 662	104 125
Long-term liabilities	2	134 662	104 125
Non-current provisions		-	-
Current liabilities		6 924 599	9 671 913
Consumer deposits	3	15 127	14 827
Provisions	4	289 947	168 599
Creditors	5	2 111 555	5 970 129
Unspent conditional grants and receipts	6	3 277 481	2 396 310
VAT	7	562 337	460 244
Bank overdraft	16	637 066	648 462
Current portion of long-term liabilities	2	31 086	13 342
Total Net Assets and Liabilities		<u>30 782 845</u>	<u>34 225 665</u>
ASSETS			
Non-current assets		21 947 752	21 022 856
Property, plant and equipment	8	21 908 565	20 988 244
Intangible Assets	9	39 187	22 436
Long-term receivables	10	-	12 176
Current assets		8 835 093	13 202 809
Inventory	11	609 665	828 742
Consumer debtors	12	386 961	434 918
Other debtors	13	885 049	4 848 887
Fruitless and Wasteful (Other Debtor)	32	140 000	140 000
Unpaid Conditional Grants and Receipts	14	4 598 288	-
VAT	7	77 869	122 790
Current portion of long-term debtors	10	-	72 197
Call investment deposits	15	2 137 261	6 755 275
Bank balances and cash	16	-	-
Total Assets		<u>30 782 845</u>	<u>34 225 665</u>

**CENTRAL KAROO DISTRICT MUNICIPALITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2007**

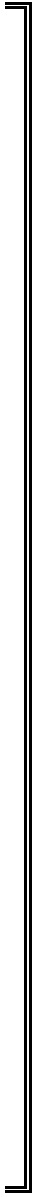
	Note	Actual	
		2007 R	2006 R
REVENUE			
Property rates	17	1 022 805	778 847
Property rates - penalties imposed and collection charges		-	-
Service charges	18	2 678 840	2 154 191
Regional Services Levies – turnover			4 024 823
Regional Services Levies - remuneration			494 084
Rental of facilities and equipment		78 739	66 940
Interest earned - external investments		665 378	691 525
Interest earned - outstanding debtors		22 603	34 593
Dividends received		-	-
Fines		26 857	28 645
Licences and permits		219 239	202 592
Income for agency services		23 474 284	23 129 146
Government grants and subsidies	19	21 036 605	33 441 515
Other income		703 910	985 862
Public contributions, donated and contributed property, plant and equipment		-	-
Gains on disposal of property, plant and equipment		9 980	-
SubTotal Revenue		49 939 240	66 032 763
EXPENDITURE			
Employee related costs	20	9 109 540	12 593 232
Remuneration of Councillors	21	2 247 657	1 660 777
Bad debts		1 880 926	2 223 756
Collection costs		-	-
Depreciation		2 328 345	2 290 911
Repairs and maintenance		306 943	250 487
Interest paid	22	56 479	-
Bulk purchases	23	654 443	356 949
Contracted services		342 772	295 021
Grants and subsidies paid	24	5 357 997	21 928 522
General expenses		28 306 276	22 742 687
Loss on disposal of property, plant and equipment		73 905	-
Total Direct Operating Expenditure		50 665 283	64 342 342
SURPLUS/(DEFICIT) FOR THE YEAR		(726 043)	1 690 421
DISCONTINUED OPERATIONS			
Add: Surplus / (Deficit) for the year from discontinued operations	30	0	
Share of surplus/(deficit) of associate accounted for under the equity method		-	-
NET SURPLUS/(DEFICIT) FOR THE YEAR		(726 043)	1 690 421
Refer to Appendix E(1) for explanation of variances			

CENTRAL KAROO DISTRICT MUNICIPALITY
STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2007

	<u>Pre-GAMAP Reserves and Funds</u> R	<u>Housing Development Fund</u> R	<u>Capital Replacement Reserve</u> R	<u>Capitalisation Reserve</u> R	<u>Government Grant Reserve</u> R	<u>Donations and Public Contribution Reserve</u> R	<u>Self-Insurance Reserve</u> R	<u>Revaluation Reserve</u> R	<u>Accumulated Surplus/(Deficit)</u> R	<u>Total</u> R
2006										
Balance at 1 July 2005	-	626 401	444 261	525 740	14 765 062	-	-	-	6 181 573	22 543 037
Correction of error (Note 27)				(145 773)					145 773	
Correction of error (Note 27)									233 293	233 293
Implementation of GAMAP (Note 25)	-	-	-	-	-	-	-	-	-	-
Offsetting of Backlog Depreciation									-	-
Change in accounting policy (Note 25)	-	-	-	-	-	-	-	-	-	-
Restated balance	-	626 401	444 261	379 967	14 765 062	-	-	-	6 560 639	22 776 330
Net surplus/(deficit) for the year (Note 28)	-	-	-	-	-	-	-	-	1 690 421	1 690 421
Transfer to CRR	-	-	139 638	-	-	-	-	-	(139 638)	-
Property, plant and equipment purchased	-	-	(264 818)	-	-	-	-	-	264 818	-
Capital grants used to purchase PPE	-	-	-	-	4 924 562	-	-	-	(4 924 562)	-
Donated/contributed PPE	-	-	-	-	-	-	-	-	-	-
Contribution to Insurance Reserve	-	-	-	-	-	-	-	-	-	-
Transfer of Reserve Fund / Assets <5000	-	-	-	-	-	-	-	-	-	-
Insurance claims processed	-	-	-	-	-	-	-	-	-	-
Transfer from Housing Development Fund	-	(120 000)	-	-	-	-	-	-	120 000	-
Offsetting of depreciation	-	-	-	(132 848)	(1 877 314)	-	-	-	2 010 162	-
Balance at 30 June 2006	-	506 401	319 081	247 119	17 812 310	-	-	-	5 581 840	24 466 751
2007										
Change in accounting policy (Note 26)	-	-	-	-	-	-	-	-	-	-
Correction of error (Note 27)	-	-	-	-	-	-	-	-	-	-
Implementation of GAMAP (Note 25)	-	-	-	-	-	-	-	-	-	-
Offsetting of Backlog Depreciation	-	-	-	-	-	-	-	-	-	-
Change in accounting policy (Note 25)	-	-	-	-	-	-	-	-	(17 124)	(17 124)
Restated balance	-	506 401	319 081	247 119	17 812 310	-	-	-	5 564 716	24 449 627
Net surplus/(deficit) for the year	-	-	-	-	-	-	-	-	(726 043)	(726 043)
Transfer of Provision for Bad Debts.	-	-	-	-	-	-	-	-	-	-
Transfer to CRR	-	-	(278 253)	-	-	-	-	-	278 253	-
Property, plant and equipment purchased	-	-	(40 828)	-	-	-	-	-	40 828	-
Capital grants used to purchase PPE	-	-	-	-	3 250 079	-	-	-	(3 250 079)	-
Transfer from Government Grants Reserve	-	-	-	-	-	-	-	-	-	-
Donated/contributed PPE	-	-	-	-	-	-	-	-	-	-
Contribution for the year	-	-	-	-	-	-	-	-	-	-
Insurance claims processed	-	-	-	-	-	-	-	-	-	-
Transfer to Housing Development Fund	-	-	-	-	-	-	-	-	-	-
Transfer from Housing Development Fund	-	(157 710)	-	-	-	-	-	-	157 710	-
Other Income	-	-	-	-	-	-	-	-	-	-
Asset disposals	-	-	-	-	(7 943)	-	-	-	7 943	-
Offsetting of depreciation	-	-	-	(132 737)	(1 959 526)	-	-	-	2 092 263	-
Balance at 30 June 2007	-	348 691	0.00	114 382	19 094 920	-	-	-	4 165 591	23 723 584

CENTRAL KAROO DISTRICT MUNICIPALITY
CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		-	-
Cash paid to suppliers and employees		-	-
Cash generated from/(utilised in) operations	28	(2 001 517)	1 782 558
Interest received		665 378	691 525
Interest paid		(56 479)	-
NET CASH FROM OPERATING ACTIVITIES		(1 392 618)	2 474 083
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(3 316 498)	(5 189 380)
Purchase of Intangible Assets		(40 437)	-
Proceeds on disposal of fixed assets		9 980	-
Increase in investment properties		-	-
(Increase)/decrease in non-current loans		84 373	243 532
Increase in non-current investments		-	-
(Increase)/Decrease in call investment deposits		-	-
NET CASH FROM INVESTING ACTIVITIES		(3 262 581)	(4 945 848)
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised/(repaid)		48 281	-
Increase in consumer deposits		300	815
Decrease/(increase) in short-term loans		-	-
NET CASH FROM FINANCING ACTIVITIES		48 581	815
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(4 606 618)	(2 470 949)
Cash and cash equivalents at the beginning of the year		6 106 813	8 577 762
Cash and cash equivalents at the end of the year	29	1 500 195	6 106 813
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(4 606 618)	(2 470 949)



CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007	2006
	R	R
1 HOUSING DEVELOPMENT FUND		
Housing Development Fund	348 691	506 401
Unappropriated Surplus	348 691	506 401
Loans extinguished by Government on 1 April 1998	-	-
The Housing Development Fund is represented by the following assets and liabilities		
Bank and cash	348 691	506 401
Sub-total	348 691	506 401
Total Housing Development Fund Assets and Liabilities	348 691	506 401

	2007	2006
	R	R
2 LONG-TERM LIABILITIES		
Local Registered Stock Loans	-	-
Annuity Loans	-	-
Capitalised Lease Liability	165 748	117 467
Government Loans : Other	-	-
Sub-total	165 748	117 467
Less : Current portion transferred to current liabilities	31 086	13 342
Local Registered Stock Loans	-	-
Annuity Loans	-	-
Capitalised Lease Liability	31 086	13 342
Government Loans : Other	-	-
Total External Loans	134 662	104 125

The future payments on the leases are as follows:

	Within 1 Year	Rest of period.
Interest Payments	53 132	113 859
Redemption	31 086	134 662
	84 218	248 521

More information on Appendix "A"

The capitalised lease liability is secured over the item of Office Machines leased.

	2007	2006
	R	R
3 CONSUMER DEPOSITS		
Electricity and Water	15 127	14 827
Interest	-	-
Total Consumer Deposits	15 127	14 827

Guarantees held in lieu of Electricity and Water Deposits	-	-
--	----------	----------

	2007	2006
	R	R
4 PROVISIONS		
Performance bonus	289 947	168 599
Total Provisions	289 947	168 599

Performance bonuses accrue to employees on a quarterly basis, subject to certain conditions. The provision is an estimate of the amount due to staff at the reporting date.

