

ZULULAND DISTRICT MUNICIPALITY  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 30 June 2009

Note  
2009  
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20 GOVERNMENT GRANTS AND SUBSIDIES

Equitable share	127,541,093	103,478,543
MIG Grant	129,313,320	92,981,557
KZNPA Salaries	3,887,974	-
DWAF Salaries	2,974,800	4,010,800
IDP Grant	14,066	-
GIS Capacity Building	80,000	-
Shared Services Internal Audit	253,651	-
Airport Resurfacing	1,854,350	-
P700 Infrastructure	319,022	-
LG SETA	2,598	-
Nongoma Project Consolidate	282,501	-
Infrastructure Backlog Studies	1,203,126	-
INDONSA	1,639,695	2,609,000
DWAF	61,684,391	39,047,300
Municipal Systems Improvement Grant	1,554,204	1,500,000
Sports grant	542,594	500,000
Finance Management Grant	500,000	500,000
Gijima KZN	426,094	1,065,243
Umdeni Airport	5,634,122	-
Cengen!	5,785,952	1,000,000
Umdeni Township Hub	573,401	1,080,000
Municipal Development Information System	584,029	1,000,000
Gumbi Land Settlement	273,029	500,000
Belgrade MFPC	600,000	-
Growth & Development Summit	100,000	-
DWAF Operation & maintenance	3,250,400	4,382,600
Other Government Grants and Subsidies	14,702,910	14,702,910
<b>Total Government Grant and Subsidies</b>	<b>360,874,413</b>	<b>268,357,953</b>

21.1 Equitable Share  
In terms of the Constitution, this grant is used to subsidise the provision of basic services to indigent community members. All water consumers receive 6kl free basic water.

21.2 MIG Grant

Balance unspent at beginning of year	146,528,000	92,981,557
Current year receipts	-	-
Conditions met - transferred to revenue	(129,313,320)	(92,981,556.7)
Conditions still to be met - remain liabilities	17,214,680	-

MIG is implemented on a multi-year programme and the conditions are met on an ongoing basis.

Other Conditional Government Grants and Subsidies

Balance unspent at beginning of year	54,431,932	54,431,932
Current year receipts	53,253,178	-
Conditions met - transferred to revenue	(90,081,454)	-
Conditions still to be met - remain liabilities	17,603,656	54,431,932

21.3 Changes in levels of government grants

Based on the allocations set out in the Division of Revenue Act 2008, no significant changes in the level of government grant funding are expected over the forthcoming 3 financial years.

22 OTHER INCOME, PUBLIC CONTRIBUTIONS AND DONATIONS

22.1 Other Income	460,612	452,997
Total Other Income	460,612	452,997
22.2 Public contributions and donations	-	-
Donations	70,000	-
Total public contributions and donations	70,000	-

ZULULAND DISTRICT MUNICIPALITY  
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23 EMPLOYEE RELATED COSTS

Employee related costs - Salaries and Wages	41,229,809	35,039,856
Employee related costs - Contributions for UIF, pensions and medical aids	7,392,498	7,266,085
Travel, motor car, accommodation, subsistence and other allowances	3,968,871	4,062,101
Housing benefits and allowances	438,181	385,115
Overtime payments	3,343,929	2,347,902
Other employee related costs	3,264,947	1,613,366
<b>Total Employee Related Costs</b>	<b>59,638,236</b>	<b>50,734,427</b>

Remuneration of the Municipal Manager	441,776	398,615
Annual Remuneration	197,125	-
Performance- and other bonuses	131,698	328,360
Travel, motor car, accommodation, subsistence and other allowances	156,439	139,516
Contributions to UIF, Medical and Pension Funds	1,117,037	866,491
<b>Total</b>	<b>1,117,037</b>	<b>866,491</b>

Remuneration of the Chief Finance Officer	250,800	250,800
Annual Remuneration	131,745	-
Performance- and other bonuses	118,911	376,525
Travel, motor car, accommodation, subsistence and other allowances	102,180	97,777
Contributions to UIF, Medical and Pension Funds	903,636	726,102
<b>Total</b>	<b>903,636</b>	<b>726,102</b>

Remuneration of Individual Executive Directors	262,762	221,040
Annual Remuneration	131,745	131,745
Performance- and other bonuses	520,557	527,899
Travel, motor car, accommodation, subsistence and other allowances	74,063	246,559
Contributions to UIF, Medical and Pension Funds	989,127	1,127,241
<b>Total</b>	<b>989,127</b>	<b>1,019,177</b>

2008	250,800	212,077
Annual Remuneration	131,745	131,745
Performance- and other bonuses	427,674	427,674
Travel, motor car, accommodation, subsistence and other allowances	87,435	87,435
Contributions to UIF, Medical and Pension Funds	729,127	727,186
<b>Total</b>	<b>729,127</b>	<b>730,807</b>

24 REMUNERATION OF COUNCILLORS

Councillors' pension and medical aid contributions	2,878,719	2,619,297
Councillors' allowances	411,662	307,008
<b>Total Councillors' Remuneration</b>	<b>4,934,083</b>	<b>6,017,271</b>

In-kind Benefits  
The Mayor, Deputy Mayor, Speaker and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council.  
The Mayor has use of the Council owned vehicle for official duties. The Mayor has full-time bodyguards.

