

Summary - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07            | 2007/08            | 2008/09            | Current year 2009/10 |                    |                    |                    | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|---|---------------------|---------------------|
|  |     | Audited Outcome    | Audited Outcome    | Audited Outcome    | Original Budget      | Adjusted Budget    | Full Year Forecast | Pre-audit Outcome  | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Ratepayers and other                             |     | 12 784 417         | 15 969 589         | 19 309 599         | 23 744 505           | 23 744 505         | 23 744 505         | 22 188 161         | 23 909 228  | 27 789 643          | 32 142 677          |
| Government - operating                           | 1   | 3 089 725          | 5 036 780          | 9 850 392          | 9 814 929            | 9 814 929          | 9 814 929          | 10 132 042         | 6 300 537   | 6 137 760           | 6 891 087           |
| Government - capital                             | 1   |                    |                    |                    | 23 256               | 23 256             | 23 256             |                    | 3 100 927   | 2 741 973           | 2 914 445           |
| Interest   |     |                    |                    |                    | 13 259               | 13 259             | 13 259             |                    | 373 568   | 394 971             | 393 208             |
| Dividends  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Suppliers and employees                          |     | (4 259 293)        | (5 896 466)        | (7 406 217)        | (10 222 677)         | (10 222 677)       | (10 222 677)       | (9 140 898)        | (24 375 978)  | (27 952 776)        | (32 562 500)        |
| Finance charges                                  |     | (7 671 477)        | (11 563 616)       | (15 551 095)       | (14 777 070)         | (14 777 070)       | (14 777 070)       | (18 424 277)       | (3 059 991)   | (3 131 009)         | (3 473 358)         |
| Transfers and grants                             | 1   | (212 336)          | (238 794)          | (298 098)          | (476 568)            | (476 568)          | (476 568)          | (398 629)          | (527 840)   | (571 431)           | (600 564)           |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>3 731 037</b>   | <b>3 307 493</b>   | <b>5 904 582</b>   | <b>8 119 633</b>     | <b>8 119 633</b>   | <b>8 119 633</b>   | <b>4 356 399</b>   | <b>5 720 451</b>                                    | <b>5 409 130</b>    | <b>5 704 995</b>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                    |                    |                    | 4 992                | 4 992              | 4 992              |                    | 27 019  | 38 110              | 24 629              |
| Decrease in non-current debtors                  |     | 109 092            | 69 152             | 121 403            | 90 973               | 90 973             | 90 973             | 35 236             | 2 737   | 2 318               | 2 377               |
| Decrease in other non-current receivables        |     |                    |                    |                    |                      |                    |                    |                    | 19 807  | 19 409              | 19 020              |
| Decrease (increase) in non-current investments   |     | (55 418)           | 1 875 118          | (1 976 056)        | (5 312)              | (5 312)            | (5 312)            | (384 099)          | 195 179   | 22 217              | 22 687              |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Capital assets                                   |     | (3 083 524)        | (4 333 008)        | (7 149 297)        | (8 541 969)          | (8 541 969)        | (8 541 969)        | (7 602 665)        | (7 998 501)   | (7 295 888)         | (7 395 912)         |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(3 029 850)</b> | <b>(2 388 738)</b> | <b>(9 003 950)</b> | <b>(8 451 316)</b>   | <b>(8 451 316)</b> | <b>(8 451 316)</b> | <b>(7 951 527)</b> | <b>(7 753 759)</b>                                  | <b>(7 213 834)</b>  | <b>(7 327 199)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Short term loans                                 |     | 1 174 771          | 1 063 115          | 1 629 272          | 1 419 146            | 1 419 146          | 1 419 146          | 3 664 639          | 107 260   | 24 264              | 24 000              |
| Borrowing long term/refinancing                  |     |                    |                    |                    |                      |                    |                    |                    | 2 591 120   | 2 758 660           | 2 250 647           |
| Increase (decrease) in consumer deposits         |     | 43 209             | 86 768             | 13 092             | 3 991                | 3 991              | 3 991              | 18 169             | 130 958   | 148 015             | 163 781             |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Repayment of borrowing                           |     | (1 161 683)        | (796 770)          | (555 558)          | (681 293)            | (681 293)          | (681 293)          | (756 753)          | (700 710)   | (801 993)           | (917 595)           |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>56 297</b>      | <b>353 113</b>     | <b>1 086 806</b>   | <b>741 844</b>       | <b>741 844</b>     | <b>741 844</b>     | <b>2 926 055</b>   | <b>2 128 628</b>                                    | <b>2 128 946</b>    | <b>1 520 832</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 2 934 497          | 4 031 818          | 5 314 500          | 4 059 515            | 4 059 515          | 4 059 515          | 3 527 355          | 3 528 978   | 3 624 299           | 3 948 541           |
| Cash/cash equivalents at the year end:           | 2   | 3 721 019          | 5 323 687          | 3 383 908          | 4 469 676            | 4 469 676          | 4 469 676          | 2 858 282          | 3 624 299   | 3 948 541           | 3 847 169           |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: eThekwinini(ETH) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07            | 2007/08            | 2008/09            | Current year 2009/10 |                    |                    |                    | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|--------------------|--------------------|--------------------|----------------------|--------------------|--------------------|--------------------|---|---------------------|---------------------|
|  |     | Audited Outcome    | Audited Outcome    | Audited Outcome    | Original Budget      | Adjusted Budget    | Full Year Forecast | Pre-audit Outcome  | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Ratepayers and other                             |     | 9 324 613          | 10 648 385         | 12 576 015         | 15 084 348           | 15 084 348         | 15 084 348         | 13 672 505         | 16 638 851  | 19 412 728          | 22 666 032          |
| Government - operating                           | 1   | 2 088 390          | 1 975 894          | 4 875 030          | 3 797 769            | 3 797 769          | 3 797 769          | 3 851 815          | 1 595 400   | 1 698 517           | 1 964 403           |
| Government - capital                             | 1   |                    |                    |                    |                      |                    |                    |                    | 2 070 419   | 1 788 769           | 1 844 520           |
| Interest   |     |                    |                    |                    |                      |                    |                    |                    | 282 265   | 318 217             | 322 693             |
| Dividends  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Suppliers and employees                          |     | (3 057 479)        | (3 259 220)        | (3 783 161)        | (4 814 615)          | (4 814 615)        | (4 814 615)        | (4 476 639)        | (16 221 847)  | (19 283 969)        | (22 946 508)        |
| Finance charges                                  |     | (5 056 419)        | (7 445 915)        | (9 132 312)        | (9 173 422)          | (9 173 422)        | (9 173 422)        | (10 864 889)       | (889 491)   | (987 031)           | (1 057 171)         |
| Transfers and grants                             | 1   | (107)              | (58)               |                    |                      |                    |                    |                    | (159 517)   | (168 557)           | (169 156)           |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>3 298 999</b>   | <b>1 919 088</b>   | <b>4 535 571</b>   | <b>4 894 080</b>     | <b>4 894 080</b>   | <b>4 894 080</b>   | <b>2 182 792</b>   | <b>3 316 080</b>                                    | <b>2 778 674</b>    | <b>2 624 813</b>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                    |                    |                    |                      |                    |                    |                    | 21 809  | 38 110              | 24 629              |
| Decrease in non-current debtors                  |     |                    |                    |                    |                      |                    |                    |                    |   | 19 394              | 19 006              |
| Decrease in other non-current receivables        |     |                    |                    |                    |                      |                    |                    |                    | 19 790  |                     |                     |
| Decrease (increase) in non-current investments   |     | 285 411            | 2 131 314          | (1 840 446)        |                      |                    |                    | (442 614)          | 27 044  |                     |                     |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Capital assets                                   |     | (2 551 414)        | (3 338 290)        | (5 239 350)        | (5 450 705)          | (5 450 705)        | (5 450 705)        | (5 273 498)        | (5 370 572)   | (5 151 701)         | (4 856 240)         |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(2 266 003)</b> | <b>(1 206 975)</b> | <b>(7 079 796)</b> | <b>(5 450 705)</b>   | <b>(5 450 705)</b> | <b>(5 450 705)</b> | <b>(5 716 111)</b> | <b>(5 301 929)</b>                                  | <b>(5 094 197)</b>  | <b>(4 812 605)</b>  |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| <b>Receipts</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Short term loans                                 |     | 858 740            | 950 000            | 1 050 000          | 900 000              | 900 000            | 900 000            | 2 900 000          |   |                     |                     |
| Borrowing long term/refinancing                  |     |                    |                    |                    |                      |                    |                    |                    | 2 280 000   | 2 500 000           | 2 050 000           |
| Increase (decrease) in consumer deposits         |     | 54 813             | 56 997             | 4 572              |                      |                    |                    | 5 762              | 114 612   | 131 803             | 151 574             |
| <b>Payments</b>                                  |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Repayment of borrowing                           |     | (1 023 278)        | (597 080)          | (295 758)          | (300 910)            | (300 910)          | (300 910)          | (300 768)          | (526 249)   | (624 897)           | (713 265)           |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(109 726)</b>   | <b>409 918</b>     | <b>758 814</b>     | <b>599 090</b>       | <b>599 090</b>     | <b>599 090</b>     | <b>2 604 994</b>   | <b>1 868 363</b>                                    | <b>2 006 906</b>    | <b>1 488 309</b>    |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                    |                    |                    |                      |                    |                    |                    |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 2 717 119          | 3 640 389          | 4 762 419          | 3 310 000            | 3 310 000          | 3 310 000          | 2 977 008          | 2 834 703   | 2 717 217           | 2 408 600           |
| Cash/cash equivalents at the year end:           | 2   | 3 640 389          | 4 762 419          | 2 977 008          | 3 352 465            | 3 352 465          | 3 352 465          | 2 048 684          | 2 717 217   | 2 408 600           | 1 709 117           |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Vulamehlo(KZN211) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 127             |                 | 880                  | 880             | 880                | 7 967             | 1 523   | 1 523               | 1 523               |
| Government - operating                           | 1   |                 | 15 136          |                 | 67 075               | 67 075          | 67 075             | 36 368            | 46 241  | 44 405              | 34 354              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (5 963)         |                 | (12 980)             | (12 980)        | (12 980)           | (11 532)          | (14 936)  | (11 150)            | (11 150)            |