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

5 CREDITORS	2007 R	2006 R
Staff Leave	442 997	274 605
State departments / Staatsdepartemente		
Subsidie: Ambulansdienste		14 722
Surplus: RSC 5 Werktuigvervanging		131 591
Surplus: Werktuigrekening		-
Subsidy: Nutrition Development / Subsidie: Voedingskema		7 510
Subsidy: Department Transport / Subsidie: Departement Vervoer		74 000
Subsidy: Department of the Premier / Subsidie: Departement van die Premier		15 475
Subsidy: Department Transport Mobility / Subsidie: Departement Vervoer "Mobility"		178 433
Subsidy: Roads / Subsidie: Paaie	-	2 978 980
Current creditors / Lopende krediteure	763 344	306 871
Deposits - Other / Deposit's - Ander	9 324	9 074
Amounts received in advance / Bedrae vooruitontvang	130 374	53 225
Salary Control / Salaris Kontrole	370 327	127 504
Suspense Account / Afwagrekening :		
Social Services / Maatskaplike Dienste	-	950 000
Surplus: PMU Funds / Surplus: PMU Fondse	-	200 151
Legal Cost: H T Prince / Regskoste: H T Prince	120 000	204 702
Training / Opleiding	-	107 245
Ongevalversekering	143 920	46 820
Retensie: ASLA - Busroete	131 269	131 269
Subsidie: Lekeberaders	-	22 000
Toerisme Help Desk Program	-	31 357
Herwiningsprojek	-	54 228
Diskresionêre Fondse	-	50 367
Total Creditors	2 111 555	5 970 129

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

6 UNSPENT CONDITIONAL GRANTS AND RECEIPTS

	2007 R	2006 R
6.1 Conditional Grants from other spheres of Government	3 277 481	2 396 310
MIG Grants	-	551 566
Finance Management Grant	38 321	-
Housing Project:Trust / Behuisingsprojek:Trust	34 882	34 882
Job Creation:Trust / Werkskepping:Trust	-	99 928
Ontwikkelingsbeplannings Raamwerk	37 558	51 058
Dept. of Water affairs / Dept. van Waterwese	21 286	11 447
Murraysburg -VOR / Murraysburg-"VOR"	15 353	15 353
Land Reformation / Grondhervorming	-	3 491
ISRDS / "ISRDS"	186 639	229 211
PIMSS / "PIMSS"	325 718	448 034
Tourism (ITDF) / Toerisme (ITDF)	188 777	188 777
Tourismplan / Toerisme Plan	73 635	104 051
Tourism:Biosfeer / Toerisme:Biosfeer	112 903	112 903
Tourism:Sustainability / Toerisme:Volhoubaarheid	156 077	156 077
Distrikraad Skema Regulasies	449 532	389 532
Work for Water Project / Werk vir Water Projek	270 775	
Subsidie:Ambulansdienste	16 158	
Surplus:RSC 5 Werktuigvervanging	131 591	
Subsidy:Nutrition Development / Subsidie:Voedingskema	7 510	
Subsidy:Department of the Premier / Subsidie:Departement van die Premier	13 475	
Subsidy:Department Transport Mobility / Subsidie:Departement Vervoer "Mobility"	163 708	
Social Services / Maatskaplike Dienste	935 022	
Subsidie:Lekeberaders	29 151	
Toerisme Help Desk Program	5 784	
Herwiningsprojek	28 027	
Tourism / Toerisme	35 599	-
6.2 Other Conditional Receipts	-	-
Developers Contributions – Electricity	-	-
Public contributions	-	-
Total Conditional Grants and Receipts	3 277 481	2 396 310

See Note 19 for reconciliation of grants from other spheres of government. These amounts are invested in a ring-fenced investment until utilized

The Minister of Finance has, in terms of General notice 522 of 2007 exempted compliance with the following requirements of AC 134 (Accounting for Government Grants):

- Entire standard excluding paragraphs 24 and 26, replaced by paragraph 08 of GAMAP 12, paragraph 25 of GAMAP 17 and paragraphs 42 – 46 of GAMAP 9.

7 VAT

	2007 R	2006 R
VAT payable	562 337	460 244
VAT receivable	77 869	122 790

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

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

9 INTANGIBLE ASSETS

	2007 R	2006 R
Cost	152 943	112 506
Balance 1 July 2006	112 506	-
Transferred from Property, Plant and Equipment - At cost (Note 27)	-	112 506
Acquisitions for the year - At cost	40 437	-
Less: Accumulated Amortisation	(113 756)	(90 070)
Balance 1 July 2006	(90 070)	-
Transferred from Property, Plant and Equipment (Note 27)	-	(90 070)
Accumulated Amortisation for the year	(23 686)	-
Total Intangible Assets	39 187	22 436

The Municipality transferred Intangible Assets (Computer Software) from Property, Plant and Equipment.

10 LONG-TERM RECEIVABLES

	2007 R	2006 R
Loans for personal computers	-	9 201
Housing selling scheme loans	-	-
	-	84 373
Car loans	-	-
Vehicle and Computer Loans	-	72 197
Total	-	12 176
Included in long-term receivables are the following amounts due by related parties:		
W H Terbalnche - PMU Manager	-	15 758
C J Kymdell - Director Finance	-	7 480
J Phillips - Director Health	-	51 934

CAR LOANS

Senior staff are entitled to car loans which attract interest at 8% per annum and which are repayable over a period of 3 years. Housing loans are granted to qualifying individuals in terms of the provincial administrations housing programme.

11 INVENTORY

	2007 R	2006 R
Stores consist of fuel, tyres and tubes and parts needed mainly for services on vehicles used by the Roads department.	609 665	828 742
Water for resale – at cost	-	-
Unsold properties held for resale – at realisable value	-	-
Total Inventory	609 665	828 742

All saleable properties are currently included as assets in Appendix B as Council is currently busy investigating the use of all its properties. Inventories are carried at the lower of cost and net realisable value.

The Minister of Finance has, in terms of General notice 522 of 2007 exempted compliance with the following requirements of GAMAP 12 (Inventories):

- The entire standard as far as it relates to immovable capital assets inventory that is accounted for in terms of GAMAP 17.
- The entire standard to the extent that it relates to water stock that was not purchased by the municipality.

12 CONSUMER DEBTORS

	2007 R	2006 R
Service debtors	386 961	434 918
Rates	478 107	421 000
Electricity	439 336	511 125
Water	1 994 815	1 582 459
Refuse	949 724	628 478
Sewerage	787 288	533 778
Other	276 635	246 127
Less: Provision for Bad Debts	-4 538 944	-3 488 049
Housing rentals	-	-
Total	386 961	434 918

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

12 CONSUMER DEBTORS (continued)	2007	2006
<u>Levy Debtors: Ageing</u>	R	R
Current (0 – 30 days)	159 046	178 943
31 - 60 Days	144 859	143 448
61 - 90 Days	147 666	112 527
91 - 120 Days	142 703	124 916
121 - 365 Days	4 331 631	3 363 133
+ 365 Days	-	-
Total	4 925 905	3 922 967

<u>Summary of Debtors by Customer Classification</u>	<u>Consumers</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2007	R	R	R
Current (0 – 30 days)	127 212	7 272	24 562
31 - 60 Days	121 895	6 493	16 471
61 - 90+ Days	132 563	5 128	9 974
91 - 120 Days	4 394 830	35 804	43 700
121 - 365 Days	-	-	-
+ 365 Days	-	-	-
Sub-total	4 776 500	54 697	94 708
Less: Provision for bad debts	(4 538 944)	0	0
Total debtors by customer classification	237 556	54 697	94 708

<u>Summary of Debtors by Customer Classification</u>	<u>Consumers</u>	<u>Industrial/ Commercial</u>	<u>National and Provincial Government</u>
30 June 2006	R	R	R
Current	134 992	9 379	34 573
Current (0 – 30 days)	123 658	6 351	13 439
31 - 60 Days	3 431 528	33 970	135 077
61 - 90+ Days	-	-	-
91 - 120 Days	-	-	-
121 - 365 Days	-	-	-
Sub-total	3 690 178	49 700	183 090
Less: Provision for bad debts	(3 365 601)	(21 568)	(100 880)
Total debtors by customer classification	324 577	28 132	82 210

13 OTHER DEBTORS	2007	2006
	R	R
Payments made in advance	130 374	53 225
Unauthorized expenditure (see Note 32)	-	-
Fruitless and wasteful expenditure (see Note 32)	140 000	140 000
Control Account	-	-
Current debtors RSC Levies / Lopende debiteure Distrikraadheffings (Note 26.1)	519 315	1 213 052
Sundry Debtors	1 069 793	217 184
Electricity deposit / Elektriesiteitdeposito	295	295
ISRDS:Minister Besoek	-	-
Eskom / Eskom	-	-
Subsidie:Omvattende en Omgewings Gesondheid	-	2 143 202
Subsidie:PEW-Skema	-	-
Subsidie:Voedingskema	-	3 910
Subsidie:Ambulansdienste	-	263
Subsidie:Paaie	-	-
Subsidie:Global Fund	-	40 563
Subsidie:MTCT - Melk	-	-
Subsidie:Lekeberaders	-	99 264
Department Transport / Departement Vervoer.	-	138 842
Tekort Werktuigrekening	-	705 513
Laingsburg:Bydrae Interne Ouditeur	-	60 000
Beaufort-Wes:Bydrae Omvattende Gesondheid	-	-
Prins Albert:Bydrae Interne Ouditeur	-	60 000
Grootpad 58/1:Onderhoud	-	113 574
Government subsidies	-	-
Less: Provision for bad debts	(834 728)	-
Total Other Debtors	1 025 049	4 988 887

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

14 UNPAID CONDITIONAL GRANTS AND RECEIPTS	2007 R	2006 R
Subsidie:Voedingskema	19 950	
Subsidie:Ambulansdienste	2 058	
Subsidie:Omvattende en Omgewings Gesondheid	1 611 240	
Subsidie:Paaie	1 319 386	
Subsidie:Global Fund	21 489	
Subsidie:Lekeberaders	120 453	
Tekort Werktuigrekening	1 430 219	
Grootpad 58/1:Onderhoud	73 493	
	4 598 288	-

15 CALL INVESTMENT DEPOSITS	2007 R	2006 R
Aanvraagdeposito's/Call deposits	2 137 261	-
Capital Replacement Reserve		2 023 014
Transport Fund	-	-
Surplus Funds		4 732 261
Other Deposits	-	-
	2 137 261	6 755 275
Average Rate of Return on Investments	7,9%	6,7%

Deposits of R 2 137 261 (2006: R4 578 545) are ring-fenced and attributable to the Housing Development Fund and Unspent Conditional Grants. Fixed deposits amounting to R 0 (2006: R319 081) have also been ring-fenced for the purposes of Capital Replacement Reserve.

16 BANK, CASH AND OVERDRAFT BALANCES

The Municipality has the following bank accounts: -

Current Account (Primary Bank Account)

First National Bank

Account Number 6206 2151 429

ABSA

Account Number 1540 0000 14

	2007 R	2006 R
Cash book balance at beginning of year	(648 462)	1 562 506
Cash book balance at end of year	-637 066	(648 462)
Bank statement balance at beginning of year - First National Bank	1 260 410	9 232 958
Bank statement balance at beginning of year - ABSA	511 713	17 505
	1 772 123	9 250 463
Bank statement balance at end of year - First National Bank	1 335 032	1 260 410
Bank statement balance at end of year - ABSA	7 074	511 713
	1 342 106	1 772 123
Cash Floats to cashiers	2 430	2 430

17 PROPERTY RATES

Actual

	2007 R	2006 R
Residential	455 644	425 365
Commercial	-	-
Government	102 250	95 433
Municipal	45 285	42 266
Rural Area	419 493	215 650
Exceedings	133	133
Total Assessment Rates	1 022 805	778 847

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

17 PROPERTY RATES (continued)

Valuations

	July 2006	July 2005
	R	R
Residential	15 188 040	15 188 040
Commercial	-	-
Government	4 260 400	4 260 400
Municipal	1 509 500	1 509 500
Rural Area	104 873 359	105 388 019
Total Property Valuations	125 831 299	126 345 959

Valuations on land and buildings are performed every four years. The last valuation came into effect on 1 July 2003. Interim valuations are processed on a quarterly basis to take into account changes in individual property values due to alterations and subdivisions. A general rate of R0.030 (2006: R0.028) is applied to property valuations to determine assessment rates and R0.004 on Rural Areas. Rebates of 20% are granted to state property owners and 75% to Rural Areas.