25 DEPRECIATION AND AMORTISATION EXPENSE

Property, plant and equipment	29,811,040	-
Intangible assets	217,855	-
<b>Total Depreciation and Amortisation</b>	<b>30,028,895</b>	<b>-</b>

ZULULAND DISTRICT MUNICIPALITY  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 30 June 2009

	2009	2008
26 FINANCE COSTS	832,563	3,391,489
Borrowings		
Total Finance Costs	832,563	3,391,489

	2009	2008
27 BULK PURCHASES	7,913,901	5,376,760
Electricity		
Water		
Total Bulk Purchases	7,913,901	5,376,760

	2009	2008
28 CONTRACTED SERVICES	2,444,020	564,466
Contracted services for		
Security Services		
Cleaning Service		
Total	2,444,020	564,466

	2009	2008
29 GRANTS AND SUBSIDIES PAID	813,167	709,639
Grants/subsidy to Local Municipalities		
Total	813,167	709,639

These grants comprise Tourism Grants to Local Municipalities and a Water Services Provider Grant to Abaqulusi Municipality

30 GENERAL EXPENSES

Included in general expenses are the following -

	2009	2008
Advertising	367,539	215,817
Audit fees	1,000,073	1,614,859
Bank charges	120,607	111,889
Cleaning	77,105	559,741
Conferences and delegations	4,446	5,164
Connection charges	315,623	195,093
Entertainment	361,688	361,688
Fuel and oil	3,529,067	2,333,525
Insurance	1,616,579	1,214,292
Membership fees	44,414	28,459
License fees	110,766	82,920
Membership fees	298,645	199,951
Postage	78,881	116,780
Printing and stationery	406,255	701,884
Professional fees	2,533,127	1,542,486
Rental of buildings	142,417	130,057
Rental of office equipment	120,443	347,250
Other rentals	564,722	222,976
Security costs	-	1,669,610
Accrued leave adjustment account	1,575,813	401,333
Skills development levies	541,298	401,333
Stocks and material	250,555	244,327
Telephone cost	1,043,462	747,930
Subscription & publication	2,024,928	1,440,082
Training	1,343,403	737,452
Community & social expenditure	62,490,637	-
Travel and subsistence	4,335,085	3,392,792
Uniforms & overalls	309,920	314,991
Grants expenditure	13,868,592	-
Other	23,871,411	182,621,709
<b>Total</b>	<b>123,347,501</b>	<b>201,193,370</b>

30.1 GAIN / (LOSS) ON SALE OF ASSETS

Property, plant and equipment  
 Total gain / (loss) on sale of assets

60,897	60,897
-	-

ZULULAND DISTRICT MUNICIPALITY  
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for the year ended 30 June 2009

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31 CASH GENERATED BY OPERATIONS

Surplus/(deficit) for the year	123,972,714	1,101,166,391
Adjustment for:-		
Depreciation and amortisation	30,028,894	222,235
(Gain) / loss on sale of assets	(60,897)	-
Contribution to provisions - non-current	-	222,235
Contribution to provisions - current	3,391,489	1,109,240,791
Finance costs	832,563	-
Interest earned	(21,194,644)	(17,617,716)
Appropriation for the year	(5,787,552)	1,101,166,391
Operating surplus before working capital changes:	127,791,079	1,092,083,724
Working Capital	(40,077,178)	(9,081,667)
Increase in trade and other receivables from exchange transactions	4,561,737	1,061,068
Increase in other receivables from non-exchange transactions	(3,060,668)	10,635,052
Increase in current portion of receivables	63,831	69,822
Increase in prepayments	(1,630,454)	1,175,245
(Increase)/decrease in VAT receivable	(31,722,632)	(8,452,123)
Increase in inventory	(904,467)	-
Increase in non-current receivables	(4,358)	(1,511)
Increase in trade and other payables from exchange transactions	6,032,426	1,984,292
Increase in non-current payables	(4,358)	(1,511)
Increase in trade and other payables from exchange transactions	4,561,737	1,061,068
Increase in other receivables from non-exchange transactions	(3,060,668)	10,635,052
Increase in current portion of receivables	63,831	69,822
Increase in current portion of unspent conditional grants and receipts	(19,613,596)	(13,687,006)
Increase in current portion of borrowings	137,394	(1,348,538)
Increase in other current financial liabilities	3,829,329	-
Appropriation for the year	(5,787,552)	-
(Increase)/decrease in inventories	-	-
Cash generated by/(utilized in) operations	87,713,901	1,092,083,724