| Finance charges                                  |     |                 | (3 708)         |                 | (25 860)             | (25 860)        | (25 860)           | (12 878)          | (19 777)  | (14 753)            | (16 866)            |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>5 593</b>    | -               | <b>29 114</b>        | <b>29 114</b>   | <b>29 114</b>      | <b>19 925</b>     | <b>13 051</b>                                       | <b>20 025</b>       | <b>7 862</b>        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 | 300                  | 300             | 300                | (472)             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (3 708)         |                 | (50 425)             | (50 425)        | (50 425)           | (21 392)          | (12 147)  | (14 363)            | (1 500)             |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(3 708)</b>  | -               | <b>(50 125)</b>      | <b>(50 125)</b> | <b>(50 125)</b>    | <b>(21 864)</b>   | <b>(12 147)</b>                                     | <b>(14 363)</b>     | <b>(1 500)</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 | 2 171                | 2 171           | 2 171              |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | <b>2 171</b>         | <b>2 171</b>    | <b>2 171</b>       | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>1 885</b>    | -               | <b>(18 840)</b>      | <b>(18 840)</b> | <b>(18 840)</b>    | <b>(1 939)</b>    | <b>904</b>  | <b>5 662</b>        | <b>6 362</b>        |
| Cash/cash equivalents at the year begin:         | 2   |                 | 16 397          |                 | 2 618                | 2 618           | 2 618              | 2 618             | 1 839   | 2 742               | 8 405               |
| Cash/cash equivalents at the year end:           | 2   |                 | 18 282          |                 | (16 222)             | (16 222)        | (16 222)           | 679               | 2 742   | 8 405               | 14 766              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umdoni(KZN212) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 64 525          | 69 714           | 146 129              | 146 129          | 146 129            | 89 054            | 76 821  |                     |                     |
| Government - operating                           | 1   |                 | 47 084          | 414 641          | 323 021              | 323 021          | 323 021            | 35 187            | 23 017  |                     |                     |
| Government - capital                             | 1   |                 |                 |                  | 6 821                | 6 821            | 6 821              |                   |   |                     |                     |
| Interest   |     |                 |                 |                  | 7 031                | 7 031            | 7 031              |                   | 4 040   |                     |                     |
| Dividends  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (48 284)        | (95 767)         | (156 753)            | (156 753)        | (156 753)          | (48 869)          | (94 720)  |                     |                     |
| Finance charges                                  |     |                 | (22 853)        | (5 821)          | (8 774)              | (8 774)          | (8 774)            | (58 618)          | (1 182)   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                  | (3 241)              | (3 241)          | (3 241)            |                   | (4 566)   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>40 472</b>   | <b>382 766</b>   | <b>314 233</b>       | <b>314 233</b>   | <b>314 233</b>     | <b>16 754</b>     | <b>3 409</b>  | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (22 515)        | (334 797)        | 59 400               | 59 400           | 59 400             | 80 700            | 122 760   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (23 099)        | (53 677)         | (407 170)            | (407 170)        | (407 170)          | (91 405)          | (122 760)   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(45 614)</b> | <b>(388 474)</b> | <b>(347 770)</b>     | <b>(347 770)</b> | <b>(347 770)</b>   | <b>(10 705)</b>   | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 | 3 825            |                      |                  |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                  |                    |                   | 6 565   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 228             | 451              |                      |                  |                    | (225)             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (1 025)         | (1 000)          | (600)                | (600)            | (600)              | (848)             | (200)   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(797)</b>    | <b>3 276</b>     | <b>(600)</b>         | <b>(600)</b>     | <b>(600)</b>       | <b>(1 073)</b>    | <b>6 365</b>  | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | -               | (5 940)         | (2 432)          | (34 137)             | (34 137)         | (34 137)           | 4 976             | 9 774   | -                   | -                   |
| Cash/cash equivalents at the year end:           | 2   | -               | 1 091           | 3 792            | 2 774                | 2 774            | 2 774              | (4 781)           | (2 788)   | 6 986               | 6 986               |
|  |     |                 | (4 849)         | 1 360            | (31 363)             | (31 363)         | (31 363)           | 194               | 6 986   | 6 986               | 6 986               |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umzumbe(KZN213) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 2 212           | 9 844           | 8 040                | 8 040           | 8 040              | 4 369             | 2 794   | 3 137               | 3 442               |
| Government - operating                           | 1   |                 | 27 848          | 57 951          | 91 084               | 91 084          | 91 084             | 84 008            | 63 136  | 70 915              | 77 728              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 20 499  | 24 655              | 29 978              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 400   | 500                 | 550                 |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (23 305)        | (50 228)        | (51 598)             | (51 598)        | (51 598)           | (42 974)          | (53 169)  | (60 138)            | (67 226)            |
| Finance charges                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 6 754           | 17 567          | 47 526               | 47 526          | 47 526             | 45 404            | 33 660  | 39 069              | 44 472              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 11 000          | 13 000          |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (23 486)        | (30 679)        | (47 526)             | (47 526)        | (47 526)           | (31 289)          | (33 660)  | (39 069)            | (44 472)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (12 486)        | (17 679)        | (47 526)             | (47 526)        | (47 526)           | (31 289)          | (33 660)  | (39 069)            | (44 472)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (5 732)         | (112)           | -                    | -               | -                  | 14 115            | 0   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 5 244           | 1 835           | 2 000                | 2 000           | 2 000              | 2 598             |   | 0                   | 0                   |
| Cash/cash equivalents at the year end:           | 2   |                 | (488)           | 1 723           | 2 000                | 2 000           | 2 000              | 16 712            | 0   | 0                   | 0                   |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uMuziwabantu(KZN214) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 6 471           |                 | 25 480               | 25 480          | 25 480             | 37 628            | 40 582  |                     |                     |
| Government - operating                           | 1   |                 | 18 863          |                 | 13 300               | 13 300          | 13 300             | 45 508            | 23 182  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 2 757   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (8 207)         |                 | (25 747)             | (25 747)        | (25 747)           | (23 098)          | (66 262)  |                     |                     |
| Finance charges                                  |     |                 | (12 724)        |                 | (7 752)              | (7 752)         | (7 752)            | (39 741)          | (109)   |                     |                     |
| Transfers and grants                             | 1   |                 | (1 420)         |                 | (6 000)              | (6 000)         | (6 000)            | (5 761)           | (150)   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>2 983</b>    | -               | <b>(718)</b>         | <b>(718)</b>    | <b>(718)</b>       | <b>14 535</b>     | -   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 2 900           |                 | (3 000)              | (3 000)         | (3 000)            | 5 328             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (7 607)         |                 |                      |                 |                    | (22 874)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(4 706)</b>  | -               | <b>(3 000)</b>       | <b>(3 000)</b>  | <b>(3 000)</b>     | <b>(17 547)</b>   | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 17              |                 | (11)                 | (11)            | (11)               | 40                |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (128)           |                 | (256)                | (256)           | (256)              |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(110)</b>    | -               | <b>(267)</b>         | <b>(267)</b>    | <b>(267)</b>       | <b>40</b>         | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(1 833)</b>  | -               | <b>(3 985)</b>       | <b>(3 985)</b>  | <b>(3 985)</b>     | <b>(2 971)</b>    | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 1 325           |                 |                      |                 |                    | 3 538             |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   |                 | (508)           |                 | (3 985)              | (3 985)         | (3 985)            | 567               |   |                     |                     |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Eziqoleni(KZN215) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 1 798           | 1 623           |                      |                 |                    | 358               | 702   | 815                 | 1 928               |
| Government - operating                           | 1   |                 | 12 485          | 14 610          |                      |                 |                    | 14 865            | 19 520  | 20 245              | 19 848              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 18 137  | 22 691              | 25 127              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 348   | 378                 | 408                 |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (8 324)         | (3 147)         |                      |                 |                    | (8 409)           | (15 396)  | (15 938)            | (16 898)            |
| Finance charges                                  |     |                 | (2)             | (8 310)         |                      |                 |                    | (8 826)           |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   | (5 136)   | (5 500)             | (5 286)             |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 5 957           | 4 776           | -                    | -               | -                  | (2 012)           | 18 175  | 22 691              | 25 127              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    | (3 000)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (422)           | (4 206)         |                      |                 |                    | (14 838)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (422)           | (4 206)         | -                    | -               | -                  | (17 838)          | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 5 535           | 570             | -                    | -               | -                  | (19 850)          | 18 175  | 22 691              | 25 127              |
| Cash/cash equivalents at the year begin:         | 2   |                 | 1 247           | 1 247           |                      |                 |                    | 2 299             |   | 18 175              | 40 866              |