18 SERVICE CHARGES

	2007	2006
	R	R
Sale of electricity	987 443	876 413
Swimming Bath	2 078	5 082
Refuse, sewerage and sanitation charges	885 720	657 833
Total Service Charges	2 678 840	2 154 191

19 GOVERNMENT GRANTS AND SUBSIDIES

	2007	2006
	R	R
Equitable share	9 897 145	5 442 816
Finance Management Grant	461 679	396 494
MSIG	1 122 315	1 488 406
ISRDP	42 572	499 394
MIG	3 209 566	21 739 079
Department Transport	1 310 000	450 000
Department of the Premier	2 000	33 300
Department Transport Mobility / Non-Motorised	14 725	2 121 567
Department Mineral and Energy	360 000	1 240 000
Department Water Affairs	116 041	
Department Local Government and Housing	326 000	
Department Health	440 245	
Department Health Global Fund	1 390 528	
Development Planning	13 500	
Department Tourism - Plan	30 416	
Department Tourism	23 601	
Department Local Government and Housing	199 970	
Capital Contributions - Priorities	48 605	30 459
Housing Top Structures	2 027 697	-
Total Government Grant and Subsidies	21 036 605	33 441 515

19.1 Equitable Share

In terms of the Constitution, this grant is used for Councillors Allowances, Operating Expenditure and to subsidise the provision of basic services to indigent community members. All registered indigents receive a monthly subsidy of R166.35 (2006: R144.33), which is funded from this grant.

19.2 Provincial Health Subsidies

	2007	2006
	R	R
Balance unspent at beginning of year	(2 143 202)	(3 348 196)
Current year receipts - included in public health vote	4 603 748	5 756 730
Conditions met - transferred to revenue (Note 30)	(4 071 786)	(4 551 736)
Conditions still to be met - transferred to debtors (see note 12)	(1 611 240)	(2 143 202)

The Municipality renders health services on behalf of the Provincial Government and is refunded 100% of total expenditure incurred. This grant has been used exclusively to fund clinic services (included in the public health vote in Appendix D). The conditions of the grant have been met. There was a delay or withholding of the subsidy of R2 143 202 for 2002/2003, 2003/2004 and 2004/2005 financial years.

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

19 GOVERNMENT GRANTS AND SUBSIDIES (continued)

19.3 Provincial Roads Subsidies

	2007	2006
	R	R
Balance unspent at beginning of year	2 978 980	784 054
Current year receipts	19 673 192	19 861 389
Conditions met - transferred to revenue	<u>(23 971 558)</u>	<u>(17 666 463)</u>
Conditions met/ still to be met - transferred (note 14) - (2006 note 5)	<u>(1 319 386)</u>	<u>2 978 980</u>

This grant was used to maintain roads infrastructure. No funds have been withheld.

19.4 Finance Management Grant

	2007	2006
	R	R
Balance unspent at beginning of year	-	146 494
Current year receipts	500 000	250 000
Conditions met - transferred to revenue	<u>(461 679)</u>	<u>(396 494)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>38 321</u>	<u>-</u>

This grant was used for implement the MFMA, GRAP and Training of Interns. No funds have been withheld.

19.5 Municipal Systems Improvement Grant

	2007	2006
	R	R
Balance unspent at beginning of year	448 034	936 439
Current year receipts	1 199 970	1 000 000
Conditions met - transferred to revenue	<u>(1 322 286)</u>	<u>(1 488 405)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>325 718</u>	<u>448 034</u>

This grant was used for the appointment of a Senior and Junior Planner to so create a planning capacity in the district. PIMSS is at present assisting with the IDP's of municipalities in the district, and in time the operational scope of this centre will be expanded to include assistance with, for instance, performance management and economic development. No funds have been withheld.

19.6 Integrated Sustainable Rural Development Program (ISRDP)

	2007	2006
	R	R
Balance unspent at beginning of year	229 211	528 604
Current year receipts	-	200 000
Conditions met - transferred to revenue	<u>(42 572)</u>	<u>(499 393)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>186 639</u>	<u>229 211</u>

The purpose of this programme is to bring about sustainable rural development. Funding has been received for the appointment of personnel to implement this programme on a local level. No funds have been withheld.

19.7 MIG Grant

	2007	2006
	R	R
Balance unspent at beginning of year	551 566	5 325 655
Current year receipts	2 658 000	16 964 990
Conditions met - transferred to revenue	<u>(3 209 566)</u>	<u>(21 739 079)</u>
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>551 566</u>

This grant was used to construct roads and sewerage infrastructure as part of the upgrading of informal settlement areas (included in the roads and sewerage votes in Appendix B), and infrastructure grants for B-Municipalities. No funds have been withheld.

19.8 Department Transport

	2007	2006
	R	R
Balance unspent at beginning of year	(138 842)	-
Current year receipts	1 310 000	450 000
Conditions met - transferred to revenue	<u>(1 171 158)</u>	<u>(588 842)</u>
Conditions still to be met - transferred to liabilities (see note 12)	<u>-</u>	<u>(138 842)</u>

This grant was used to maintain roads and stormwater at the DMA Murraysburg. No funds have been withheld.

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

19 GOVERNMENT GRANTS AND SUBSIDIES (continued)

19.9 Department of the Premier

	2007	2006
	R	R
Balance unspent at beginning of year	15 475	48 775
Current year receipts	-	-
Conditions met - transferred to revenue	(2 000)	(33 300)
Conditions still to be met - transferred to liabilities (see note 6)	<u>13 475</u>	<u>15 475</u>

This grant was used for Youth and Gender. No funds have been withheld.

19.10 Department Transport Mobility / Non-Motorised

	2007	2006
	R	R
Balance unspent at beginning of year	178 433	-
Current year receipts	-	2 300 000
Conditions met - transferred to revenue	(14 725)	(2 121 567)
Conditions still to be met - transferred to liabilities (see note 6)	<u>163 708</u>	<u>178 433</u>

This grant was allocated to Beaufort West Municipality. No funds have been withheld.

19.11 Department Mineral and Energy

	2007	2006
	R	R
Balance unspent at beginning of year	-	-
Current year receipts	360 000	1 240 000
Conditions met - transferred to revenue	(360 000)	(1 240 000)
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>-</u>

This grant was used for electricity infrastructure at Muurraaysburg for the new Housing Scheme. No funds have been withheld.

19.12 Capital Contributions - Priorities

	2007	2006
	R	R
Balance unspent at beginning of year	50 367	80 826
Current year receipts	-	-
Conditions met - transferred to revenue	(50 367)	(30 459)
Conditions still to be met - transferred to liabilities (see note 6)	<u>-</u>	<u>50 367</u>

This grant was used for the Growth and Development Summit of Tourism and LED Departments. No funds have been withheld.

19.13 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act, (Act ...of 2005), no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years, except for Health subsidies where the function was discontinued.

20 EMPLOYEE RELATED COSTS

	2007	2006
	R	R
Employee related costs - Salaries and Wages	6 387 524	8 142 586
Employee related costs - Contributions for UIF, pensions and medical	1 276 307	1 855 324
Travel, motor car, accommodation, subsistence and other allowances	787 835	867 687
Housing benefits and allowances	67 784	99 578
Assurance Contributions	69 802	102 138
Overtime Payments	97 668	109 843
Performance bonus	533 752	881 872
Leave Payments	251	197 995
Long-service awards	41 519	64 727
Insurance Compensation	51 800	66 780
Less: Employee costs capitalised to Property, Plant and Equipment	-	-
Less: Employee costs included in other expenses	-	-
Sub Total Employee Related Costs	<u>9 314 241</u>	<u>12 388 530</u>
Add: Discontinued Operations	3 476 368	-
Total Employee Related Costs	<u>12 790 609</u>	<u>12 388 530</u>

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

20 EMPLOYEE RELATED COSTS (continued)

Remuneration of the Municipal Manager

	2007	2006
	R	R
Annual Remuneration	653 879	614 105
Performance Bonuses	-	49 186
Car Allowance	-	-
Contributions to UIF, Medical and Pension funds	-	-
Total	653 879	663 291

Remuneration of the Chief Finance Officer

	2007	2006
	R	R
Annual Remuneration	523 105	491 285
Performance Bonuses	42 349	35 085
Car Allowance	-	-
Contributions to UIF, Medical and Pension funds	-	-
Total	565 454	526 370

Remuneration of Individual Executive Directors

30 June 2007

	<u>Technical</u> <u>Services</u>	<u>Corporate</u> <u>Services</u>	<u>Health</u> <u>Services</u>
	R	R	R
Annual Remuneration	523 105	555 799	464 981
Performance Bonuses	43 479	44 474	38 298
Car Allowance	-	-	-
Medical and pension funds	-	-	-
Total	566 584	600 273	503 279

30 June 2006

	<u>Technical</u> <u>Services</u>	<u>Corporate</u> <u>Services</u>	<u>Community</u> <u>Services</u>
	R	R	R
Annual Remuneration	491 285	521 990	436 697
Performance Bonuses	38 469	41 464	35 801
Car Allowance	-	-	-
Medical and pension funds	-	-	-
Total	529 754	563 454	472 498

21 REMUNERATION OF COUNCILLORS

	2007	2006
	R	R
Executive Mayor	392 594	382 089
Deputy Executive Mayor	-	-
Speaker	-	-
Mayoral Committee Members	922 046	454 812
Councillors	933 017	823 876
Councillors' pension contribution	-	-
Telephone Allowance	-	-
Medical Fund Contributions	-	-
Travelling allowance	-	-
Housing allowance	-	-
Personal Facility allowance	-	-
Total Councillors' Remuneration	2 247 657	1 660 777

In-kind Benefits

The Executive Mayor, Deputy Executive Mayor, Speaker and Mayoral Committee Members are full-time. Each is full-time. The Executive Mayor has two full-time bodyguards.

22 INTEREST PAID

	2007	2006
	R	R
Long-term liabilities	-	-
Interest Paid	-	-
Consumer deposits	-	-
Interest External Loans	56 479	-
Bank overdrafts	-	-
Total Interest on External Borrowings	56 479	-

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

23 BULK PURCHASES

	2007	2006
	R	R
Electricity	654 443	356 949
Water	-	-
Total Bulk Purchases	654 443	356 949

24 GRANTS AND SUBSIDIES PAID

	2007	2006
	R	R
Equitable Share	1 019 034	1 078 479
Grants and Subsidies	-	2 604 867
Beaufort West Municipality	1 175 494	11 241 428
Prince Albert Municipality	778 063	3 636 671
Laingsburg Municipality	200 000	3 312 651
DMA Murraysburg	-	54 426
Housing	2 185 406	-
Total Grants and Subsidies	5 357 997	21 928 522

R

25 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: -

25.1 Statutory Funds

Balance previously reported: -

Capital Development Fund	-
Revolving Fund	-
Housing operating Fund	-
Total	-

Implementation of GAMAP

Transferred to the Capital Replacement Reserve	-
Transferred to the Capitalisation Reserve	-
Transferred to the Housing Development Fund	-
Transferred to Accumulated Surplus/(Deficit) (see 25.8 below)	-
Total	-

25.2 Loans Redeemed and Other Capital Receipts

Balance previously reported

	-
--	---

Implementation of GAMAP

Transferred to Government Grant Reserve	-
Assets transferred to B-Municipalities	-
Assets transferred from B-Municipalities	-
Transferred to Donations and Public Contribution Reserve	-
Transferred to Accumulated Surplus/(Deficit) (see 25.8 below)	-
Total	-