31.1 Cash receipts from consumers, government and other

Total revenue per statement of financial performance	391,276,604	304,166,557.50
Adjusted for items disclosed separately	(21,194,644)	4,487,653
Interest received	(31,066,676)	4,487,653
Adjusted for working capital	4,561,737	1,061,068.00
Increase in trade and other receivables from exchange transactions	4,561,737	1,061,068.00
Increase in other receivables from non-exchange transactions	(3,060,668)	10,635,052.00
Increase in current portion of receivables	63,831	69,822.00
(Increase)/decrease in VAT receivable	(31,722,632)	(8,452,123)
Increase in inventory	(904,467)	1,175,245.00
Increase in non-current receivables	(4,358)	(1,511.00)
Cash receipts from consumers, government and other	339,015,385	308,654,111

31.2 Cash paid to employees, suppliers and other

Total expenses as per statement of financial performance	(267,364,786)	298,237,966.03
Adjusted for non-cash items:	24,241,242	1,109,463,026
Depreciation	30,028,894	222,235.00
Appropriations for the year	(5,787,552)	-
Contribution to provisions - current	-	222,235.00
Other adjustments	-	1,109,240,791.00
Adjusted for items disclosed separately	832,563	-
Finance Costs	832,563	-
Adjusted for working capital	(9,010,603)	(13,569,220)
Increase in prepayments	(1,630,454)	-
Increase in trade and other payables from exchange transactions	6,032,426	1,984,292.00
Increase in current portion of unspent conditional grants and receipts	(19,613,596)	(13,687,006)
Increase/(decrease) in consumer deposits	2,234,298	(517,968)
Increase in current portion of borrowings	137,394	(1,348,538)
Increase in other current financial liabilities	3,829,329	-
Cash paid to employees, suppliers and other	(261,301,484)	1,394,131,772

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ZULULAND DISTRICT MUNICIPALITY  
NOTES TO THE FINANCIAL STATEMENTS  
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	2009	2008	Note
<b>32 CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents included in the cash flow statement comprise the following:			
Bank balances and cash	166,113,783	164,499,905	
Bank overdrafts	(1,613,878)	-	
<b>Net cash and cash equivalents (net of bank overdrafts)</b>	<b>164,499,905</b>	<b>164,499,905</b>	
<b>33 CHANGE IN ACCOUNTING POLICY</b>			
The following adjustments were made to amounts previously reported in the annual financial statements of the municipality arising from the implementation of new accounting policies, implementation of GRAP and changes to existing policies:			
<b>33.1 Reserves</b>			
Balance previously reported: -			
Project Development Fund	7,505,703	7,505,703	
MIG	37,220,192	37,220,192	
DWAF	37,290,645	37,290,645	
Municipal Development Information services	1,000,000	1,000,000	
Gumbi Land Settlement	500,000	500,000	
LSSETA	141,961	141,961	
Building for Sport and Recreation	747,478	747,478	
Municipal Systems Improvement	1,179,548	1,179,548	
Grant: Infrastructure Backlog Studies	1,656,444	1,656,444	
Grant: Transport plan	627,418	627,418	
Grant: IDP	80,000	80,000	
Grant: DPLG GIS Capacity	14,066	14,066	
KZN Infrastructure Grant	450,000	450,000	
Gijima KZN	2,699	2,699	
Ulundi Airport	210,618	210,618	
Ulundi Airport Resurfacing	1,854,350	1,854,350	
P700 Infrastructure	427,656	427,656	
Ulundi Tourism Hub	1,378,868	1,378,868	
Project Consolidate: Nongoma	1,746,768	1,746,768	
Shared Services	253,651	253,651	
Cengeni Development	2,759,500	2,759,500	
Other reserves	2,108,260	2,108,260	
Loans redeemed and other capital receipts	-	-	
<b>Total</b>	<b>99,157,826</b>	<b>99,157,826</b>	
Implementation of GRAP	44,725,895	44,725,895	
Transferred to accumulated surplus/(deficit)	-	-	
Transferred to unspent conditional grants	54,431,932	54,431,932	
<b>33.2 Provisions and Reserves</b>			
Balance previously reported	138,889	138,889	
Staff Bursary Reserve	-	-	
Leave Provision	2,380,033	2,380,033	
<b>Total</b>	<b>2,518,922</b>	<b>2,518,922</b>	
Implementation of GRAP	-	-	
Transferred to accumulated surplus/(deficit)	-	-	
Transferred to staff leave accrual	138,889	138,889	
<b>33.3 Loans Redeemed and other capital receipts</b>			
Balance previously reported	980,605,233	980,605,233	
Implementation of GRAP	-	-	
Transferred to accumulated surplus/(deficit)	980,605,233	980,605,233	
<b>Total</b>	<b>-</b>	<b>-</b>	
Balance previously reported	985,078,120	985,078,120	
Implementation of GRAP	-	-	
Finance lease asset previously not recorded	550,000	550,000	
<b>Total</b>	<b>985,628,120</b>	<b>985,628,120</b>	