| Cash/cash equivalents at the year end:           | 2   |                 | 6 782           | 1 817           |                      |                 |                    | (17 551)          | 18 175  | 40 866              | 65 993              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Hibiscus Coast(KZN216) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 218 581         | 340 540         | 559 069         | 622 714              | 622 714          | 622 714            | 778 761           | 483 812   | 643 267             | 681 863             |
| Government - operating                           | 1   | 37 512          | 68 880          | 171 685         | 85 340               | 85 340           | 85 340             | 85 334            | 113 958   | 90 460              | 95 887              |
| Government - capital                             | 1   |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (69 206)        | (191 054)       | (376 652)       | (493 323)            | (493 323)        | (493 323)          | (484 428)         | (431 107)   | (522 923)           | (554 298)           |
| Finance charges                                  |     | (106 164)       | (165 558)       | (242 298)       | (269 196)            | (269 196)        | (269 196)          | (249 314)         | (264 054)   | (285 348)           | (302 469)           |
| Transfers and grants                             | 1   | (27 987)        | (29 681)        | (42 393)        | (49 721)             | (49 721)         | (49 721)           | (49 721)          | (37 284)  | (52 704)            | (55 866)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>52 737</b>   | <b>23 127</b>   | <b>69 411</b>   | <b>(104 187)</b>     | <b>(104 187)</b> | <b>(104 187)</b>   | <b>80 632</b>     | <b>(134 674)</b>                                    | <b>(127 248)</b>    | <b>(134 882)</b>    |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 912             | 14              | 0               |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (19 523)        | (10 385)        |                 |                      |                  |                    |                   | 8 036   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     | (53 947)        | (2 337)         | (60 975)        | (88 598)             | (88 598)         | (88 598)           | (88 598)          | (78 705)  | (93 914)            | (99 549)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(72 558)</b> | <b>(12 708)</b> | <b>(60 975)</b> | <b>(88 598)</b>      | <b>(88 598)</b>  | <b>(88 598)</b>    | <b>(88 598)</b>   | <b>(70 669)</b>                                     | <b>(93 914)</b>     | <b>(99 549)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                  |                    |                   | 16 000  |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     | 1 962           | 1 427           | 936             | 598                  | 598              | 598                | 598               | 650   | 634                 | 672                 |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (2 790)         | (7 190)         |                 |                      |                  |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(828)</b>    | <b>(5 763)</b>  | <b>936</b>      | <b>598</b>           | <b>598</b>       | <b>598</b>         | <b>598</b>        | <b>16 650</b>                                       | <b>634</b>          | <b>672</b>          |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | <b>(20 649)</b> | <b>4 656</b>    | <b>9 372</b>    | <b>(192 187)</b>     | <b>(192 187)</b> | <b>(192 187)</b>   | <b>(7 369)</b>    | <b>(188 693)</b>                                    | <b>(220 528)</b>    | <b>(233 759)</b>    |
| Cash/cash equivalents at the year begin:         | 2   | 6 467           |                 | 4 720           | 14 022               | 14 022           | 14 022             | 14 022            | 6 660   | (182 033)           | (402 561)           |
| Cash/cash equivalents at the year end:           | 2   | (14 183)        | 4 720           | 14 092          | (178 165)            | (178 165)        | (178 165)          | 6 654             | (182 033)   | (402 561)           | (636 321)           |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: Ugu(DC21) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 371 820         | 249 837         | 325 057              | 325 057         | 325 057            | 246 283           | 633   | 665                 | 698                 |
| Government - operating                           | 1   | 56 178          | 258 233         | 481 765         | 221 756              | 221 756         | 221 756            | 439 901           |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (19 550)        | (254 147)       | (167 503)       | (212 025)            | (212 025)       | (212 025)          | (184 317)         | (622)   | (653)               | (685)               |
| Finance charges                                  |     | (27 421)        | (317 728)       | (662 928)       | (260 236)            | (260 236)       | (260 236)          | (722 517)         |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>9 207</b>    | <b>58 178</b>   | <b>(98 829)</b> | <b>74 551</b>        | <b>74 551</b>   | <b>74 551</b>      | <b>(220 650)</b>  | <b>12</b>   | <b>12</b>           | <b>13</b>           |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (31 402)        | (67 321)        | 96 000          | (94 000)             | (94 000)        | (94 000)           | 89 803            |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     | (66 140)        |                 | (6 942)         | (1 800)              | (1 800)         | (1 800)            | (7 817)           |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(97 542)</b> | <b>(67 321)</b> | <b>89 058</b>   | <b>(95 800)</b>      | <b>(95 800)</b> | <b>(95 800)</b>    | <b>81 986</b>     | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     | 701             | 11 026          | 25 133          |                      |                 |                    | 153 487           |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (8 351)         | (15 221)        | (17 397)             | (17 397)        | (17 397)           | (14 288)          |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>701</b>      | <b>2 675</b>    | <b>9 912</b>    | <b>(17 397)</b>      | <b>(17 397)</b> | <b>(17 397)</b>    | <b>139 199</b>    | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 5 948           | 383             | 389             | 38 681               | 38 681          | 38 681             | 151               | 12  | 12                  | 24                  |
| Cash/cash equivalents at the year end:           | 2   | (81 686)        | (6 084)         | 531             | 35                   | 35              | 35                 | 686               | 12  | 24                  | 37                  |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uMshwathi(KZN221) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 |                 | 36 253               | 36 253          | 36 253             | 11 984            |   |                     |                     |
| Government - operating                           | 1   |                 |                 |                 | 34 659               | 34 659          | 34 659             | 60 645            |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 |                 | (26 924)             | (26 924)        | (26 924)           | (28 954)          |   |                     |                     |
| Finance charges                                  |     |                 |                 |                 | (43 987)             | (43 987)        | (43 987)           | (15 380)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | -               | 0                    | 0               | 0                  | 28 296            | -   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    | 1 775             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 |                      |                 |                    | (27 972)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | (26 197)          | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    | 5 000             |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    | (2 233)           |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | 2 767             | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | -               | 0                    | 0               | 0                  | 4 866             | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 | 5 390                | 5 390           | 5 390              | 5 390             |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   |                 |                 |                 | 5 390                | 5 390           | 5 390              | 10 256            |   |                     |                     |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uMngeni(KZN222) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 165 549         | (22 970)        | 134 914              | 134 914         | 134 914            | 153 204           | 134 914   | 145 707             | 157 364             |
| Government - operating                           | 1   |                 | 9 542           | 17 272          | 56 970               | 56 970          | 56 970             | 36 401            | 56 970  | 61 528              | 66 450              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (102 063)       | 56 992          | (57 173)             | (57 173)        | (57 173)           | (54 299)          | (57 173)  | (61 747)            | (66 686)            |
| Finance charges                                  |     |                 | (67 155)        | (47 297)        | (103 334)            | (103 334)       | (103 334)          | (104 531)         | (102 704)   | (110 921)           | (119 794)           |
| Transfers and grants                             | 1   |                 | (0)             | (0)             | (14 580)             | (14 580)        | (14 580)           | (12 850)          | (14 580)  | (15 746)            | (17 006)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>5 872</b>    | <b>3 998</b>    | <b>16 797</b>        | <b>16 797</b>   | <b>16 797</b>      | <b>17 926</b>     | <b>17 427</b>                                       | <b>18 821</b>       | <b>20 327</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (12 091)        | -               | (9 600)              | (9 600)         | (9 600)            | (24 646)          | (9 600)   | (15 000)            | (20 000)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(12 091)</b> | <b>-</b>        | <b>(9 600)</b>       | <b>(9 600)</b>  | <b>(9 600)</b>     | <b>(24 646)</b>   | <b>(9 600)</b>                                      | <b>(15 000)</b>     | <b>(20 000)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 537             | 417             | 74                   | 74              | 74                 | -                 | 72  | 72                  | 72                  |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 | (6 993)              | (6 993)         | (6 993)            | -                 | (7 053)   | (7 053)             | (7 053)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>537</b>      | <b>417</b>      | <b>(6 919)</b>       | <b>(6 919)</b>  | <b>(6 919)</b>     | <b>-</b>          | <b>(6 981)</b>                                      | <b>(6 981)</b>      | <b>(6 981)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | -               | (5 682)         | 4 414           | 278                  | 278             | 278                | (6 720)           | 845   | (3 160)             | (6 655)             |
| Cash/cash equivalents at the year end:           | 2   | -               | 7 014           | 4 414           | 500                  | 500             | 500                | 1 829             | 7 001   | 7 846               | 4 686               |
|  |     |                 | 1 332           | 4 414           | 778                  | 778             | 778                | (4 891)           | 7 846   | 4 686               | (1 969)             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Mpofana(KZN223) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 24 626          | 46 156          | 41 962               | 41 962          | 41 962             | 63 034            | 50 795  |                     |                     |
| Government - operating                           | 1   |                 | 12 138          | 6 852           | 12 523               | 12 523          | 12 523             | 14 771            | 21 666  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (17 572)        | (21 994)        | (32 153)             | (32 153)        | (32 153)           | (24 213)          | (37 561)  |                     |                     |
| Finance charges                                  |     |                 | (23 075)        | (31 413)        | (16 084)             | (16 084)        | (16 084)           | (40 425)          | (35 955)  |                     |                     |