25.3 Provisions and Reserves

Audit Fees	-
Transport Fund	-
Staff Bursary Reserve	-
Total	-

Implementation of GAMAP

Transferred to Accumulated Surplus/(Deficit) (see 25.8 below)	-
---	---

25.4 Inventory

Balance previously reported	-
------------------------------------	---

Implementation of GAMAP

Transferred to Accumulated Surplus/(Deficit) (see 25.8 below)	-
---	---

Water previously expensed now shown as inventory	-
--	---

Write-down of spare parts to realisable value	-
---	---

Write-down of unsold properties to realisable value	-
---	---

Total	-
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	2006 R
25 CHANGE IN ACCOUNTING POLICY - IMPLEMENTATION OF GAMAP (continued)	
25.5 Long-Term Liabilities	
Balance previously reported	-
Implementation of GAMAP	
Transferred from Accumulated Surplus/(Deficit) (see 25.8 below)	117 467
Capitalised Lease Liabilities	125 260
Interest that should have been recorded under finance lease	(7 793)
Total	117 467
25.6 Property, plant and equipment	
Balance previously reported	36 410 735
Implementation of GAMAP	
Assets	
Capitalised Lease Liabilities	125 260
Accumulated Surplus/(Deficit) (see 25.8 below)	
Total	36 535 995
25.7 Accumulated Depreciation	
Balance previously reported	15 759 612
Implementation of GAMAP	
Backlog depreciation: Land and buildings	-
Backlog depreciation: Infrastructure	-
Backlog depreciation: Community	-
Backlog depreciation: Other	(24 917)
Backlog depreciation: Housing Development Fund	-
Total (debited to Accumulated Surplus/(Deficit)) (see 25.8 below)	(24 917)
25.8 Accumulated Surplus/(Deficit)	
Implementation of GAMAP	
Adjustments to inventory (see 25.4 above)	-
Excessive provisions and reserves no longer permitted (see 25.3 above)	-
Long-term liabilities previously not recognised (see 25.5 above)	(117 467)
Transferred from statutory funds (see 25.1 above)	-
Transferred from Loans Redeemed and Other Capital Receipts (see 25.2 above)	-
Fair value of Property, Plant and Equipment previously not recorded (see 25.6 above)	125 260
Backlog depreciation (see 25.7 above)	(24 917)
Total	(17 124)

26 CHANGE IN ACCOUNTING POLICY – LEVY INCOME RECOGNITION

During the year, the Municipality changed its accounting policy in respect of Regional Service Levies from the cash received basis to the payment due basis. The reason for the change in accounting policy is to comply with the requirements of GAMAP 9 on revenue recognition which requires municipalities to use the payment due basis.

	2007 R	2006 R
26.1 Increase in Regional Services Levies and surplus/(deficit) for the year 2005/2006 - included in Revenue	-	658 234
26.1 Increase in Regional Services Levies and surplus/(deficit) for the year 2006/2007 - Included in Statement of Changes to Nett Assets		-
Nett effect on Surplus / Deficit		658 234
27 CORRECTION OF ERROR	2007 R	2006 R
During the year ended 30 June 2006, Intangible Assets were treated as Property, Plant and Equipment.		
The comparative amounts have been restated as follows: -		
27.1 Intangible Assets		
Transfer from Property, Plant and Equipment - Note 9		112 506
Transfer from Accumulated Depreciation - Note 9		(90 070)
Nett increase in Intangible Assets - Note 9		22 436
27.2 Property, Plant and Equipment		
Transfer to Intangible Assets - Note 8		(112 506)
Accumulated Depreciation - Transfer to Accumulated Amortisation - Intangible Assets - Note 8		90 070
Nett decrease in Property, Plant and Equipment - Note 8		(22 436)

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

	2007 R	2006 R
27.3 Property, Plant and Equipment		
Offsetting of Depreciation from Capitalisation Reserve not unbundled at conversion	-	145 773
Net effect on surplus/(deficit) for the year	-	145 773
27.4 Capitalisation Reserve		
Offsetting of Depreciation from Capitalisation Reserve not unbundled at conversion	-	(145 773)
Net effect on Capitalisation Reserve for the year	-	(145 773)
27.5 Salary of Municipal Manager		
Salary of Municipal Manager was paid for March 2006 - June 2006 in 2007:Now restated	-	(204 702)
Net effect on Surplus / Deficit for the year	-	(204 702)
27.6 Property, Plant and Equipment		
Depreciation of Land	-	10 233
Residual Values Restated	-	15 688
Net effect on Surplus / Deficit for the year	-	25 921
Depreciation of Land	-	92 100
Residual Values Restated	-	141 193
Net effect on Surplus / Deficit for the year	-	233 293
Net effect on Surplus / Deficit for the year	-	259 214
27.7 Regional Services Levies		
Increase in Regional Services Levies and surplus/(deficit) for the year 2006/2007 - Included in Statement of Changes to Nett Assets	-	554 818
Net effect on Surplus / Deficit for the year	-	554 818
28 CASH GENERATED BY OPERATIONS		
	2007 R	2006 R
Surplus for the year	(726 043)	1 690 421
Adjustment for:-		
Depreciation	2 343 770	2 290 911
Gain on disposal of property, plant and equipment	(9 980)	-
Loss on disposal of property, plant and equipment	76 094	-
Contribution to provisions - non-current	-	-
Contribution to provisions – current	-	-
Contribution to bad debt provision	-	-
Expenditure from Housing Development Fund	-	-
Investment income	(665 378)	(691 525)
Interest paid	56 479	-
	1 074 942	3 289 807
Non-Operating Transactions		
Non-Operating Income	-	-
Non-Operating Expenditure	-	-
Operating surplus before working capital changes:	1 074 942	3 289 807
(Increase)/Decrease in inventories	219 077	(250 181)
(Increase)/decrease in debtors	47 957	1 491 818
(Increase)/decrease in other debtors	3 963 835	(858 099)
(Decrease)/increase in unpaid conditional grants and receipts	881 171	(5 737 192)
(Increase)/decrease in unspent conditional grants and receipts	(4 598 288)	-
Increase/(Decrease) in creditors	(3 858 574)	3 690 047
Increase / (Decrease) in provisions	121 348	168 599
(Increase)/decrease in VAT	147 015	(12 240)
Cash generated by/(utilised in) operations	(2 001 517)	1 782 558
29 CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the cash flow statement comprise the following:		
	2007 R	2006 R
Balances at the beginning of the year - Bank	(648 462)	1 562 506
Balances at the beginning of the year - Cash	-	-
Balances at the beginning of the year - Call Deposits	6 755 275	7 015 256
	6 106 813	8 577 762
Balance at the end of the year - Bank	(637 066)	(648 462)
Balance at the end of the year - Cash	-	-
Balance at the end of the year - Call deposits	2 137 261	6 755 275
Total cash and cash equivalents	1 500 195	6 106 813

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

30 DISCONTINUED OPERATIONS

	2007 R	2006 R
REVENUE		
Income for Agency Services	4 071 786	-
Total Revenue	4 071 786	-
EXPENDITURE		
Employee related costs	3 476 368	-
Depreciation	15 425	-
Repairs and Maintenance	41 936	-
Contracted Services	4 429	-
General Expenses	533 628	-
Total Expenditure	4 071 786	-
SURPLUS / (DEFICIT) FOR THE YEAR	0	-

31 UTILISATION OF LONG-TERM LIABILITIES RECONCILIATION

	2007 R	2006 R
Long-term liabilities (see Note 2)	165 748	117 467
Used Leased to finance property, plant and equipment – at cost	165 748	117 467
Sub- total	-	-
Cash set aside for the repayment of long-term liabilities	-	-
Cash invested for repayment of long-term liabilities	-	-

Long-term liabilities have been utilized in accordance with the Municipal Finance Management Act. Sufficient cash

32 UNAUTHORISED, IRREGULAR, FRUITLESS AND WASTEFUL EXPENDITURE DISALLOWED

	2007 R	2006 R
Unauthorised expenditure		
Reconciliation of unauthorised expenditure		
Opening balance	-	-
Unauthorised expenditure current year	-	-
Approved by Council or condoned	-	-
Transfer to receivables for recovery (note 22)	-	-
Unauthorised expenditure awaiting authorisation	-	-

Incident	Disciplinary steps/criminal proceedings

	2007 R	2006 R
Fruitless and wasteful expenditure		
Reconciliation of fruitless and wasteful expenditure		
Opening balance	140 000	-
Fruitless and wasteful expenditure current year	65 000	140 000
Condoned or written off by Council	(65 000)	-
To be recovered – contingent asset (see note 40)	-	-
Fruitless and wasteful expenditure awaiting condonement	140 000	140 000

Incident	Disciplinary steps/criminal proceedings
<i>Internet Banking Fraud by unknown external party</i>	<i>Take Disciplinary actions regarding R140 000</i>
<i>Land were incorrect sold in previous years.Property of School.</i>	<i>Council decided to pay back Owners and written off expenditure</i>

	2007 R	2006 R
Irregular expenditure		
Reconciliation of irregular expenditure		
Opening balance	-	-
Fruitless and wasteful expenditure current year	-	-
Condoned or written off by Council	-	-
Transfer to receivables for recovery – not condoned	-	-
Irregular expenditure awaiting condonement	-	-

Incident	Disciplinary steps/criminal proceedings

33 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE MANAGEMENT ACT

33.1 Contributions to organized local government

	2007 R	2006 R
Opening balance	-	-
Council subscriptions	-	-
Amount paid - current year	-	-
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

**33 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE
MANAGEMENT ACT (continued)**

33.2 Audit fees

	2007 R	2006 R
Opening balance	-	-
Current year audit fee	408 240	331 161
Amount paid - current year	(408 240)	(331 161)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	-	-

No Balance outstanding

33.3 VAT

VAT inputs receivables and VAT outputs receivables are shown in note 7. All VAT returns have been submitted by the due date throughout the year.

33.4 PAYE and UIF

	2007 R	2006 R
Opening balance	-	-
Current year payroll deductions	2 835 730	2 566 206
Amount paid - current year	(2 468 824)	(2 566 206)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	366 906	-

The balance represents PAYE and UIF deducted from the June 2007 payroll. These amounts were paid during July 2007.

33.5 Pension and Medical Aid Deductions

	2007 R	2006 R
Opening balance	-	-
Current year payroll deductions and Council Contributions	5 128 171	2 888 443
Amount paid - current year	(5 127 854)	(2 888 443)
Amount paid - previous years	-	-
Balance unpaid (included in creditors)	317	-

The balance represents pension and medical aid contributions deducted from employees in the June 2007 payroll as well as Council's contributions to pension and medical aid funds. These amounts were paid during July 2007.

33.6 Councillor's arrear consumer accounts

The following Councillors had arrear accounts outstanding for more than 90 days and only Alderman Hugo,

	<u>Total</u>	<u>Outstanding</u>	<u>Outstanding</u>
		<u>less than 90</u>	<u>more than 90</u>
		<u>days</u>	<u>days</u>
30 June 2007			
Alderman D Hugo	-	98	-
Councillor	-	-	-
30 June 2006			
Alderman D Hugo	-	72	-
Councillor	-	-	-
Total Councillor Arrear Consumer Accounts	72	885	12 447

**33 ADDITIONAL DISCLOSURES IN TERMS OF MUNICIPAL FINANCE
MANAGEMENT ACT (continued)**

	<u>Highest Amount Outstanding</u>	<u>Ageing</u>
30 June 2007		
Councillor	-	+90 days
Councillor	-	+90 days
Councillor	-	+90 days

33.7 Non-Compliance with Chapter 11 of the Municipal Finance Management Act

The Municipality has developed a supply chain management policy but supplier database still need to be updated.