	2009	2008	Note
<b>33.5 Accumulated Depreciation</b>			
Balance previously reported	3 667 636	67 170 991	
Implementation of GRAP	67 170 991	7 178 873	
Backlog depreciation: land and buildings		110 000	
Backlog depreciation: infrastructure		1 233 620	
Backlog depreciation: other		79 361 120	
Amortisation of intangible asset		-	
Total (debited to accumulated surplus/deficit))		79 361 120	
<b>33.6 Accumulated Surplus/(Deficit)</b>			
Balance previously reported	49 242 304	980 605 233	
Implementation of GRAP		138 889	
Adjustments to loans redeemed and other capital receipts (see 33.3 above)		(69 403)	
Excessive provisions and reserves no longer permitted (see 33.2 above)		44 725 896	
Finance charges on finance lease previously not recognised		151 956	
Transferred from statutory funds (see 33.1 above)		(79 361 120)	
Finance lease instalments previously expensed		896 433 753	
<b>Total</b>			
<b>34 MANAGEMENT ACT</b>			
<b>34.1 Contributions to organised local government</b>			
Opening balance	298 645	-	
Membership Fees			
Balance unpaid (included in payables)			
<b>34.2 Audit fees</b>			
Amount paid - current year	871 712	1 000 073	
Balance unpaid (included in payables)			
<b>34.3 VAT</b>			
VAT input receivables and VAT output payables are shown in note 11. Not all VAT returns were submitted by the due date throughout the year but corrective measures are now in place			
<b>34.4 PAYE and UIF</b>			
Opening balance	8 859 329	7 456 708 99	
Current year payroll deductions			
Amount paid - current year	(8 859 329)	(7 456 709)	
Amount paid - previous years			
Balance unpaid (included in payables)			
<b>34.5 Pension and Medical Aid Deductions</b>			
Opening balance	11 403 966	8 894 803 24	
Current year payroll deductions and Council Contributions			
Amount paid - current year	(11 403 966)	(8 894 803)	
Amount paid - previous years			
Balance unpaid (included in payables)			

ZULULAND DISTRICT MUNICIPALITY  
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34.6 Councilors' arrear consumer accounts

The following Councilors had arrear accounts outstanding for more than 90 days as at:

as at	Total	Outstanding less than 90 days	Outstanding more than 90 days
as at 30 June 2009	R 251	R 251	R -
Cllr V Z Kagwaza-Msibi	2,399	92	2,307,00
Cllr S E Nkwanana	2,399	92	2,307,00
Total Councilor Arrear Consumer Accounts	2,651	343	2,307,00
as at 30 June 2008	R 324	R 218	R 1,634,65
Cllr V Z Magwaza	324	218	1,634,65
Cllr S E Nkwanana	1,713	78	1,634,65
Total Councilor Arrear Consumer Accounts	2,037	296	1,634,65

During the year the following Councilors had arrear accounts outstanding for more than 90 days:

as at 30 June 2009	as at 30 June 2008
Cllr S E Nkwanana	Cllr S E Nkwanana
2,242	1,713
90x days	90x days

35 CAPITAL COMMITMENTS

35.1 Commitments in respect of capital expenditure

Approved and contracted for	Total
Infrastructure	148,870,973
- Approved and contracted for	148,870,973
- Government Grants	99,157,827,00
Total	99,157,827,00

35.2 Operating leases

At the reporting date the entity has outstanding commitments under operating leases which fall due as follows:

Operating leases - lessee	Total
Within one year	59,538
In the second to fifth year inclusive	51,628
Total	111,166

36 RELATED PARTIES

Members of key management (refer to note 22)

Compensation to councillors and other key management (refer to note 22 & 23)

37 CORRECTION OF ERROR

During the year ended 30 June 2008, fuel and oil for the 07/08 financial year erroneously recorded as an expense in the 2008/2009 financial year.

The comparative amount has been restated as follows:

Corrections of prior year fuel and oil recorded as an expense in the current year	479,518
Decrease in Fuel and Oil	479,518
Net effect on surplus/(deficit) for the year	479,518
Net effect on accumulated surplus opening balance	(479,518)

38 APPROPRIATIONS FOR THE YEAR

Appropriation for the year is used to record transactions that affect the accumulated surplus. These include prior year cheques not cancellable/ issuable against the line item from which it was issued. Journals.