| Transfers and grants                             | 1   |                 | (228)           |                 |                      |                 |                    | (2 245)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>(4 110)</b>  | <b>(399)</b>    | <b>6 248</b>         | <b>6 248</b>    | <b>6 248</b>       | <b>10 922</b>     | <b>(1 055)</b>                                      | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 | 992             |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (5 559)         |                      |                 |                    | (12 598)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>992</b>      | <b>(5 559)</b>  | -                    | -               | -                  | <b>(12 598)</b>   | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 32              |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>32</b>       | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(3 087)</b>  | <b>(5 959)</b>  | <b>6 248</b>         | <b>6 248</b>    | <b>6 248</b>       | <b>(1 677)</b>    | <b>(1 055)</b>                                      | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | (1 733)         | 1 097           |                      |                 |                    | 1 310             |   | (1 055)             | (1 055)             |
| Cash/cash equivalents at the year end:           | 2   |                 | <b>(4 819)</b>  | <b>(4 862)</b>  | <b>6 248</b>         | <b>6 248</b>    | <b>6 248</b>       | <b>(367)</b>      | <b>(1 055)</b>                                      | <b>(1 055)</b>      | <b>(1 055)</b>      |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Impendle(KZN224) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 2 030           | 476             | 4 361                | 4 361           | 4 361              | 2 516             |   |                     |                     |
| Government - operating                           | 1   |                 | 14 264          | 15 735          | 28 045               | 28 045          | 28 045             | 24 711            |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (6 670)         | (5 624)         | (21 631)             | (21 631)        | (21 631)           | (8 554)           |   |                     |                     |
| Finance charges                                  |     |                 | (2 206)         | (4 289)         |                      |                 |                    | (17 394)          |   |                     |                     |
| Transfers and grants                             | 1   |                 | (783)           | (709)           |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 6 634           | 5 589           | 10 775               | 10 775          | 10 775             | 1 279             | -   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 | 34              |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (1 585)         | 8               |                      |                 |                    | 2 652             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 605)         | (1 208)         | (10 775)             | (10 775)        | (10 775)           | (7 162)           |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (4 156)         | (1 200)         | (10 775)             | (10 775)        | (10 775)           | (4 509)           | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 2 479           | 4 390           | -                    | -               | -                  | (3 230)           | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 236             | 2 714           |                      |                 |                    | 3 320             |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   |                 | 2 715           | 7 104           |                      |                 |                    | 90                |   |                     |                     |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Msunduzi(KZN225) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 1 527 806       | 1 608 783       | 1 855 767        | 1 797 172            | 1 797 172       | 1 797 172          | 1 764 316         | 1 696 037   | 1 966 600           | 2 333 939           |
| Government - operating                           | 1   | 190 780         | 304 029         | 286 483          | 330 415              | 330 415         | 330 415            | 371 222           | 299 334   | 316 904             | 352 831             |
| Government - capital                             | 1   |                 |                 |                  |                      |                 |                    |                   | 136 513   | 150 050             | 172 838             |
| Interest   |     |                 |                 |                  |                      |                 |                    |                   | 36 708  | 32 707              | 29 676              |
| Dividends  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (417 219)       | (463 203)       | (544 358)        | (555 176)            | (555 176)       | (555 176)          | (592 801)         | (1 976 235)   | (2 217 727)         | (2 546 518)         |
| Finance charges                                  |     | (1 214 273)     | (1 417 380)     | (1 780 729)      | (1 587 087)          | (1 587 087)     | (1 587 087)        | (1 553 782)       | (72 110)  | (76 653)            | (81 252)            |
| Transfers and grants                             | 1   | (66 538)        | (58 364)        | (68 125)         | (76 922)             | (76 922)        | (76 922)           | (81 614)          | (4 300)   | (4 571)             | (4 845)             |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>20 556</b>   | <b>(26 135)</b> | <b>(250 962)</b> | <b>(91 597)</b>      | <b>(91 597)</b> | <b>(91 597)</b>    | <b>(92 658)</b>   | <b>115 947</b>                                      | <b>167 310</b>      | <b>256 669</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 605             | 564             | 344              | 451                  | 451             | 451                | 278               |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | 20 189          | (24 799)        | 232 428          | (23 830)             | (23 830)        | (23 830)           | (23 610)          |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                  |                      |                 |                    |                   | (295 937)   | (305 211)           | (337 744)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>20 793</b>   | <b>(24 234)</b> | <b>232 772</b>   | <b>(23 379)</b>      | <b>(23 379)</b> | <b>(23 379)</b>    | <b>(23 332)</b>   | <b>(295 937)</b>                                    | <b>(305 211)</b>    | <b>(337 744)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 | 90 000          | 130 000          | 201 428              | 201 428         | 201 428            | 356 095           |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                 |                    |                   | 158 155   | 170 561             | 178 206             |
| Increase (decrease) in consumer deposits         |     | 1 705           | 7 534           | (1 393)          | 2 461                | 2 461           | 2 461              | 974               |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (57 241)        | (58 573)        | (93 023)         | (119 270)            | (119 270)       | (119 270)          | (237 096)         | (48 914)  | (34 402)            | (49 346)            |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(55 536)</b> | <b>38 961</b>   | <b>35 583</b>    | <b>84 618</b>        | <b>84 618</b>   | <b>84 618</b>      | <b>119 973</b>    | <b>109 241</b>                                      | <b>136 159</b>      | <b>128 860</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | (14 186)        | (11 408)        | 17 393           | (30 358)             | (30 358)        | (30 358)           | 3 983             | (70 749)  | (1 742)             | 47 785              |
| Cash/cash equivalents at the year end:           | 2   | 27 494          | 13 308          | 1 900            | 50 383               | 50 383          | 50 383             | 19 293            | 165 250   | 94 501              | 92 759              |
|  | 2   | 13 308          | 1 900           | 19 293           | 20 025               | 20 025          | 20 025             | 23 275            | 94 501  | 92 759              | 140 544             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Mkhambathini(KZN226) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 2 747           | 2 686           | 8 230                | 8 230           | 8 230              | 5 025             | 42  | 42                  | 45                  |
| Government - operating                           | 1   |                 | 17 790          | 18 432          | 26 805               | 26 805          | 26 805             | 24 939            |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 0   | 0                   | 0                   |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (9 080)         | (8 808)         | (13 237)             | (13 237)        | (13 237)           | (12 324)          | (41)  | (41)                | (43)                |
| Finance charges                                  |     |                 | (21 719)        | (18 640)        | (11 426)             | (11 426)        | (11 426)           | (13 790)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (10 262)        | (6 329)         | 10 371               | 10 371          | 10 371             | 3 850             | 1   | 1                   | 1                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   | 0   | 0                   |                     |
| Decrease in non-current debtors                  |     |                 | 1 148           |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 8 040           | 7 358           |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (24)            |                 | (9 773)              | (9 773)         | (9 773)            | (7 124)           |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | 9 164           | 7 358           | (9 773)              | (9 773)         | (9 773)            | (7 124)           | 0   | 0                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    | 2                 |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | 2                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (1 098)         | 1 028           | 599                  | 599             | 599                | (3 272)           | 1   | 1                   | 1                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | (693)           | (2 425)         |                      |                 |                    | (656)             |   | 1                   | 2                   |
| Cash/cash equivalents at the year end:           | 2   |                 | (1 791)         | (1 397)         | 599                  | 599             | 599                | (3 928)           | 1   | 2                   | 4                   |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Richmond(KZN227) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 19 611          | 7 615           | 11 155               | 11 155          | 11 155             | 13 611            | 11 155  | 11 936              | 12 772              |
| Government - operating                           | 1   |                 | 17 818          | 17 264          | 42 263               | 42 263          | 42 263             | 52 047            | 42 263  | 45 222              | 48 387              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (21 947)        | (14 994)        | (38 392)             | (38 392)        | (38 392)           | (14 291)          | (38 392)  | (41 079)            | (43 955)            |
| Finance charges                                  |     |                 |                 | (9 794)         |                      |                 |                    | (19 475)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 15 481          | 91              | 15 027               | 15 027          | 15 027             | 31 892            | 15 027  | 16 079              | 17 205              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (3 306)         | 3 740           |                      |                 |                    | (9 063)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (11 927)        | (4 940)         | (13 888)             | (13 888)        | (13 888)           | (20 172)          | (13 888)  | (14 860)            | (15 900)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (15 233)        | (1 199)         | (13 888)             | (13 888)        | (13 888)           | (29 235)          | (13 888)  | (14 860)            | (15 900)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    | 7 817             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | 7 817             | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 248             | (1 108)         | 1 139                | 1 139           | 1 139              | 10 475            | 1 139   | 1 219               | 1 304               |
| Cash/cash equivalents at the year begin:         | 2   |                 | 13              | 264             | (680)                | (680)           | (680)              | (680)             | (680)   | 460                 | 1 679               |
| Cash/cash equivalents at the year end:           | 2   |                 | 261             | (844)           | 460                  | 460             | 460                | 9 796             | 460   | 1 679               | 2 983               |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: uMgungundlovu(DC22) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 9 557           | 22 451          | 62 755               | 62 755           | 62 755             | 62 907            | 76 027  | 79 905              | 83 580              |