34 CAPITAL COMMITMENTS

	2007 R	2006 R
Commitments in respect of capital expenditure:		
- Approved and contracted for	-	2 430 000
Infrastructure	-	2 430 000
Community	-	-
Heritage	-	-
Other	-	-
Housing Development Fund	-	-
Investment Properties	-	-
- Approved but not yet contracted for	4 510 000	-
Infrastructure	4 510 000	-
Community	-	-
Heritage	-	-
Other	-	-
Housing Development Fund	-	-
Investment Properties	-	-
Total	4 510 000	2 430 000
This expenditure will be financed from:		
- External Loans	1 500 000	-
- Capital Replacement Reserve	-	-
- Government Grants	3 010 000	2 430 000
- Own resources	-	-
- Housing Development Fund	-	-

35 RETIREMENT BENEFIT CONTRIBUTION

All Employees and some of our Councillors belong to one of the following 4 Pension Funds: Cape Joint Retirement Fund; Cape Joint Pension Fund; SAMWU National Provident Fund and Municipal Councillors Pension Fund. These funds are subject to a triennial actuarial valuation. The last valuation was performed in June 2006.

A contract to the value of > R2000 has been awarded to Soap, son of Tom Soap, who has been employed by DWAF for the past 8 months as a director in water resource division (Section 4 of SCM Regulations) These contributions have been expensed.

The last actuarial valuation of the Cape Joint Retirement Fund was performed on 30 June 2006. The estimated liability of the funds is R 5 796 million which is adequately financed by assets of R 5 810 million.

The last actuarial valuation of the Cape Joint Pension Fund was performed on 30 June 2006. The estimated liability of the funds is R 2 923 million which is adequately financed by assets of R 3 235 million.

The last actuarial valuation of the Municipal Councillors Pension Fund was performed on 30 June 2005. The estimated liability of the funds is R 4 694 million which is adequately financed by assets of R 6 919 million.

The actuarial valuation of the SAMWU National Provident Fund was not available.

The Minister of Finance has, in terms of General notice 522 of 2007 exempted compliance with AC 116 (Employee Benefits) with regards to defined benefit accounting as far as it relates to defined benefit plans accounted for as defined contribution plans and the defined benefit obligation disclosed by narrative information. (paragraphs 29, 48-119, 120A(c) – (q))

36 FINANCIAL RISK MANAGEMENT

The Municipality's activities expose it to a variety of financial risks: market risk (including Currency risk and interest rate risk), credit risk and liquidity risk.

Currency Risk

The Municipality does not purchase any items un foreign currency.

Credit Risk

Credit risk is the risk that a counter-party to a financial instrument will fail to discharge an obligation and cause the Municipality to incur a financial loss.

The Council monitors receivable balances on an ongoing basis. An appropriate level of provision is maintained.

Liquidity Risk

Liquidity risk is the risk that the municipality will encounter difficulty in raising funds to meet commitments associated with financial instruments.

The Municipality's liabilities are backed by appropriate assets and it has liquid resources. The Council monitors the cash projections and by ensuring that adequate borrowing facilities is available to meet cash requirements.

Interest Rate Risk

The Municipality is mainly exposed to interest rate risk due to the movements in long-term and short term interest rates. This risk is managed on an ongoing basis.

The Minister of Finance has, in terms of General notice 522 of 2007 exempted compliance with AC 144 (Financial Instruments: Disclosure). For AC 133 (Financial Instruments: Recognition and Measurement) the initial measurement of financial assets and liabilities at fair value is exempted. [SAICA Circular 09/06 paragraphs 43, AG 79, AG 64 and AG 65 of AC 133]

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

8. PROPERTY, PLANT AND EQUIPMENT

30 June 2007

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Housing Develop. Fund</u>	<u>Leased infrastructure</u>	<u>Total</u>
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2006	1 780 521	15 515 058	1 833 499	-	1 859 166	-	-	20 988 244
Cost	2 734 465	25 356 898	2 489 673	-	5 829 699	-	-	36 410 735
Correction of error (note 27)	-	-	-	-	(112 506)	-	-	(112 506)
Change in Accounting Policy (Note 25)	-	-	-	-	125 260	-	-	125 260
Accumulated depreciation	(953 944)	(9 841 840)	(656 174)	-	(3 983 287)	-	-	(15 435 245)
- Cost	(953 944)	(9 841 840)	(656 174)	-	(4 048 440)	-	-	(15 500 398)
Change in Accounting Policy (Note 25)	-	-	-	-	(24 917)	-	-	(24 917)
Correction of error (note 27)	-	-	-	-	90 070	-	-	90 070
Acquisitions	-	3 147 457	-	-	169 041	-	-	3 316 498
Transfers - at cost	510 011	-	-	-	(510 011)	-	-	-
Transfers - Accumulated depreciation	(244 440)	-	-	-	244 440	-	-	-
Depreciation	(96 046)	(1 581 894)	(180 471)	-	(461 673)	-	-	(2 320 084)
- based on cost	(96 046)	(1 581 894)	(180 471)	-	(461 673)	-	-	(2 320 084)
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	(68 151)	-	-	-	(7 943)	-	-	(76 094)
Cost/revaluation	(254 334)	-	-	-	(1 131 481)	-	-	(1 385 815)
Non-Capital	-	-	-	-	-	-	-	-
Accumulated depreciation	186 183	-	-	-	1 123 538	-	-	1 309 721
Impairment losses	-	-	-	-	-	-	-	-
Correction of error	-	-	-	-	-	-	-	-
Carrying values at 30 June 2007	1 881 895	17 080 621	1 653 028	-	1 293 021	-	-	21 908 565
Cost	2 990 142	28 504 355	2 489 673	-	4 370 002	-	-	38 354 173
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	(1 108 247)	(11 423 734)	(836 645)	-	(3 076 982)	-	-	(16 445 608)
- Cost	(1 108 247)	(11 423 734)	(836 645)	-	(3 076 982)	-	-	(16 445 608)
- Revaluation	-	-	-	-	-	-	-	-

CENTRAL KAROO DISTRICT MUNICIPALITY
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

9. PROPERTY, PLANT AND EQUIPMENT (continued)

30 June 2006

Reconciliation of Carrying Value	<u>Land and Buildings</u>	<u>Infra-structure</u>	<u>Community</u>	<u>Heritage</u>	<u>Other</u>	<u>Housing Develop. Fund</u>	<u>Leased infrastructre</u>	<u>Total</u>
	R	R	R	R	R	R	R	R
Carrying values at 1 July 2005	1 319 181	12 528 898	1 831 288	-	2 099 208	-	-	17 778 575
Cost	2 406 717	20 836 313	2 318 217	-	5 660 108	-	-	31 221 355
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	(1 087 536)	(8 307 415)	(486 929)	-	(3 560 900)	-	-	(13 442 780)
- Cost	(1 087 536)	(8 307 415)	(486 929)	-	(3 560 900)	-	-	(13 442 780)
- Revaluation	-	-	-	-	-	-	-	-
Acquisitions	327 748	4 520 585	171 456	-	169 591	-	-	5 189 380
Correction of error (note 27)	259 214	-	-	-	-	-	-	259 214
Increases/decreases in revaluation	-	-	-	-	-	-	-	-
Depreciation	(125 622)	(1 534 425)	(169 245)	-	(487 540)	-	-	(2 316 832)
- based on cost	(125 622)	(1 534 425)	(169 245)	-	(487 540)	-	-	(2 316 832)
- based on revaluation	-	-	-	-	-	-	-	-
Carrying value of disposals	-	-	-	-	-	-	-	-
Cost/revaluation	-	-	-	-	-	-	-	-
Non-Capital	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-
Carrying values at 30 June 2006	1 780 521	15 515 058	1 833 499	-	1 781 259	-	-	20 910 337
Cost	2 734 465	25 356 898	2 489 673	-	5 829 699	-	-	36 410 735
Revaluation	-	-	-	-	-	-	-	-
Accumulated depreciation	(953 944)	(9 841 840)	(656 174)	-	(4 048 440)	-	-	(15 500 398)
- Cost	(953 944)	(9 841 840)	(656 174)	-	(4 048 440)	-	-	(15 500 398)
- Revaluation	-	-	-	-	-	-	-	-

Refer to Appendix B for more detail on property, plant and equipment, including those in the course of construction.

The Municipality has taken advantage of the transitional provisions set out in GAMAP 17. The Municipality is in the process of itemizing all infrastructure and community assets and will recalculate accumulated depreciation once this exercise has been completed by 30 June 2008. At present depreciation on these assets is calculated on an averaging basis whereby an average useful life has been estimated for each category of infrastructure and community assets, using global historical costs recorded in the accounting records. Furthermore, the Municipality has not assessed whether items of property, plant and equipment are impaired. It is expected that an assessment of impairments will be done by 30 June 2007. Land and Buildings are currently stated at cost and will be revalued in the next three years. (Note 8 Accounting Policy)

The Minister of Finance has, in terms of General notice 522 of 2007 exempted compliance with the following requirements of GAMAP 17 (Property, Plant and Equipment):

- Review of useful life of item of PPE recognised in the annual financial statements. [Paragraphs 59-61 and 77]
- Review of the depreciation method applied to PPE recognised in the annual financial statements. [Paragraphs 62 and 77]
- Impairment of non-cash generating assets. [Paragraphs 64-69 and 75(e)(v) – (vi)]
- Impairment of cash generating assets. [Paragraphs 63 and 75(e)(v) – (vi)]

APPENDIX A
CENTRAL KAROO DISTRICT MUNICIPALITY: SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2007

EXTERNAL LOANS	Loan Number	Redeemable	Balance at 30/06/06	Received during the period	Redeemed written off during the period	Balance at 30/06/07	Carrying Value of Property, Plant & Equip	Other Costs in accordance with the MFMA
			R	R	R	R	R	R
LONG-TERM LOANS			-	-	-	-	-	-
			-	-	-	-	-	-
Total long-term loans			-	-	-	-	-	-
ANNUITY LOAN			-	-	-	-	-	-
Annuity Loans			-	-	-	-	-	-
			-	-	-	-	-	-
Total annuity loans			-	-	-	-	-	-
GOVERNMENT LOANS			-	-	-	-	-	-
			-	-	-	-	-	-
Total Government Loans			-	-	-	-	-	-
LEASE LIABILITY								
Gestetner DSM 660			107 207	-	11 859	95 348	67 083	-
Xerox M151			10 260	-	1 483	8 777	8 208	-
Gestetner MPC 2500			-	52 000	3 746	48 254	46 800	-
Gestetner DSM 415P			-	14 028	659	13 369	12 859	-
Total Capitalised Lease Liability			117 467	66 028	17 747	165 748	134 950	-
TOTAL EXTERNAL LOANS			117 467	66 028	17 747	165 748	134 950	-