**ZULULAND DISTRICT MUNICIPALITY**  
**APPENDIX A**  
**SCHEDULE OF EXTERNAL LOANS**  
as at 30 June 2009

EXTERNAL LOANS	Loan number	Redeemable Date	Balance at 30 June 2008	Received during the period	Redeemed / written off during the period	Balance at 30 June 2009	Carrying Value of Property, Plant & Equipment	Other Costs in accordance with MFMA
			R	R	R	R	R	R
LONG-TERM LOANS-INCA LOAN@12.91%		31/03/2013	6,278,328	-	1,030,975	5,247,353		
Total long-term loans			6,278,328	-	1,030,975	5,247,353		
<b>TOTAL EXTERNAL LOANS</b>			<b>6,278,328</b>	<b>-</b>	<b>1,030,975</b>	<b>5,247,353</b>		

ZULULAND DISTRICT MUNICIPALITY  
APPENDIX B  
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT  
as at 30 June 2009

	Cost / Revaluation				Accumulated Depreciation							Carrying Value R	
	Opening Balance R	Additions R	Disposals R	Under Construction R	Closing Balance R	Opening Balance R	Depreciation R	Disposals R	Impairment loss/Reversal of Impairment loss R	Closing Balance R	Transfers R		Other movements R
Land	400,000	70,000	-	-	470,000	-	-	-	-	-	-	-	470,000
Buildings	30,592,666	-	-	-	30,592,666	(3,667,636)	(992,381)	-	-	(4,660,017)	-	-	25,932,649
Infrastructure	639,375,026	2,529,492	-	17,038,667	659,043,185	(44,346,346)	(17,177,674)	-	-	(61,524,020)	-	-	597,519,165
Water & Sewerage Inst	301,006,295	61,684,391	-	103,952,828	466,645,514	(22,824,645)	(9,557,236)	-	-	(32,381,881)	-	-	434,263,633
Community Assets	940,383,321	64,313,884	-	120,991,494	1,125,688,699	(67,170,991)	(26,734,910)	-	-	(93,905,901)	-	-	1,031,782,798
Recreation Grounds	-	-	-	-	-	-	-	-	-	-	-	-	-
Swimming Pools	-	-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Paintings & Artefacts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total carried forward	971,375,987	64,383,884	-	120,991,494	1,156,751,365	(70,838,627)	(27,727,291)	-	-	(98,565,916)	-	-	1,058,185,447

ZULULAND DISTRICT MUNICIPALITY  
APPENDIX B  
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT  
as at 30 June 2009

	Cost / Revaluation				Accumulated Depreciation								
	Opening Balance	Additions	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of Impairment loss	Closing Balance	Transfers	Other movements	Carrying Value
	R	R	R	R	R	R	R	R	R	R	R	R	R
<b>Total brought forward</b>	971,375,987	64,383,884	-	120,991,494	1,156,751,365	(70,838,627)	(27,727,291)	-	-	(98,565,918)	-	-	1,058,185,447
<b>Other Assets</b>													
Office Equipment	982,365	216,771	-	-	1,199,136	(551,994)	(134,870)	-	-	(686,864)	-	-	512,272
Furniture & Fittings	253,391	23,865	-	-	277,256	(182,863)	(25,547)	-	-	(208,410)	-	-	68,846
Emergency Equipment	139,475	-	-	-	139,475	(14,674)	(13,948)	-	-	(28,622)	-	-	110,853
Motor Vehicles	8,678,671	6,869,723	(461,367)	-	15,087,027	(4,331,529)	(1,386,467)	257,414	-	(5,460,582)	-	-	9,626,445
Computer Equipment	2,686,649	1,411,948	-	-	4,097,597	(1,856,023)	(367,724)	-	-	(2,223,747)	-	-	1,873,850
Computer Software (part of computer equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets	962,582	-	-	-	962,582	(241,790)	(45,193)	-	-	(286,983)	-	-	675,599
<b>Finance Lease Assets</b>													
Office Equipment	13,702,133	8,522,306	(461,367)	-	21,763,072	(7,178,873)	(1,973,749)	257,414	-	(8,895,208)	-	-	12,867,864
Other Assets	550,000	-	-	-	550,000	(110,000)	(110,000)	-	-	(220,000)	-	-	330,000
<b>Total</b>	985,628,120	72,906,190	(461,367)	120,991,494	1,179,064,437	(76,127,500)	(29,811,040)	257,414	-	(107,581,126)	-	-	1,071,383,311