| Government - operating                           | 1   |                 | 228 556         | 214 183         | 334 577              | 334 577          | 334 577            | 294 078           | 349 986   | 367 836             | 384 756             |
| Government - capital                             | 1   |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (55 596)        | (36 694)        | (104 194)            | (104 194)        | (104 194)          | (96 657)          | (110 053)   | (115 666)           | (120 986)           |
| Finance charges                                  |     |                 | (113 154)       | (121 622)       | (173 668)            | (173 668)        | (173 668)          | (200 267)         | (212 391)   | (223 223)           | (233 491)           |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>69 362</b>   | <b>78 317</b>   | <b>119 470</b>       | <b>119 470</b>   | <b>119 470</b>     | <b>60 061</b>     | <b>103 570</b>                                      | <b>108 852</b>      | <b>113 859</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                  | (7 500)            |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (18 376)        | (38 828)        | (104 606)            | (104 606)        | (104 606)          | (87 802)          | (96 055)  | (100 954)           | (105 598)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(18 376)</b> | <b>(38 828)</b> | <b>(104 606)</b>     | <b>(104 606)</b> | <b>(104 606)</b>   | <b>(95 302)</b>   | <b>(96 055)</b>                                     | <b>(100 954)</b>    | <b>(105 598)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 | 6 000                | 6 000            | 6 000              |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 262             | 151             |                      |                  |                    | 149               |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (2 437)         |                 | (3 261)              | (3 261)          | (3 261)            | (4 875)           | (2 700)   | (2 400)             | (2 100)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(2 175)</b>  | <b>151</b>      | <b>2 739</b>         | <b>2 739</b>     | <b>2 739</b>       | <b>(4 726)</b>    | <b>(2 700)</b>                                      | <b>(2 400)</b>      | <b>(2 100)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 48 811          | 39 640          | 17 603               | 17 603           | 17 603             | (39 966)          | 4 815   | 5 498               | 6 161               |
| Cash/cash equivalents at the year end:           | 2   |                 | 17 032          | (2 517)         | 75 422               | 75 422           | 75 422             | 75 422            | 4 815   | 4 815               | 10 313              |
|  |     |                 | 65 842          | 37 123          | 93 025               | 93 025           | 93 025             | 35 456            | 4 815   | 10 313              | 16 475              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Emnambithi/Ladysmith(KZN232) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 171 652         | 114 095         | 228 158         | 579 184              | 579 184         | 579 184            | 243 864           | 361 850   | 429 009             | 496 637             |
| Government - operating                           | 1   | 85 659          | 65 479          | 93 959          | 168 034              | 168 034         | 168 034            | 128 696           | 103 731   | 111 272             | 120 174             |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 | 6 228                | 6 228           | 6 228              |                   | 6 233   | 6 348               | 6 856               |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (130 917)       | (87 606)        | (178 290)       | (519 046)            | (519 046)       | (519 046)          | (201 469)         | (322 465)   | (370 990)           | (428 665)           |
| Finance charges                                  |     | (96 747)        | (62 016)        | (113 772)       | (60 194)             | (60 194)        | (60 194)           | (132 602)         |   |                     |                     |
| Transfers and grants                             | 1   | (12 058)        | (6 633)         | (2 805)         | (103 728)            | (103 728)       | (103 728)          | (208)             | (103 731)   | (111 272)           | (120 174)           |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>17 590</b>   | <b>23 318</b>   | <b>27 250</b>   | <b>70 478</b>        | <b>70 478</b>   | <b>70 478</b>      | <b>38 281</b>     | <b>45 618</b>                                       | <b>64 367</b>       | <b>74 828</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 | 4 992                | 4 992           | 4 992              |                   | 5 000   |                     |                     |
| Decrease in non-current debtors                  |     | 2 469           | 1 768           |                 | 3 393                | 3 393           | 3 393              | 2 057             |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    | (30 000)          |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     | (20 394)        | (324)           | (12 917)        | (60 422)             | (60 422)        | (60 422)           | (17 243)          | (47 929)  | (57 872)            | (59 963)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(17 925)</b> | <b>1 444</b>    | <b>(12 917)</b> | <b>(52 037)</b>      | <b>(52 037)</b> | <b>(52 037)</b>    | <b>(45 187)</b>   | <b>(42 929)</b>                                     | <b>(57 872)</b>     | <b>(59 963)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 | (2 117)         |                      |                 |                    | (441)             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (5 193)         | (2 084)         | (2 785)         | (16 005)             | (16 005)        | (16 005)           | (2 904)           | (2 690)   | (6 323)             | (6 323)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(5 193)</b>  | <b>(2 084)</b>  | <b>(4 902)</b>  | <b>(16 005)</b>      | <b>(16 005)</b> | <b>(16 005)</b>    | <b>(3 344)</b>    | <b>(2 690)</b>                                      | <b>(6 323)</b>      | <b>(6 323)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | <b>(5 528)</b>  | <b>22 678</b>   | <b>9 431</b>    | <b>2 436</b>         | <b>2 436</b>    | <b>2 436</b>       | <b>(10 250)</b>   | <b>-</b>  | <b>172</b>          | <b>8 542</b>        |
| Cash/cash equivalents at the year begin:         | 2   | 46 832          | 41 308          | 81 254          | 10 000               | 10 000          | 10 000             | 98 919            |   |                     | 172                 |
| Cash/cash equivalents at the year end:           | 2   | 41 303          | 63 986          | 90 685          | 12 436               | 12 436          | 12 436             | 88 669            |   | 172                 | 8 714               |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Indaka(KZN233) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 176             | 3 745           | 1 680                | 1 680           | 1 680              | 6 465             |   |                     |                     |
| Government - operating                           | 1   |                 | 12 189          | 40 610          | 14 569               | 14 569          | 14 569             | 41 402            |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (5 464)         | (13 755)        | (7 210)              | (7 210)         | (7 210)            | (16 214)          |   |                     |                     |
| Finance charges                                  |     |                 | (3 695)         | (12 968)        | (8 756)              | (8 756)         | (8 756)            | (16 011)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 3 205           | 17 631          | 284                  | 284             | 284                | 15 642            | -   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (4 571)         | (3 682)         |                      |                 |                    | (121)             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 957)         | (12 533)        |                      |                 |                    | (12 231)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (7 528)         | (16 215)        | -                    | -               | -                  | (12 352)          | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 | 4 500           |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 14              |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (352)           | (671)           | (726)                | (726)           | (726)              | (1 664)           |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | 4 162           | (671)           | (726)                | (726)           | (726)              | (1 664)           | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (161)           | 745             | (443)                | (443)           | (443)              | 1 626             | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 5               |                      |                 |                    | 2 957             |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   |                 | 22 182          | 750             | (443)                | (443)           | (443)              | 4 583             |   |                     |                     |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umtshezi(KZN234) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 122 367         | 166 692              | 166 692         | 166 692            | 142 445           | 175 217   | 214 762             | 265 071             |
| Government - operating                           | 1   |                 |                 | 31 808          | 29 948               | 29 948          | 29 948             | 40 130            | 35 935  | 34 364              | 37 582              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 237   | 252                 | 267                 |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (41 727)        | (90 482)             | (90 482)        | (90 482)           | (71 160)          | (166 804)   | (197 116)           | (241 352)           |
| Finance charges                                  |     |                 |                 | (74 027)        | (76 098)             | (76 098)        | (76 098)           | (62 300)          | (963)   | (833)               | (697)               |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   | (28 900)  | (33 761)            | (29 779)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | <b>38 421</b>   | <b>30 060</b>        | <b>30 060</b>   | <b>30 060</b>      | <b>49 115</b>     | <b>14 722</b>                                       | <b>17 668</b>       | <b>31 092</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | 7 576           |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (25 550)        |                      |                 |                    | (13 619)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | <b>(17 974)</b> | -                    | -               | -                  | <b>(13 619)</b>   | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | <b>20 448</b>   | <b>30 060</b>        | <b>30 060</b>   | <b>30 060</b>      | <b>35 496</b>     | <b>14 722</b>                                       | <b>17 668</b>       | <b>31 092</b>       |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 |                      |                 |                    | 5 167             |   | 14 722              | 32 390              |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 20 448          | 30 060               | 30 060          | 30 060             | 40 663            | 14 722  | 32 390              | 63 482              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Okhahlamba(KZN235) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 63 845          | 13 176          | 19 150               | 19 150          | 19 150             | 13 372            | 17 129  |                     |                     |
| Government - operating                           | 1   |                 | 73 341          | 23 116          | 38 270               | 38 270          | 38 270             | 48 634            | 29 741  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 | 16 435               | 16 435          | 16 435             |                   | 23 018  |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (27 035)        | (27 007)        | (48 648)             | (48 648)        | (48 648)           | (29 048)          | (53 510)  |                     |                     |
| Finance charges                                  |     |                 | (38 211)        | (37 448)        |                      |                 |                    | (28 538)          |   |                     |                     |