APPENDIX B
CENTRAL KAROO DISTRICT MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost/Revaluation				Accumulated Depreciation					Carrying Value	
	Opening Balance	Additions	Corrections	Disposals	Closing Balance	Opening Balance	Additions	Corrections	Disposals		Closing Balance
Land and Buildings											
Office Building	319 039	-	510 011	-	829 050	15 133	41 453	244 440	-	301 026	528 024
Land and Buildings	2 415 426	-	-	254 334	2 161 092	1 198 025	54 593	(259 214)	186 183	807 221	1 353 871
	2 734 465	-	510 011	254 334	2 990 142	1 213 158	96 046	(14 774)	186 183	1 108 247	1 881 895
Infrastructure											
Electricity meters	13 002	-	-	-	13 002	650	650	-	-	1 300	11 702
Electricity Reticulation	2 519 178	271 720	-	-	2 790 898	442 475	127 076	-	-	569 551	2 221 347
Other Roads	6 871 594	1 780 548	-	-	8 652 142	5 219 180	362 125	-	-	5 581 305	3 070 837
Street Lighting	732 876	-	-	-	732 876	356 539	42 128	-	-	398 667	334 209
Storm water Drains	4 502 875	-	-	-	4 502 875	183 214	450 287	-	-	633 501	3 869 374
Sewers	6 373 820	-	-	-	6 373 820	2 597 281	318 691	-	-	2 915 972	3 457 848
Outfall Sewers	83 847	-	-	-	83 847	41 946	4 192	-	-	46 138	37 709
Purification Works	87 800	212 400	-	-	300 200	4 390	13 204	-	-	17 594	282 606
Sewer Pumps	458 800	-	-	-	458 800	89 250	41 061	-	-	130 311	328 489
Water Meters	23 000	-	-	-	23 000	7 671	1 533	-	-	9 204	13 796
Water Reticulation	3 690 106	287 624	-	-	3 977 730	899 244	209 563	-	-	1 108 807	2 868 923
Water Reservoirs and Tanks	-	595 165	-	-	595 165	-	11 384	-	-	11 384	583 781
	25 356 898	3 147 457	-	-	28 504 355	9 841 840	1 581 894	-	-	11 423 734	17 080 621
Community Assets											
Land/Buildings - Public Conveniences	59 514	-	-	-	59 514	59 514	-	-	-	59 514	(0)
Land/Buildings - Stadiums	432 766	-	-	-	432 766	28 851	28 851	-	-	57 702	375 064
Recreation Facilities - Outdoor Facilities	962 379	-	-	-	962 379	481 453	48 119	-	-	529 572	432 807
Recreation Facilities - Floodlights	1 035 014	-	-	-	1 035 014	86 356	103 501	-	-	189 857	845 157
	-	-	-	-	-	-	-	-	-	-	-
	2 489 673	-	-	-	2 489 673	656 174	180 471	-	-	836 645	1 653 028
Heritage Assets											
Historical Buildings	-	-	-	-	-	-	-	-	-	-	-
Painting & Art Galleries	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Total carried forward	30 581 037	3 147 457	510 011	254 334	33 984 170	11 711 172	1 858 411	(14 774)	186 183	13 368 626	20 615 544

* Includes correction of error referred to in Note 32.

APPENDIX B
CENTRAL KAROO DISTRICT MUNICIPALITY : ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 30 JUNE 2007

	Cost					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Corrections	Disposals	Closing Balance	Opening Balance	Additions	Corrections	Disposals	Closing Balance	
Total brought forward	30 581 037	3 147 457	510 011	254 334	33 984 170	11 711 172	1 858 411	(14 774)	186 183	13 368 626	20 615 544
Housing Rental Stock											
Housing Rental 1	-	-	-	-	-	-	-	-	-	-	-
Housing Rental 2	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Leased Assets (Infrastructure)											
Sewerage Mains & Purify	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Other Assets											
Land/Buildings - Tip sites	136 216	-	-	-	136 216	56 885	6 811	-	-	63 696	72 520
Land/Buildings - Municipal Buildings	510 011	-	(510 011)	-	-	244 440	-	(244 440)	-	-	-
Office Equipment - Machines Leased	-	66 028	125 260	-	191 288	-	31 421	24 917	-	56 338	134 950
Office Equipment - Machines	102 253	10 500	-	-	112 753	102 253	2 905	-	-	105 159	7 595
Office Equipment - Computers	990 882	86 979	-	19 929	1 057 932	643 307	158 077	-	15 537	785 847	272 085
Office Equipment - Equipment	189 321	5 534	-	33 370	161 485	168 872	9 932	-	33 370	145 434	16 051
Furniture and Equipment	62 657	-	-	19 158	43 499	51 959	4 094	-	15 607	40 447	3 053
Kitchen Equipment	-	-	-	-	-	-	-	-	-	-	-
Communication Equipment	120 000	-	-	36 923	83 077	120 000	-	-	36 923	83 077	-
Fire Arms	-	-	-	-	-	-	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-
Emergency Equipment	1 284 731	-	-	-	1 284 731	537 129	128 473	-	-	665 602	619 129
Inventory Items	60 281	-	-	-	60 281	53 489	4 582	-	-	58 071	2 210
Vehicles - Sedans	687 284	-	-	264 146	423 138	640 291	39 668	-	264 146	415 813	7 325
Vehicles - LDV	1 286 506	-	-	711 475	575 031	1 134 947	41 502	-	711 475	464 975	110 057
Vehicles - Construction	-	-	-	-	-	-	-	-	-	-	-
Vehicles - Agriculture	89 165	-	-	-	89 165	44 186	7 500	-	-	51 686	37 479
Vehicles - Trailer and Various	99 293	-	-	-	99 293	88 257	11 036	-	-	99 293	0
Plant and Equipment	98 593	-	-	46 480	52 113	72 354	15 672	-	46 480	41 546	10 567
Medical Equipment	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	5 717 193	169 041	(384 751)	1 131 481	4 370 002	3 958 370	461 673	(219 523)	1 123 538	3 076 982	1 293 021
Sub Total	36 298 230	3 316 498	125 260	1 385 815	38 354 172	15 669 542	2 320 084	(234 297)	1 309 721	16 445 608	21 908 565
INTANGIBLE ASSETS:											
Computer Software	112 506	40 437	-	-	152 943	90 070	23 686	-	-	113 756	39 187
Sub Total	112 506	40 437	-	-	152 943	90 070	23 686	-	-	113 756	39 187
Total	36 410 736	3 356 935	125 260	1 385 815	38 507 115	15 759 611	2 343 770	(234 297)	1 309 721	16 559 363	21 947 752

APPENDIX C
CENTRAL KAROO DISTRICT MUNICIPALITY: SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT
30 June 2007

	Cost					Accumulated Depreciation					Carrying Value
	Opening Balance	Additions	Corrections	Disposals	Closing Balance	Opening Balance	Additions	Corrections	Disposals	Closing Balance	
Executive & Council	221 022	5 534	-	-	226 556	167 854	35 520	-	-	203 374	23 182
Finance & Admin	3 905 812	101 322	12 754	(2 108)	4 017 780	2 132 461	221 185	(324 367)	(9 532)	2 019 747	1 998 033
Planning & Development	340 012	13 500	-	-	353 512	274 128	27 778	-	-	301 906	51 606
Health	1 315 402	-	-	(1 085 996)	229 406	1 271 478	18 372	-	(1 079 415)	210 434	18 972
Community & Social Services	7 809	-	-	-	7 809	2 858	1 562	-	-	4 420	3 389
Housing	252 226	-	-	(252 226)	0	176 651	-	-	(176 651)	-	0
Public Safety	1 711 967	-	-	-	1 711 967	829 345	177 580	-	-	1 006 925	705 042
Sport & Recreation	2 430 159	-	-	-	2 430 159	596 660	180 471	-	-	777 131	1 653 028
Environmental Protection	119 692	-	-	(45 485)	74 207	79 763	15 766	-	(44 123)	51 406	22 802
Waste Management	7 215 483	212 400	-	-	7 427 883	2 819 773	391 460	-	-	3 211 233	4 216 650
Road Transport	11 705 157	1 802 235	-	-	13 507 392	5 616 945	851 076	-	-	6 468 021	7 039 371
Water	3 753 802	882 789	-	-	4 636 591	947 610	222 481	-	-	1 170 091	3 466 500
Electricity	3 279 891	271 720	-	-	3 551 611	824 888	168 387	-	-	993 275	2 558 336
Other	152 300	26 998	-	-	179 298	19 197	8 447	-	-	27 644	151 654
SUB TOTAL	36 410 735	3 316 498	12 754	(1 385 815)	38 354 172	15 759 611	2 320 084	(324 367)	(1 309 721)	16 445 607	21 908 565
INTANGIBLE ASSETS:											
Finance & Admin	-	-	112 506	-	112 506	-	22 436	90 070	-	112 506	(0)
Other	-	40 437	-	-	40 437	-	1 250	-	-	1 250	39 187
SUB TOTAL	-	40 437	112 506	-	152 943	-	23 686	90 070	-	113 756	39 187
TOTAL	36 410 735	3 356 935	125 260	(1 385 815)	38 507 115	15 759 612	2 343 770	(234 297)	(1 309 721)	16 559 362	21 947 752

APPENDIX D
CENTRAL KAROO DISTRICT MUNICIPALITY: SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE 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
-	3 221 658	(3 221 658)	Executive & Council	728 000	3 357 348	(2 629 348)
7 302 370	9 743 772	(2 441 402)	Finance & Admin	6 326 475	12 023 334	(5 696 859)
24 136 543	20 989 614	3 146 929	Planning & Development	4 875 702	4 670 975	204 727
5 272 819	6 547 496	(1 274 677)	Health	52 031	1 587 033	(1 535 002)
5 057	182 076	(177 019)	Community & Social Services	2 162	183 109	(180 947)
-	479 725	(479 725)	Public Safety	-	507 526	(507 526)
5 082	239 952	(234 870)	Sport & Recreation	2 078	201 922	(199 844)
-	-	-	Environmental Protection	-	-	-
1 018 050	1 402 392	(384 342)	Waste Management	985 719	1 349 149	(363 430)
17 891 958	19 376 836	(1 484 878)	Road Transport	23 431 753	24 746 808	(1 315 055)
707 189	856 065	(148 876)	Water	803 600	977 984	(174 384)
876 414	934 372	(57 958)	Electricity	1 208 443	1 362 020	(153 577)
8 817 281	5 557 876	3 259 405	Other	11 523 277	5 725 700	5 797 577
66 032 763	69 531 834	(3 499 071)	Sub Total	49 939 240	56 692 908	(6 753 668)
-	(5 189 492)	5 189 492	Less Inter-Dep Charges	-	(6 027 625)	6 027 625
66 032 763	64 342 342	1 690 421	Total	49 939 240	50 665 283	(726 043)
		-	Add: Share of Associate			-
			DISCONTINUED OPERATIONS			
			Add: Surplus / (deficit): from			
			Discontinued Operations	-	-	-
		1 690 421				(726 043)

APPENDIX E(1)
CENTRAL KAROO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2007

REVENUE	2007	2007	2007	2007	Explanation of Significant Variances greater than 10% versus Budget <i>(Explanations to be recorded)</i>
	Actual (R)	Un-audited Budget (R)	Variance (R)	Variance (%)	
Property rates	1 022 805	1 072 730	(49 925)	-4.65%	
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	2 678 840	3 154 164	(475 324)	-15.07%	
Regional Services Levies - turnover	-	510 000	(510 000)	-100.00%	Income was restated in 2005/2006 year.
Regional Services Levies - remuneration	-	90 000	(90 000)	-100.00%	Income was restated in 2005/2006 year.
Rental of facilities and equipment	78 739	79 900	(1 161)	-1.45%	
Interest earned - external investments	665 378	480 000	185 378	38.62%	More investments were made during the year
Interest earned - outstanding debtors	22 603	15 000	7 603	50.69%	More outstanding Debtors were collected
Dividends received	-	-	-	0.00%	
Fines	26 857	20 000	6 857	34.29%	More were received than budget for.
Licences and permits	219 239	227 300	(8 061)	-3.55%	
Income for agency services	23 474 284	24 174 647	(700 363)	-2.90%	
Government grants and subsidies	21 036 605	20 455 805	580 800	2.84%	
Other income	703 910	856 380	(152 470)	-17.80%	Less were received for PMU Unit
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	9 980	-	9 980	100.00%	Gain on disposal of assets were not budget for.
Total Revenue	49 939 240	51 135 926	(1 196 687)	-2.34%	
EXPENDITURE					
Executive & Council	3 357 348	4 065 648	(708 300)	-17.42%	Did not utilised all general expenditure.
Finance & Admin	12 023 334	11 382 765	640 569	5.63%	
Planning & Development	4 670 975	6 717 249	(2 046 274)	-30.46%	Did not utilised Provincial Grants and Included in budget were capital projects for DMA Murraysburg.
Health	1 587 033	2 033 668	(446 635)	-21.96%	Included in budget is HIV & AIDS, transferred to Other
Community & Social Services	183 109	188 748	(5 639)	-2.99%	
Public Safety	507 526	592 911	(85 385)	-14.40%	Did not utilised all general expenditure.
Sport & Recreation	201 922	286 016	(84 094)	-29.40%	Did not utilised all general expenditure.
Environmental Protection	-	-	-	0.00%	
Waste Management	1 349 149	1 536 976	(187 827)	-12.22%	Did not utilised all general expenditure.
Road Transport	24 746 808	25 475 764	(728 956)	-2.86%	
Water	977 984	1 256 153	(278 169)	-22.14%	Did not utilised all general expenditure.
Electricity	1 362 020	1 778 593	(416 573)	-23.42%	Did not utilised all general expenditure.
Other	5 725 700	5 209 930	515 770	9.90%	Housing project was budget as capital expenditure.
Total Direct Operating Expenditure	56 692 908	60 524 421	(3 831 512)	-6.33%	
Less: Inter Departmental Charges / Transfers	(6 027 625)	(6 933 407)	905 782	-13.06%	Less were received from Roads Agency function
Total Operating Expenditure	50 665 283	53 591 014	(2 925 730)	-5.46%	
Net Surplus / (Deficit) for the Year: Continuing Operations	(726 043)	(2 455 088)	1 729 044	-70.43%	
Add: Surplus / (Deficit) from Discontinued Operations	0	15 912	(15 912)	-100.00%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	(726 043)	(2 439 176)	1 713 132	-70.23%	