ZULULAND DISTRICT MUNICIPALITY  
 APPENDIX B  
 ANALYSIS OF PROPERTY PLANT AND EQUIPMENT  
 as at 30 June 2008

	Cost / Revaluation				Accumulated Depreciation							Other movements	Carrying Value
	Opening Balance	Additions	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance	Transfers		
	R	R	R	R	R	R	R	R	R	R	R	R	R
Land	400,000	-	-	-	400,000	-	-	-	-	-	-	-	400,000
Buildings	27,307,666	3,285,000	-	-	30,592,666	(2,752,169)	(915,468)	-	-	(3,667,636)	-	-	26,925,030
Infrastructure	484,624,669	154,750,357	-	-	639,375,026	(29,906,943)	(14,439,403)	-	-	(44,346,346)	-	-	595,028,680
Water & Sewerage Inst	222,636,537	79,371,758	-	-	301,008,295	(15,317,514)	(7,507,131)	-	-	(22,824,645)	-	-	278,183,650
Community Assets	707,261,206	233,122,115	-	-	940,383,321	(45,224,457)	(21,946,534)	-	-	(67,170,991)	-	-	873,212,330
Recreation Grounds	-	-	-	-	-	-	-	-	-	-	-	-	-
Stadiums	-	-	-	-	-	-	-	-	-	-	-	-	-
Swimming Pools	-	-	-	-	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Parlours & Artefacts	-	-	-	-	-	-	-	-	-	-	-	-	-
Total carried forward	734,968,872	236,407,115	-	-	971,375,987	(47,976,625)	(22,862,002)	-	-	(70,838,627)	-	-	900,537,360

ZULULAND DISTRICT MUNICIPALITY  
 APPENDIX B  
 ANALYSIS OF PROPERTY PLANT AND EQUIPMENT  
 as at 30 June 2008

	Cost / Revaluation				Accumulated Depreciation								
	Opening Balance	Additions	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Disposals	Impairment loss/Reversal of Impairment loss	Closing Balance	Transfers movements	Other movements	Carrying Value
	R	R	R	R	R	R	R	R	R	R	R	R	R
<b>Total brought forward</b>	<b>734,968,872</b>	<b>236,407,115</b>	-	-	<b>971,375,987</b>	<b>(47,976,825)</b>	<b>(22,882,002)</b>	-	-	<b>(70,898,627)</b>	-	-	<b>900,537,360</b>
<b>Other Assets</b>													
Office Equipment	727,259	255,106	-	-	982,365	(438,946)	(113,048)	-	-	(51,994)	-	-	430,371
Furniture & Fixings	235,337	18,054	-	-	253,391	(156,381)	(26,482)	-	-	(182,883)	-	-	70,528
Bins and Containers	-	-	-	-	-	(650)	(14,024)	-	-	(14,674)	-	-	124,801
Emergency Equipment	139,475	-	-	-	139,475	(3,168,243)	(1,163,286)	-	-	(4,331,529)	-	-	4,347,142
Motor Vehicles	8,678,671	-	-	-	8,678,671	-	-	-	-	-	-	-	-
Fire engines	-	-	-	-	-	-	-	-	-	-	-	-	-
Refuse tankers	-	-	-	-	-	-	-	-	-	-	-	-	-
Computer Equipment	2,258,641	427,007	-	-	2,685,649	(1,520,627)	(335,396)	-	-	(1,856,023)	-	-	829,626
Computer Software (part of computer equipment)	1,714,635	90,806	(1,805,441)	-	-0,00	(950,297)	(283,323)	1,233,620	-	-	-	-	(0)
Other Assets	982,582	-	-	-	982,582	(187,289)	(54,532)	-	-	(241,790)	-	-	720,792
<b>Finance Lease Assets</b>	<b>14,716,601</b>	<b>790,974</b>	<b>(1,805,441)</b>	-	<b>13,702,133</b>	<b>(6,422,402)</b>	<b>(1,990,091)</b>	<b>1,233,620</b>	-	<b>(7,178,873)</b>	-	-	<b>6,523,260</b>
Office Equipment	-	550,000	-	-	550,000	-	(110,000)	-	-	(110,000)	-	-	440,000
Other Assets	-	550,000	-	-	550,000	-	(110,000)	-	-	(110,000)	-	-	440,000
<b>Total</b>	<b>749,685,473</b>	<b>237,748,088</b>	<b>(1,805,441)</b>	-	<b>985,628,120</b>	<b>(54,399,027)</b>	<b>(24,962,093)</b>	<b>1,233,620</b>	-	<b>(78,127,500)</b>	-	-	<b>907,500,620</b>

**ZULLULAND DISTRICT MUNICIPALITY**  
**APPENDIX C**  
**SEGMENTAL ANALYSIS OF PROPERTY, PLANT AND EQUIPMENT**  
as at 30 June 2009