| Transfers and grants                             | 1   |                 | (920)           |                 |                      |                 |                    | (140)             |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 71 021          | (28 164)        | 25 207               | 25 207          | 25 207             | 4 279             | 16 377  | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 20 538          | 28 405          |                      |                 |                    | 9 572             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (12 998)        | (13 561)        | (16 961)             | (16 961)        | (16 961)           | (14 828)          | (14 702)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | 7 540           | 14 844          | (16 961)             | (16 961)        | (16 961)           | (5 256)           | (14 702)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (507)           |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | (507)           | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 78 054          | (13 319)        | 8 246                | 8 246           | 8 246              | (977)             | 1 675   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | (603)           | 75 256          |                      |                 |                    | 2 468             |   | 1 675               | 1 675               |
| Cash/cash equivalents at the year end:           | 2   |                 | 77 451          | 61 937          | 8 246                | 8 246           | 8 246              | 1 491             | 1 675   | 1 675               | 1 675               |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Imbabazane(KZN236) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 8 127           | 23 085          | 7 753                | 7 753           | 7 753              | 4 935             | 3 895   | 3 092               | 4 245               |
| Government - operating                           | 1   |                 |                 | 40 130          | 18 071               | 18 071          | 18 071             | 47 597            | 64 414  | 73 721              | 82 785              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (842)           | (37 710)        | (15 093)             | (15 093)        | (15 093)           | (20 323)          | (23 170)  | (24 596)            | (29 699)            |
| Finance charges                                  |     |                 | (691)           | (14 255)        | (30 659)             | (30 659)        | (30 659)           | (12 766)          | (23 833)  | (22 996)            | (23 027)            |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 6 594           | 11 250          | (19 927)             | (19 927)        | (19 927)           | 19 443            | 21 306  | 29 221              | 34 304              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (18 000)        | 7 000           | 525                  | 525             | 525                | 5 000             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 039)         | (25 841)        | (14 972)             | (14 972)        | (14 972)           | (15 121)          | (17 932)  | (24 596)            | (29 699)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (20 039)        | (18 841)        | (14 447)             | (14 447)        | (14 447)           | (10 121)          | (17 932)  | (24 596)            | (29 699)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 | 45                   | 45              | 45                 |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | 45                   | 45              | 45                 | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (13 445)        | (7 591)         | (34 329)             | (34 329)        | (34 329)           | 9 322             | 3 374   | 4 625               | 4 605               |
| Cash/cash equivalents at the year begin:         | 2   |                 | 23 290          | 12 819          | 8 083                | 8 083           | 8 083              | 5 228             | 1 507   | 4 881               | 9 506               |
| Cash/cash equivalents at the year end:           | 2   |                 | 9 845           | 5 228           | (26 246)             | (26 246)        | (26 246)           | 14 550            | 4 881   | 9 506               | 14 111              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Uthukela(DC23) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 3 203           | 70 529          | 72 136               | 72 136          | 72 136             | 54 856            | 108   | 108                 | 115                 |
| Government - operating                           | 1   |                 |                 | 224 006         | 291 975              | 291 975         | 291 975            | 284 535           | 364   | 364                 | 418                 |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (4 874)         | (75 729)        | (86 011)             | (86 011)        | (86 011)           | (86 865)          | (106)   | (106)               | (113)               |
| Finance charges                                  |     |                 | (2 473)         | (172 833)       | (159 735)            | (159 735)       | (159 735)          | (151 861)         | (213)   | (213)               | (227)               |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (4 144)         | 45 974          | 118 365              | 118 365         | 118 365            | 100 666           | 153   | 153                 | 193                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | 7 244           |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (18 932)        | (63 866)        | (110 995)            | (110 995)       | (110 995)          | (92 828)          | (149)   | (149)               | (188)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (18 932)        | (56 622)        | (110 995)            | (110 995)       | (110 995)          | (92 828)          | (149)   | (149)               | (188)               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    | 1 202             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (2 838)         | (7 371)              | (7 371)         | (7 371)            | (2 964)           | (4)   | (4)                 | (4)                 |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | (2 838)         | (7 371)              | (7 371)         | (7 371)            | (1 762)           | (4)   | (4)                 | (4)                 |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | -               | (23 076)        | (13 487)        | -                    | -               | -                  | 6 075             | -   | -                   | -                   |
| Cash/cash equivalents at the year end:           | 2   | -               | (973)           | 2 086           | 2 348                | 2 348           | 2 348              | 2 348             | -   | -                   | -                   |
|  |     |                 | (24 049)        | (11 401)        | 2 348                | 2 348           | 2 348              | 8 423             |   |                     |                     |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Endumeni(KZN241) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 96 229          | 118 255         |                      |                 |                    | 144 557           | 131 690   | 152 003             | 174 615             |
| Government - operating                           | 1   |                 |                 |                 |                      |                 |                    |                   | 32 411  | 35 005              | 39 586              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (83 462)        | (111 770)       |                      |                 |                    | (133 311)         | (66 703)  | (71 944)            | (76 107)            |
| Finance charges                                  |     |                 | (14 682)        | (16 126)        |                      |                 |                    | (10 135)          | (79 373)  | (101 303)           | (119 321)           |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>(1 915)</b>  | <b>(9 642)</b>  | -                    | -               | -                  | <b>1 112</b>      | <b>18 025</b>                                       | <b>13 761</b>       | <b>18 773</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 9 350           | 13 100          |                      |                 |                    | (3 289)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 834)         | (4 506)         |                      |                 |                    |                   | (22 059)  | (11 359)            | (9 405)             |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>6 516</b>    | <b>8 594</b>    | -                    | -               | -                  | <b>(3 289)</b>    | <b>(22 059)</b>                                     | <b>(11 359)</b>     | <b>(9 405)</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    | 1 690             | 1 100   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | (169)           | (11)            |                      |                 |                    | 97                | 75  | 75                  | 70                  |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (196)           | (482)           |                      |                 |                    | (272)             | (1 244)   | (1 360)             | (1 360)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(365)</b>    | <b>(492)</b>    | -                    | -               | -                  | <b>1 515</b>      | <b>(69)</b>   | <b>(1 285)</b>      | <b>(1 290)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | -               | 4 235           | (1 540)         | -                    | -               | -                  | (662)             | (4 103)   | 1 117               | 8 078               |
| Cash/cash equivalents at the year end:           | 2   | -               | (147)           | 3 149           | -                    | -               | -                  | 1 609             | 13 289  | 9 186               | 10 303              |
|  |     |                 | 4 089           | 1 609           |                      |                 |                    | 947               | 9 186   | 10 303              | 18 381              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: Nquthu(KZN242) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 14 076          | 5 581                | 5 581           | 5 581              | 14 195            | 15 169  | 16 093              | 18 241              |
| Government - operating                           | 1   |                 |                 | 45 093          | 54 686               | 54 686          | 54 686             | 49 147            | 47 451  | 47 451              | 53 432              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 79  | 80                  | 92                  |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (18 008)        | (25 945)             | (25 945)        | (25 945)           | (20 536)          | (61 114)  | (61 567)            | (72 412)            |
| Finance charges                                  |     |                 |                 | (14 582)        |                      |                 |                    | (17 516)          | (132)   | (150)               | (172)               |
| Transfers and grants                             | 1   |                 |                 | (2 366)         |                      |                 |                    | (4 140)           | (19 194)  | (19 837)            | (21 500)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | 24 214          | 34 321               | 34 321          | 34 321             | 21 150            | (17 741)  | (17 930)            | (22 319)            |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    | 136               |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (17 046)        | (15 097)             | (15 097)        | (15 097)           | (14 465)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | (17 046)        | (15 097)             | (15 097)        | (15 097)           | (14 329)          | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 | (14)            |                      |                 |                    | 5                 |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (714)           | (953)                | (953)           | (953)              | (1 133)           | (1 200)   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | (729)           | (953)                | (953)           | (953)              | (1 128)           | (1 200)   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 6 439           | 18 272               | 18 272          | 18 272             | 5 692             | (18 941)  | (17 930)            | (22 319)            |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 1 712           | 1 924                | 1 924           | 1 924              | 1 924             | (18 941)  | (18 941)            | (36 872)            |
|  |     |                 |                 | 8 151           | 20 196               | 20 196          | 20 196             | 7 617             | (18 941)  | (36 872)            | (59 190)            |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Msinga(KZN244) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 41              | 59 286               | 59 286          | 59 286             | 49                | 2 600   |                     |                     |