APPENDIX E(1)
CENTRAL KAROO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET (REVENUE AND EXPENDITURE) FOR THE YEAR ENDED 30 JUNE 2006

	2006	2006	2006	2006	Explanation of Significant Variances
REVENUE	Actual (R)	Un-audited Budget (R)	Variance (R)	Variance (%)	greater than 10% versus Budget
Property rates	778 847	825 628	(46 781)	-5.67%	<i>(Explanations to be recorded)</i>
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	2 154 191	2 016 614	137 577	6.82%	
Regional Services Levies - turnover	4 024 823	2 680 000	1 344 823	50.18%	More levies were collected than expected
Regional Services Levies - remuneration	494 084	400 000	94 084	23.52%	More levies were collected than expected
Rental of facilities and equipment	66 940	79 500	(12 560)	-15.80%	Less facilities were rented
Interest earned - external investments	691 525	300 000	391 525	130.51%	More investments were made during the year
Interest earned - outstanding debtors	34 593	32 000	2 593	8.10%	
Dividends received	-	-	-	0.00%	
Fines	28 645	5 400	23 245	430.46%	Fines received from Province were not budget for
Licences and permits	202 592	197 560	5 032	2.55%	
Income for agency services	23 129 146	22 191 460	937 686	4.23%	No budget for PHC.Expected to be transferred to Prov.
Government grants and subsidies	33 441 515	32 414 000	1 027 515	3.17%	
Other income	985 862	1 230 417	(244 555)	-19.88%	Less were received for PMU Unit
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	-	-	-	0.00%	
Total Revenue	66 032 763	62 372 579	3 660 184	5.87%	
EXPENDITURE					
Executive & Council	3 221 658	3 210 943	10 715	0.33%	
Finance & Admin	9 743 772	9 594 603	149 169	1.55%	
Planning & Development	20 989 614	23 332 657	(2 343 043)	-10.04%	Included in budget were capital projects from MIG
Health	6 547 496	1 941 667	4 605 829	237.21%	No budget for PHC.Expected to be transferred to Prov.
Community & Social Services	182 076	147 483	34 593	23.46%	Did not budget for Depreciation
Housing	-	-	-	0.00%	
Public Safety	479 725	256 241	223 484	87.22%	Did not budget for Depreciation
Sport & Recreation	239 952	96 090	143 862	149.72%	Did not budget for Depreciation
Environmental Protection	-	-	-	0.00%	
Waste Management	1 402 392	1 016 126	386 266	38.01%	Did not budget for Depreciation
Road Transport	19 376 836	22 665 134	(3 288 298)	-14.51%	Less were spent on Roads Agency Function than budget.
Water	856 065	799 665	56 400	7.05%	
Electricity	934 372	1 196 866	(262 494)	-21.93%	Utilised 2004/05 over charged bulk purchases
Other	5 557 876	5 066 148	491 728	9.71%	Did not utilised Provincial Grants
Total Direct Operating Expenditure	69 531 834	69 323 623	208 211	0.30%	
Less:Inter Departmental Charges / Transfers	(5 189 492)	(6 329 718)	1 140 226	-18.01%	Less were received from Roads Agency function
Total Operating Expenditure	64 342 342	62 993 905	1 348 437	2.14%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	1 690 421	(621 326)	2 311 747	-372.07%	

APPENDIX E(2)
CENTRAL KAROO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2007

	2007 Actual	2007 Under Construction	2007 Total Additions	2007 Un-audited Budget	2007 Variance	2007 Variance	Explanation of Significant Variances greater than 5% versus Budget
	R	R	R	R	R	%	
Executive & Council	5 534	-	5 534	5 500	34	0.62%	
Finance & Admin	101 322	-	35 294	41 500	(6 206)	-14.95%	Leases were not budget as capital
Planning & Development	13 500	-	13 500	14 000	(500)	-3.57%	
Health	-	-	-	-	-	0.00%	
Community & Social Services	-	-	-	-	-	0.00%	
Housing	-	-	-	2 037 155	(2 037 155)	-100.00%	Expenditure transferred from capital to Operating Expenditure
Public Safety	-	-	-	-	-	0.00%	
Sport & Recreation	-	-	-	-	-	0.00%	
Environmental Protection	-	-	-	-	-	0.00%	
Waste Management	212 400	-	212 400	212 400	-	0.00%	
Road Transport	1 802 235	-	1 802 235	1 000 000	802 235	80.22%	Expenditure transferred from Operating to Capital Expenditure
Water	882 789	-	882 789	911 610	(28 821)	-3.16%	
Electricity	339 155	-	339 155	360 000	(20 845)	-5.79%	Other Assets are Inventory
Other	-	-	-	7 000	(7 000)	-100.00%	
Total	3 356 935	-	3 290 907	4 589 165	(1 298 258)	-28.29%	

APPENDIX F

DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF SECTION 123 OF MFMA, 56 OF 2003

Grant and Subsidies Received

Name of Grants	Name of organ of state or municipal entity	Quarterly Receipts					Quarterly Expenditure					Grants and Subsidies delayed / withheld					Reason for delay/withholding of funds	Did your municipality comply with the grant conditions in terms of grant framework in the latest Division of Revenue Act	Reason for non-compliance
		March	June	Sept	Dec	March	March	June	Sept	Dec	March	March	June	Sept	Dec	March			
																		Yes / No	

Note: A municipality should provide additional information on how a grant was spent per Vote. This excludes allocations from the Equitable Share.

APPENDIX E(1)
CENTRAL KAROO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2007

REVENUE	<u>2007</u> Actual (R)	<u>2007</u> Budget (R)	<u>2007</u> Variance (R)	<u>2007</u> Variance (%)	<u>Explanation of Significant Variances</u> greater than 10% versus Budget
Property rates	1 022 805	1 072 730	(49 925)	-4.65%	<i>(Explanations to be recorded)</i>
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	2 678 840	3 154 164	(475 324)	-15.07%	
Regional Services Levies - turnover	-	510 000	(510 000)	-100.00%	
Regional Services Levies - remuneration	-	90 000	(90 000)	-100.00%	
Rental of facilities and equipment	78 739	79 900	(1 161)	-1.45%	
Interest earned - external investments	665 378	480 000	185 378	38.62%	
Interest earned - outstanding debtors	22 603	15 000	7 603	50.69%	
Dividends received	-	-	-	0.00%	
Fines	26 857	20 000	6 857	34.29%	
Licences and permits	219 239	227 300	(8 061)	-3.55%	
Income for agency services	23 474 284	24 174 647	(700 363)	-2.90%	
Government grants and subsidies	21 036 605	20 455 805	580 800	2.84%	
Other income	703 910	856 380	(152 470)	-17.80%	
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	9 980	-	9 980	0.00%	
Total Revenue	49 939 240	51 135 926	(1 196 686)	-2.34%	
EXPENDITURE					
Employee related costs	9 109 540	9 904 883	(795 343)	-8.03%	
Remuneration of Councillors	2 247 657	2 550 000	(302 343)	-11.86%	
Bad debts	1 880 926	273 000	1 607 926	588.98%	
Collection costs	-	-	-	0.00%	
Depreciation	2 328 345	2 331 329	(2 984)	-0.13%	
Repairs and maintenance	306 943	535 700	(228 757)	-42.70%	
Interest on external borrowings	56 479	110 000	(53 521)	-48.66%	
Bulk purchases	654 443	800 000	(145 557)	-18.19%	
Contracted services	342 772	537 423	(194 651)	-36.22%	
Grants and subsidies paid	5 357 997	4 901 842	456 155	9.31%	
General expenses - other	28 306 276	31 550 013	(3 243 737)	-10.28%	
Loss on disposal of property, plant and equipment	73 905	65 000	8 905	13.70%	
Total Operating Expenditure	50 665 283	53 559 190	(2 893 907)	-5.40%	
Net Surplus / (Deficit) for the Year: Continuing Operations	(726 043)	(2 423 264)	1 697 221	-70.04%	
Add: Surplus / (Deficit) from Discontinued Operations	0	15 912	(15 912)	-100.00%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	(726 043)	(2 439 176)	1 713 132	-70.23%	

APPENDIX E(1)
CENTRAL KAROO DISTRICT MUNICIPALITY: ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 30 JUNE 2005

REVENUE	2006 Actual (R)	2006 Budget (R)	2006 Variance (R)	2006 Variance (%)	Explanation of Significant Variances greater than 10% versus Budget
Property rates	778 847	825 628	(46 781)	-5.67%	<i>(Explanations to be recorded)</i>
Property rates - penalties imposed and collection charges	-	-	-	0.00%	
Service charges	2 154 191	2 016 614	137 577	6.82%	
Regional Services Levies - turnover	4 024 823	2 680 000	1 344 823	50.18%	
Regional Services Levies - remuneration	494 084	400 000	94 084	23.52%	
Rental of facilities and equipment	66 940	79 500	(12 560)	-15.80%	
Interest earned - external investments	691 525	300 000	391 525	130.51%	
Interest earned - outstanding debtors	34 593	32 000	2 593	8.10%	
Dividends received	-	-	-	0.00%	
Fines	28 645	5 400	23 245	430.46%	
Licences and permits	202 592	197 560	5 032	2.55%	
Income for agency services	23 129 146	22 191 460	937 686	4.23%	
Government grants and subsidies	33 441 515	32 414 000	1 027 515	3.17%	
Other income	985 862	1 230 417	(244 555)	-19.88%	
Public contributions, donated/contributed PPE	-	-	-	0.00%	
Gains on disposal of property, plant and equipment	-	-	-	0.00%	
Total Revenue	66 032 763	62 372 579	3 660 184	5.87%	
EXPENDITURE					
Employee related costs	12 593 232	9 186 450	3 406 782	37.08%	
Remuneration of Councillors	1 660 777	1 819 900	(159 123)	-8.74%	
Bad debts	2 223 756	245 000	1 978 756	807.66%	
Collection costs	-	-	-	0.00%	
Depreciation	2 290 911	-	2 290 911	0.00%	
Repairs and maintenance	250 487	345 740	(95 253)	-27.55%	
Interest on external borrowings	-	-	-	0.00%	
Bulk purchases	356 949	680 000	(323 051)	-47.51%	
Contracted services	295 021	327 000	(31 979)	-9.78%	
Grants and subsidies paid	21 928 522	21 138 126	790 396	3.74%	
General expenses - other	22 742 687	29 236 489	(6 493 802)	-22.21%	
Loss on disposal of property, plant and equipment	-	-	-	0.00%	
Total Expenditure	64 342 342	62 978 705	1 363 637	2.17%	
NET SURPLUS/(DEFICIT) FOR THE YEAR	1 690 421	(606 126)	2 296 547	-378.89%	

ANNEXURE C

Report from the Auditor General





A U D I T O R - G E N E R A L

The Accounting Officer
Department of Local Government and Housing
Private Bag X9076
Cape Town
8000

30 November 2007

Reference : 05465REG06/07

Attention: Chief Director: Local Government

REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE CENTRAL KAROO DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2007

1. The above-mentioned report of the Auditor-General is herewith submitted in terms of section 21(4)(a) of the Public Audit Act, 2004 (Act No. 25 of 2004).
2. Until tabled, or published by the Auditor-General, this report is **not public documents** and should therefore be treated as **confidential**.
3. Kindly acknowledge receipt of this letter.