	Cost / Revaluation				Accumulated Depreciation				Carrying value R
	Opening Balance R	Additions R	Under Construction R	Disposals R	Opening Balance R	Additions R	Disposals R	Closing Balance R	
Executive & Council	30,715,120	8,592,306		(461,367)	(7,288,873)	(2,083,749)	257,414	(9,115,208)	29,730,851
Finance & Admin	2,995,580				2,995,580			-	2,995,580
Planning & Development	3,788,992				3,788,992			-	3,788,992
Health	12,966				12,966			-	12,966
Community & Social Services	343,507				343,507			-	343,507
Public Safety	2,173,787				2,173,787			-	2,173,787
Water	945,561,140	64,313,884	120,991,494		(70,838,627)	(27,727,291)		(98,565,918)	1,032,300,600
Electricity								-	
Other	37,027				37,027			-	37,027
<b>Total</b>	<b>985,628,119</b>	<b>72,906,190</b>	<b>120,991,494</b>	<b>(461,367)</b>	<b>(78,127,500)</b>	<b>(29,811,040)</b>	<b>257,414</b>	<b>(107,681,126)</b>	<b>1,071,383,310</b>



	2009 Actual R'000	2009 Budget R'000	2009 Variance R'000	2009 Variance %	Explanation for variances
<b>REVENUE</b>					
Service Charges	18 321,998	15 835,573	2 486,425	16	Water consumed exceeded expectations.
Rental of facilities and equipment	83,345	-	83,345		Omitted from the budget
Interest earned- external investments	21,194,644	19,800,000	1,394,644	7	The level of investments and the rate fluctuated to the benefit of the district. An original budget of R12,000,000 was adjusted by R7,800,000 through the adjustments budget
Interest earned- outstanding debtors	271,592	-	271,592		Not budgeted for but effected due the implementation og GRAP.
Fines					
Licences and permits					
Government Grants & Subsidies	350 874,413	386,090,991	-35,216,577	-9	The variance primarily comprises the unspent conditional grants
Public contributions and donations	70,000	-	70,000		Not expected at budget time
Other revenue	460,612	-	460,612		This comprises mainly tender income, telephone recovered and other income that could not be determined with certainty at budget time
Gains on disposal of property, plant and equipment	60,897	250,000	-189,103	-76	Varities that were expected to be sold were actually not sold during the year.
<b>TOTAL REVENUE</b>	<b>391,337,501</b>	<b>421,976,563</b>	<b>-30,639,062</b>		
<b>EXPENDITURE</b>					
Employee related costs	59 638 296	59 189 793	448 443	1	Overtime actual exceeded the budgeted amount. Moreover, vacancies are budgeted for a full year and some are only filled after a few months have lapsed and as a result savings are achieved
Remuneration of Councillors	4 934 083	4 880 846	253 237	5	Annual increments were higher than budgeted.
Collection costs	297 009	190 801	106 208	56	Only an estimate at budget time.
Depreciation	30 028 894	-	30 028 894	100	Depreciation not budgeted for as council was in the process of implementing a proper assets register at budget time. However, actual depreciation had to be calculated in terms of GRAP requirements.
Repairs and maintenance	19 276,561	23 286,641	-4,010,080	-17	Expenditure qualify as assets and thus capitalised in terms of GRAP
Bulk purchases	25 189,286	31 800,340	-6,612,054	-21	Savings were achieved on the bulk maintenance contract
Contracted services	3 008,486	3 079,117	-70,631	-2	
General expenses	123,347,501	128,723,295	-5,375,794	-4	Ward requirements were not purchased but budgeted as carry-over in 2009/2010
Finance Cost	832,563	731,902	100,661	14	Finance lease interest expense budgeted as part of rent equipment.
Grants and subsidies paid	813,167	813,167	-		
<b>TOTAL EXPENDITURE</b>	<b>267,364,786</b>	<b>252,495,902</b>	<b>14,868,884</b>		
<b>SURPLUS / -DEFICIT FOR THE YEAR</b>	<b>123,972,715</b>	<b>169,480,661</b>	<b>-45,507,946</b>		

ZULULAND DISTRICT MUNICIPALITY

ACTUAL VERSUS BUDGET (ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT) FOR THE YEAR ENDED 30 JUNE 2009

APPENDIX E (12)