| Government - operating                           | 1   |                 |                 | 22 105          |                      |                 |                    | 73 624            | 63 400  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (7 789)         | (41 337)             | (41 337)        | (41 337)           | (10 301)          | (16 743)  |                     |                     |
| Finance charges                                  |     |                 |                 | (21 210)        |                      |                 |                    | (61 140)          | (34 377)  |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | (6 853)         | 17 948               | 17 948          | 17 948             | 2 232             | 14 879  | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   | (1 500)   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 | (3 636)              | (3 636)         | (3 636)            |                   | (21 000)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | -               | (3 636)              | (3 636)         | (3 636)            | -                 | (22 500)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | (6 853)         | 14 312               | 14 312          | 14 312             | 2 232             | (7 621)   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 7 505           |                      |                 |                    | 362               | 9 122   | 1 502               | 1 502               |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 652             | 14 312               | 14 312          | 14 312             | 2 595             | 1 502   | 1 502               | 1 502               |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umvoti(KZN245) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 13 313          | 50 501          | 61 329               | 61 329          | 61 329             | 101 142           | 53  | 56 510              | 59 933              |
| Government - operating                           | 1   |                 | 5 781           | 38 337          | 37 815               | 37 815          | 37 815             | 42 179            | 56  | 71 596              | 75 230              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (5 570)         | (103 947)       | (37 182)             | (37 182)        | (37 182)           | (126 613)         | (37)  | (39 553)            | (41 891)            |
| Finance charges                                  |     |                 | (7 266)         |                 | (58 220)             | (58 220)        | (58 220)           |                   | (55)  | (73 057)            | (77 449)            |
| Transfers and grants                             | 1   |                 | (654)           |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 5 605           | (15 109)        | 3 743                | 3 743           | 3 743              | 16 708            | 17  | 15 496              | 15 823              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (5 500)         |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (4 151)         |                 | (14 853)             | (14 853)        | (14 853)           |                   | (34)  | (27 177)            | (26 027)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (9 651)         | -               | (14 853)             | (14 853)        | (14 853)           | -                 | (34)  | (27 177)            | (26 027)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (4 047)         | (15 109)        | (11 110)             | (11 110)        | (11 110)           | 16 708            | (18)  | (11 681)            | (10 204)            |
| Cash/cash equivalents at the year begin:         | 2   |                 | 4 024           | 1 036           |                      |                 |                    | (23 162)          |   | (18)                | (11 699)            |
| Cash/cash equivalents at the year end:           | 2   |                 | (23)            | (14 074)        | (11 110)             | (11 110)        | (11 110)           | (6 454)           | (18)  | (11 699)            | (21 903)            |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umzinyathi(DC24) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 77 043          | 77 104               | 77 104          | 77 104             | 68 584            | 40 956  | 19 982              | 21 981              |
| Government - operating                           | 1   |                 |                 | 246 124         | 220 812              | 220 812         | 220 812            | 266 576           | 133 765   | 150 432             | 165 478             |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 185 327   | 212 683             | 249 501             |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 6 484   | 6 456               | 7 040               |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (19 319)        | (26 845)             | (26 845)        | (26 845)           | (22 777)          | (144 350)   | (162 365)           | (178 691)           |
| Finance charges                                  |     |                 |                 | (279 280)       | (266 662)            | (266 662)       | (266 662)          | (246 383)         | (149)   | (164)               | (180)               |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | <b>24 567</b>   | <b>4 409</b>         | <b>4 409</b>    | <b>4 409</b>       | <b>66 000</b>     | <b>222 033</b>                                      | <b>227 024</b>      | <b>265 129</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 | 40 355          | 40 355               | 40 355          | 40 355             |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | 9 436           | 9 436                | 9 436           | 9 436              | 55 943            |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (73 720)        | (60 873)             | (60 873)        | (60 873)           | (129 539)         | 187 077   | 214 723             | 251 876             |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | <b>(23 929)</b> | <b>(11 083)</b>      | <b>(11 083)</b> | <b>(11 083)</b>    | <b>(73 596)</b>   | <b>187 077</b>                                      | <b>214 723</b>      | <b>251 876</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (327)           | (327)                | (327)           | (327)              |                   | 36  | 40                  | 44                  |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | <b>(327)</b>    | <b>(327)</b>         | <b>(327)</b>    | <b>(327)</b>       | <b>-</b>          | <b>36</b>   | <b>40</b>           | <b>44</b>           |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | <b>311</b>      | <b>(7 001)</b>       | <b>(7 001)</b>  | <b>(7 001)</b>     | <b>(7 596)</b>    | <b>409 146</b>                                      | <b>441 787</b>      | <b>517 049</b>      |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 13 386          | 20 387               | 20 387          | 20 387             | 13 386            | 5 090   | 414 236             | 856 023             |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 13 697          | 13 386               | 13 386          | 13 386             | 5 790             | 414 236   | 856 023             | 1 373 072           |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Newcastle(KZN252) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08          | 2008/09          | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|------------------|------------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome  | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 405 208         | 511 203          | 548 722          | 655 716              | 655 716          | 655 716            | 594 694           | 823 824   | 1 111 300           | 1 314 276           |
| Government - operating                           | 1   | 139 422         | 144 535          | 120 914          | 348 100              | 348 100          | 348 100            | 279 328           | 199 527   | 229 540             | 254 641             |
| Government - capital                             | 1   |                 |                  |                  |                      |                  |                    |                   | 214 804   | 179 701             | 144 775             |
| Interest   |     |                 |                  |                  |                      |                  |                    |                   | 12 300  | 11 714              | 11 156              |
| Dividends  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (245 470)       | (293 834)        | (246 980)        | (200 952)            | (200 952)        | (200 952)          | (183 648)         | (873 987)   | (986 435)           | (1 105 373)         |
| Finance charges                                  |     | (238 168)       | (266 948)        | (342 804)        | (574 036)            | (574 036)        | (574 036)          | (548 957)         | (17 380)  | (18 544)            | (105 798)           |
| Transfers and grants                             | 1   | (9 646)         | (9 695)          | (11 902)         |                      |                  |                    |                   | (312)   | (321)               | (332)               |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>51 346</b>   | <b>85 262</b>    | <b>67 950</b>    | <b>228 828</b>       | <b>228 828</b>   | <b>228 828</b>     | <b>141 416</b>    | <b>358 776</b>                                      | <b>526 955</b>      | <b>513 345</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 60 886          | 24 883           | 40 806           |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (133 238)       | (223 388)        | (442 739)        |                      |                  |                    | (82 025)          |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                  |                  | (167 259)            | (167 259)        | (167 259)          | (100 745)         | (229 800)   | (179 700)           | (144 775)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(72 352)</b> | <b>(198 505)</b> | <b>(401 933)</b> | <b>(167 259)</b>     | <b>(167 259)</b> | <b>(167 259)</b>   | <b>(182 770)</b>  | <b>(229 800)</b>                                    | <b>(179 700)</b>    | <b>(144 775)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                  |                  | 16 585               | 16 585           | 16 585             |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                  |                  |                      |                  |                    |                   | 15 000  |                     |                     |
| Increase (decrease) in consumer deposits         |     | (15 564)        | 9 479            | 10 287           |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (12 724)        | (8 388)          | (22 547)         | (2 924)              | (2 924)          | (2 924)            | (6 286)           | (5 976)   | (6 574)             | (6 534)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(28 287)</b> | <b>1 091</b>     | <b>(12 261)</b>  | <b>13 661</b>        | <b>13 661</b>    | <b>13 661</b>      | <b>(6 286)</b>    | <b>9 024</b>  | <b>(6 574)</b>      | <b>(6 534)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                  |                  |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 18 100          | 64 644           | 16 632           | 75 230               | 75 230           | 75 230             | 47 640            | 138 000   | 340 681             | 362 036             |
| Cash/cash equivalents at the year end:           | 2   | (31 193)        | (47 509)         | (329 611)        | 75 230               | 75 230           | 75 230             | (39 169)          | 111 410   | 452 091             | 814 127             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: eMadlangeni(KZN253) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 8 451           | 4 860           | 9 141                | 9 141           | 9 141              | 7 980             | 7 926   | 7 927               | 8 553               |
| Government - operating                           | 1   |                 | 3 454           | 7 644           | 17 384               | 17 384          | 17 384             | 10 216            | 24 482  | 24 481              | 21 224              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (10 347)        | (4 080)         | (9 651)              | (9 651)         | (9 651)            | (7 901)           | (15 215)  | (15 215)            | (16 355)            |
| Finance charges                                  |     |                 | (4 476)         | (4 204)         | (6 281)              | (6 281)         | (6 281)            | (8 375)           | (5 395)   | (5 395)             | (5 719)             |