Yours sincerely

Mahomed Hassim for Auditor-General

Senior Manager
Tel.: (021) 528 4134
Fax: (021) 528 4201
E-mail: mhassim@agsa.co.za



A U D I T O R - G E N E R A L

The Acting Municipal Manager
Central Karoo District Municipality
Private Bag X560
Beaufort West
6970

30 November 2007

Reference : 05465REG06/07

Dear Mr NW Nortje

REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION OF THE CENTRAL KAROO DISTRICT MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2007

1. The above-mentioned report of the Auditor-General is submitted herewith in terms of section 21(1) of the Public Audit Act, 2004 (Act No. 25 of 2004) read in conjunction with section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) and section 121(3) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003)(MFMA).
2. In terms of section 121(3) and 127(2) of the MFMA municipalities have to include the audit report in the municipality's annual report for tabling within seven months after the end of the financial year.
3. Until tabled as required by section 127(2) the report is **not a public document** and should therefore be treated as **confidential**.
4. As your municipality will be responsible for publishing the attached audit report as part of the annual report, your attention is drawn to the following **important requirements** :
 - Submit the final printer's proof of the annual report (which includes the audit report) to the relevant senior manager (Mahomed Hassim) of the Auditor-General for verification of the audit-related references before it is printed or copied, i.e. **before 31 January 2008**, failing which could lead to a retraction and amendment of the audit report. Special care should be taken with the page references in your report, since an incorrect reference could have audit implications. Adequate time should be allowed to enable the Auditor-General to perform the necessary verification in terms of ISA 720 : *Other Information in Documents Containing Audited Financial Statements*.
 - The signature at the end of the hard copy of the audit report should be scanned in when preparing to print the report. The place and date of signing and the logo

should also appear at the end of the report, as in the hard copy that is provided to you. The official logo will be made available to you in electronic format.

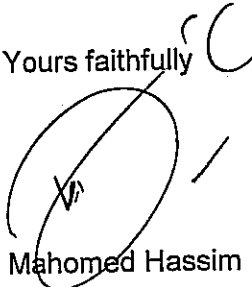
5. Please notify the Provincial Auditor-General (Business Executive) well in advance of the date on which the audit report, or the annual report containing this audit report, will be tabled at the municipality.
6. Over and above the normal distribution of your annual report, **five (5) copies must** be submitted to the Auditor-General for attention of Mr Blackie Swart : Parliamentary Manager.

Delivery Address: The Auditor-General
Private Bag X1
Chempet
7442

The Auditor-General
1st Floor
Business Connexion Building, East Block
Ring Road
Century City

7. Your cooperation to ensure that all these requirements are met would be much appreciated.
8. Kindly acknowledge receipt of this letter.

Yours faithfully



Mahomed Hassim for Auditor-General

Senior Manager
Tel.: (021) 528 4134
Fax: (021) 528 4201
E-mail: mhassim@agsa.co.za

Distribution:

Chief Financial Officer
Mayor



AUDITOR-GENERAL



Report of the Auditor General on the financial statements of

Central Karoo District Municipality for the
year ended

30 June 2007

Accountability

Integrity

Independence

Impartiality

**REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL
PARLIAMENT ON THE FINANCIAL STATEMENTS AND PERFORMANCE
INFORMATION OF THE CENTRAL KAROO DISTRICT MUNICIPALITY FOR THE
YEAR ENDED 30 JUNE 2007**

REPORT ON THE FINANCIAL STATEMENTS

Introduction

1. I have audited the accompanying financial statements of the Central Karoo District Municipality which comprise the statement of financial position as at 30 June 2007, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 1 to 36.

Responsibility of the accounting officer for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). This responsibility includes:
 - designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
 - selecting and applying appropriate accounting policies
 - making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

3. As required by section 188 of the Constitution of the Republic of South Africa, 1996 read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004) (PAA) and section 126(3) of the MFMA, my responsibility is to express an opinion on these financial statements based on my audit.
4. I conducted my audit in accordance with the International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

6. An audit also includes evaluating the:
- appropriateness of accounting policies used
 - reasonableness of accounting estimates made by management
 - overall presentation of the financial statements.
7. Paragraph 11 et seq. of the Statement of Generally Recognised Accounting Practice, GRAP 1 *Presentation of Financial Statements* requires that financial reporting by entities shall provide information on whether resources were obtained and used in accordance with the legally adopted budget. As the budget reporting standard is still in the process of being developed, I have determined that my audit of any disclosures made by Central Karoo District Municipality in this respect will be limited to reporting on non-compliance with this disclosure requirement.
8. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Basis of accounting

9. The municipality's policy is to prepare financial statements on the basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

Opinion

10. In my opinion the financial statements present fairly, in all material respects, the financial position of the Central Karoo District Municipality as at 30 June 2007 and its financial performance and cash flows for the year then ended, in accordance with the basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the MFMA.

Emphasis of Matter

Basis of accounting (departures and deviations)

11. As set out in accounting policy note 1 to the financial statements, the National Treasury approved a deviation from the basis of accounting applicable to the municipality in terms of *Government Notice 552 of 2007* issued in *Government Gazette 30013 of 29 June 2007*.

OTHER MATTERS

I draw attention to the following matters which are ancillary to my responsibilities in the audit of the financial statements:

Non-compliance with applicable legislation

Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)

12. An evaluation of the compliance with the MFMA identified the following:

- Liabilities relating to assets acquired in terms of a finance lease were not accrued in accordance with the requirements of section 46 of the MFMA, which prescribes criteria relevant to incurring long-term debt.
- The financial statements of the municipality did not disclose the reasons for non-compliance with the conditions relating to inter-governmental allocations, as stipulated in section 123(1)(e) of the MFMA.
- An internal audit function had not been operational for the full financial year under review, as required by section 165 of the MFMA.
- The municipality's audit committee had met twice during the financial year under review and not at least four times, as required by section 166(4)(b) of the MFMA.
- The municipality did not maintain a separate bank account for money received for its housing programmes, as required by section 10(4)(d) of the Housing Act, 1997 (Act No. 107 of 1997).

The financial statements of the municipality did not disclose all the above non-compliance with the MFMA, as required by section 125(2)(e) of the MFMA.

General Notice 552 of 2007

13. The following were not disclosed in the financial statements as required by *Government Gazette 30013*:

- a discussion of the progress made towards full compliance with GRAP, GAMAP & GAAP and
- a narrative explanation of the extent to which the information in the financial statements would need to be adjusted to fully comply with GRAP, GAMAP & GAAP.

Municipal Systems Act, 2003 (Act No. 32 of 2003) (MSA)

14. An inspection of the compliance with the MSA identified the following:

- Municipal staff were appointed by the council and not by the municipal manager as required by section 55 of the MSA.

- Advance notices relating to the time, date and venue of every ordinary council meeting were not provided to the public, as required by section 19(a) of the MSA.

Material corrections made to the financial statements submitted for audit

15. The financial statements, approved by the accounting officer and submitted for audit on 31 August 2007, have been significantly revised in respect of the following misstatements identified during the audit:

- The provision for bad debt was understated when compared to the recoverability of debtors, resulting in an adjustment of R899 148 to the provision for bad debts and general expenditure.
- The value of buildings was understated due to their residual values not being assessed on acquisition, resulting in depreciation being overprovided. The net effect of the above resulted in the book value of buildings being increased by R172 569. In addition the value of land was understated due to land being incorrectly depreciated. The net effect of the above resulted in the book value of land being increased by R112 566.
- RSC levies relating to the prior year were incorrectly recognised in the current year, resulting in an adjustment of R554 818 to revenue and accumulated surplus.
- Salary expenses relating to the prior year were incorrectly recognised in the current year, resulting in an adjustment of R204 701 to salaries and accumulated surplus.

Unaudited supplementary schedules

16. The supplementary information set out on pages 37 to 43 does not form part of the annual financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion on them.

Internal control

17. Section 62(1)(c)(i) of the MFMA states that the accounting officer must ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control. The table below depicts the root causes of the matters indicated, as they relate to the five components of internal control. In some instances deficiencies existed in more than one internal control component.

Reporting item	Control environment	Assessment of risks	Control activities	Information and communication	Monitoring
Other matters					
Non-compliance with applicable laws and regulations			■		■
Material corrections to the financial statements	■				■

OTHER REPORTING RESPONSIBILITIES

Reporting on performance information

18. I was engaged to audit the performance information.

Responsibilities of the accounting officer for performance information

19. In terms of section 121(3)(c) of the MFMA, the annual report of a municipality must include the annual performance report of the municipality prepared by the municipality in terms of section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA).

Responsibility of the Auditor-General

20. I conducted my engagement in accordance with section 13 of the PAA read with *General Notice 646 of 2007*, issued in *Government Gazette No. 29919 of 25 May 2007* and section 45 of the MSA.

21. In terms of the foregoing my engagement included performing procedures of an audit nature to obtain sufficient appropriate evidence about the performance information and related systems, processes and procedures. The procedures selected depend on the auditor's judgement.

22. I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for the audit findings reported below.

Audit findings (performance information)

Performance information not received in time

23. I was unable to complete a review of the reported performance information as set out on pages □ to □ of the annual report, since the information was not received in time.

Content of the integrated development plan (IDP)

24. I reviewed the IDP and identified the following areas of non-compliance with the MSA:

- The IDP did not include an organogram, as required by section 26(a) of the MSA, relating to the implementation of the IDP and addressing the municipality's transformation needs.
- The IDP did not include a financial plan, which had to include a budget projection for at least the next three years, as required by section 26(h) of the MSA.
- The performance management system did not clarify the processes to implement the system within the framework of the IDP process. There was no evidence of a link between the performance management system and the IDP, as required by chapter 6, regulation 7(1)(d) of the MSA.
- The general key performance indicator (KPI) referring to the "Number of jobs created through the municipality's local economic development initiatives including capital projects" was not included in the KPIs of the municipality.
- The performance measurement for the actual service delivery process did not include the measurement of the costs, resources and time used to produce outputs in accordance with the input indicators, as required by regulation 13(3) of the MSA.
- The performance measurement for the actual service delivery process did not include the measurement of the extent to which the municipality's activities or processes produced outputs in accordance with the output indicators, as required by regulation 13(3) of the MSA.

APPRECIATION

25. The assistance rendered by the staff of the Central Karoo District Municipality during the audit is sincerely appreciated.

Auditor - General

Cape Town

30 November 2007



A U D I T O R - G E N E R A L