	2009 Additions R	2009 Under Construction R	2009 Total Additions R	2009 Budgeted Additions R	2009 Variance	2009 Variance
<b>Buildings</b>						
Infrastructure	2 529 492	17 038 667	19 568 159	19 868 159	-	-
Water & Sewerage Install	61 684 391	103 852 828	165 537 219	182 851 889	(17 214 680)	-9% Unspent Conditional grant
	64 313 883	120 991 495	185 305 378	202 520 058	(17 214 680)	-9%
Community Assets	-	-	-	-	-	-
Sports facilities	-	-	-	-	-	-
Township Hub	-	-	-	-	-	-
Production Centre	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Office & Computer Equipment	218 771	-	218 771	218 771	-	-
Furniture and fittings	23 865	-	23 865	23 865	-	-
Motor Vehicles	6 869 723	-	6 869 723	8 037 996	(1 168 273)	-15% Indansa vehicle, stores truck not purchased in 2009
Computer Equipment	1 411 948	-	1 411 948	1 411 948	-	-
	8 522 307	-	8 522 307	9 690 580	(1 168 273)	-12%
Finance Lease	-	-	-	-	-	-
<b>Total</b>	<b>72 836 190</b>	<b>120 991 495</b>	<b>193 827 685</b>	<b>212 210 638</b>	<b>(18 382 953)</b>	<b>-9%</b>
Capital expenditure during the year ended 30 June 2009 was restricted due to cashflow constraints						

Name of Grants	Name of donor of state or municipal entity	Unsettled portion of 2008/2009 financial statements	Adjustments and transfers	Quarterly Receipts				Total Receipts	Quarterly Expenditure				Total Expenditure	Unsettled portion of 2008/2009 financial statements	Grants and subsidies received	Reason for non-compliance with the grant of financial assistance in the latest Division of Revenue Act	Did your municipality comply with the grant of financial assistance in the latest Division of Revenue Act
				July to Sept	Oct to Dec	Jan to Mar	April to June		July to Sept	Oct to Dec	Jan to Mar	April to June					
Art & Culture	National Treasury	2 108 280	-	42 513 618	31 865 273	53 142 172	-	127 541 093	42 513 618	31 865 273	53 142 172	-	127 541 093	-	-	-	YES
Salaries Grant	DMF	1 178 546	-	604 000	604 000	604 000	-	2 914 000	205 837	220 746	304 213	-	1 639 695	468 505	-	-	YES
Development & Maintenance Grant	DMF	-	-	735 000	-	-	-	735 000	1 651 746	1 323 092	249 376	-	2 874 800	-	-	-	YES
Rate Services	DMF	-	-	658 000	658 000	669 200	-	3 250 400	5 403	249 376	339 240	-	1 564 204	360 344	-	-	YES
Planning	DLGTA	-	-	250 000	-	-	-	250 000	87 384	163 399	120 557	-	3 250 400	-	-	-	YES
Asset Administration and Development Stimuli	DLGTA	-	-	250 000	-	-	-	250 000	-	-	-	-	-	-	-	-	YES
DLGTA	DLGTA	-	-	250 000	-	-	-	250 000	-	-	-	-	-	-	-	-	YES
DLGTA	DLGTA	-	-	100 000	-	-	-	100 000	-	-	-	-	-	-	-	-	YES
DLGTA	DLGTA	-	-	40 020 733	18 807 000	65 820 267	-	146 652 000	4 435 710	67 743	12 257	-	100 000	-	-	-	YES
DLGTA	DLGTA	-	-	250 000	-	-	-	250 000	41 693 746	29 320 117	50 063 601	-	179 319 170	17 214 831	-	-	YES
DLGTA	DLGTA	-	-	500 000	-	-	-	500 000	10 282 297	1 071 078	50 320 847	-	61 664 381	(3 508 546)	-	-	YES
DLGTA	DLGTA	-	-	398 891	-	231 156	-	630 046	15 304	214 500	122 297	-	542 944	454 864	-	-	YES
DLGTA	DLGTA	-	-	4 536 000	-	550 000	-	9 381 000	114 094	312 000	15 964	-	500 000	( )	-	-	YES
DLGTA	DLGTA	-	-	500 000	-	550 000	-	1 050 000	1 006 180	1 270 420	1 789 256	-	428 044	208 732	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 867 974	-	-	-	-	5 634 172	3 607 495	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 867 974	-	-	-	-	1 050 000	1 050 000	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	5 897 000	445 850	784 025	1 100 000	-	3 996 688	2 870 546	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	20 000	-	-	-	-	20 000	20 000	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	287 200	306 101	319 072	80 000	-	80 000	805 467	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	1 275 467	248 826	1 275 467	328 051	-	318 022	106 834	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	58 483	49 089	167 467	58 483	-	1 854 250	0	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	273 028	-	172 707	273 028	-	273 028	226 871	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	253 851	-	-	253 851	-	253 851	0	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	282 501	-	-	282 501	-	282 501	1 464 288	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	544 078	-	-	544 078	-	544 078	415 871	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	650	650	650	650	-	2 598	450 000	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	14 201	639 028	43 567	508 230	-	1 203 128	139 263	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	14 066	-	-	-	-	455 318	827 418	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	14 066	-	-	-	-	14 066	2 791 058	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656	61 815 813	88 385 427	88 385 427	-	600 000	20 878 541	-	-	YES
DLGTA	DLGTA	-	-	-	-	-	-	3 281 656									