| Transfers and grants                             | 1   |                 | (1 999)         | (1 451)         | (2 825)              | (2 825)         | (2 825)            | (1 993)           | (3 407)   | (3 406)             | (3 750)             |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>(4 916)</b>  | <b>2 768</b>    | <b>7 768</b>         | <b>7 768</b>    | <b>7 768</b>       | <b>(73)</b>       | <b>8 391</b>  | <b>8 392</b>        | <b>3 953</b>        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 | 30              | 265             | 2 695                | 2 695           | 2 695              |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (1 854)         | 2 278           |                      |                 |                    | (1 160)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (25)            |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(1 849)</b>  | <b>2 543</b>    | <b>2 695</b>         | <b>2 695</b>    | <b>2 695</b>       | <b>(1 160)</b>    | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    | 1 000             |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 4 692           |                 | 7 160                | 7 160           | 7 160              |                   | 10 125  | 10 127              | 10 870              |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (436)           |                      |                 |                    |                   | (101)   | (101)               | (101)               |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>4 692</b>    | <b>(436)</b>    | <b>7 160</b>         | <b>7 160</b>    | <b>7 160</b>       | <b>1 000</b>      | <b>10 024</b>                                       | <b>10 026</b>       | <b>10 769</b>       |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(2 073)</b>  | <b>4 875</b>    | <b>17 623</b>        | <b>17 623</b>   | <b>17 623</b>      | <b>(233)</b>      | <b>18 415</b>                                       | <b>18 418</b>       | <b>14 722</b>       |
| Cash/cash equivalents at the year begin:         | 2   |                 | 544             | 544             | 17 623               | 17 623          | 17 623             | 1 032             | 18 415  | 18 415              | 36 833              |
| Cash/cash equivalents at the year end:           | 2   |                 | (1 529)         | 5 419           | 17 623               | 17 623          | 17 623             | 799               | 18 415  | 36 833              | 51 555              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Dannhauser(KZN254) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 19 476          | 6 939           | 456 263              | 456 263         | 456 263            | 10 199            | 11 571  |                     |                     |
| Government - operating                           | 1   |                 | 6 614           | 30 675          |                      |                 |                    | 38 391            | 34 578  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 8 961   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 1 084   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (11 091)        | (12 591)        | (17 944)             | (17 944)        | (17 944)           | (13 687)          | (29 400)  |                     |                     |
| Finance charges                                  |     |                 | (10 190)        | (23 051)        | (20 960)             | (20 960)        | (20 960)           | (21 524)          |   |                     |                     |
| Transfers and grants                             | 1   |                 | (2 475)         | (2 999)         | (3 682)              | (3 682)         | (3 682)            | (3 402)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>2 334</b>    | <b>(1 028)</b>  | <b>413 677</b>       | <b>413 677</b>  | <b>413 677</b>     | <b>9 976</b>      | <b>26 794</b>                                       | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (6 320)         |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (1 755)         | (143)           | (722)                | (722)           | (722)              |                   | (3 600)   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(8 075)</b>  | <b>(143)</b>    | <b>(722)</b>         | <b>(722)</b>    | <b>(722)</b>       | -                 | <b>(3 600)</b>                                      | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 | 123             |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (750)           | (691)           |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(750)</b>    | <b>(568)</b>    | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(6 491)</b>  | <b>(1 738)</b>  | <b>412 955</b>       | <b>412 955</b>  | <b>412 955</b>     | <b>9 976</b>      | <b>23 194</b>                                       | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | (315)           | 844             |                      |                 |                    | 2 877             |   | 23 194              | 23 194              |
| Cash/cash equivalents at the year end:           | 2   |                 | (6 806)         | (894)           | 412 955              | 412 955         | 412 955            | 12 853            | 23 194  | 23 194              | 23 194              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Amajuba(DC25) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 13 391          | 49 573          | 38 115               | 38 115          | 38 115             | 17 476            | 45 886  | 32 362              | 34 214              |
| Government - operating                           | 1   |                 | 76 717          | 56 403          | 157 320              | 157 320         | 157 320            | 102 009           | 147 628   | 128 525             | 145 721             |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (14 450)        | (17 377)        | (32 398)             | (32 398)        | (32 398)           | (29 454)          | (42 336)  | (44 781)            | (47 423)            |
| Finance charges                                  |     |                 | (21 702)        | (73 056)        | (74 393)             | (74 393)        | (74 393)           | (100 475)         | (88 455)  | (73 591)            | (82 010)            |
| Transfers and grants                             | 1   |                 | (1 062)         |                 | (1 100)              | (1 100)         | (1 100)            |                   | (350)   | (372)               | (394)               |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>52 895</b>   | <b>15 542</b>   | <b>87 545</b>        | <b>87 545</b>   | <b>87 545</b>      | <b>(10 444)</b>   | <b>62 373</b>                                       | <b>42 143</b>       | <b>50 109</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (60 000)        | (20 000)        |                      |                 |                    | 38 750            |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (19 286)        | (8 385)         | (87 513)             | (87 513)        | (87 513)           | (41 794)          | (62 373)  | (42 143)            | (50 109)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(79 286)</b> | <b>(28 385)</b> | <b>(87 513)</b>      | <b>(87 513)</b> | <b>(87 513)</b>    | <b>(3 044)</b>    | <b>(62 373)</b>                                     | <b>(42 143)</b>     | <b>(50 109)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (88)            | (54)            | (32)                 | (32)            | (32)               | (106)             |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(88)</b>     | <b>(54)</b>     | <b>(32)</b>          | <b>(32)</b>     | <b>(32)</b>        | <b>(106)</b>      | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(26 479)</b> | <b>(12 898)</b> | -                    | -               | -                  | <b>(13 595)</b>   | -   | <b>0</b>            | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 46 471          | 14 799          | 15 747               | 15 747          | 15 747             | 15 747            | 9 014   | 9 014               | 9 014               |
| Cash/cash equivalents at the year end:           | 2   |                 | 19 993          | 1 901           | 15 747               | 15 747          | 15 747             | 2 153             | 9 014   | 9 014               | 9 014               |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: eDumbe(KZN261) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 27 317          | 41 896          | 20 253               | 20 253          | 20 253             | 37 643            | 20 932  | 4 735               | 4 866               |
| Government - operating                           | 1   |                 | 9 117           | 17 919          | 26 488               | 26 488          | 26 488             | 29 120            | 29 654  | 30 544              | 31 460              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 13 106  | 15 746              | 20 648              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 108   | 8                   | 9                   |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (18 945)        | (23 320)        | (24 863)             | (24 863)        | (24 863)           | (31 895)          | (58 475)  | (64 549)            | (71 266)            |
| Finance charges                                  |     |                 | (11 968)        | (28 688)        | (3 165)              | (3 165)         | (3 165)            | (20 228)          |   |                     |                     |
| Transfers and grants                             | 1   |                 | (2 858)         | (5 682)         |                      |                 |                    | (634)             | (2 585)   | (3 038)             | (3 092)             |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>2 663</b>    | <b>2 126</b>    | <b>18 712</b>        | <b>18 712</b>   | <b>18 712</b>      | <b>14 006</b>     | <b>2 739</b>  | <b>(16 554)</b>     | <b>(17 376)</b>     |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 | 416                  | 416             | 416                | 982               |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   | 17  | 15                  | 14                  |
| Decrease (increase) in non-current investments   |     |                 | 13 815          | 4 000           | 542                  | 542             | 542                | (1 155)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 | (15 948)             | (15 948)        | (15 948)           | (14 149)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>13 815</b>   | <b>4 000</b>    | <b>(14 991)</b>      | <b>(14 991)</b> | <b>(14 991)</b>    | <b>(14 321)</b>   | <b>17</b>   | <b>15</b>           | <b>14</b>           |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   | 4 000   | 4 000               | 4 000               |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   | 600   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | (35)            | (42)            | (5 248)              | (5 248)         | (5 248)            | (2 837)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(35)</b>     | <b>(42)</b>     | <b>(5 248)</b>       | <b>(5 248)</b>  | <b>(5 248)</b>     | <b>(2 837)</b>    | <b>4 600</b>  | <b>4 000</b>        | <b>4 000</b>        |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 16 443          | 6 084           | (1 527)              | (1 527)         | (1 527)            | (3 152)           | 7 357   | (12 539)            | (13 362)            |
| Cash/cash equivalents at the year end:           | 2   |                 | 16 443          | 7 492           | (1 527)              | (1 527)         | (1 527)            | (1 177)           | 7 357   | (5 182)             | (18 544)            |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uPhongolo(KZN262) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 12 218          | 33 756          | 35 759               | 35 759          | 35 759             | 34 519            |   | 47 087              |                     |
| Government - operating                           | 1   |                 | 23 321          | 35 100          | 48 753               | 48 753          | 48 753             | 51 495            |   | 73 651              |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (9 155)         | (20 054)        | (23 174)             | (23 174)        | (23 174)           | (24 174)          |   | (86 461)            |                     |
| Finance charges                                  |     |                 | (14 347)        | (40 043)        | (40 603)             | (40 603)        | (40 603)           | (42 548)          |   | (8 670)             |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   | (224)               |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 12 037          | 8 759           | 20 735               | 20 735          | 20 735             | 19 292            | -   | 25 383              | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (5 042)         | (136)           | 2 521                | 2 521           | 2 521              | (3 154)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 448)         | (8 132)         | (21 793)             | (21 793)        | (21 793)           | (15 733)          |   | (23 868)            |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (7 490)         | (8 268)         | (19 272)             | (19 272)        | (19 272)           | (18 887)          | -   | (23 868)            | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   | 264                 |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     | 397                 |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (187)           |                 | (1 230)              | (1 230)         | (1 230)            | (7)               |   | (666)               |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | (187)           | -               | (1 230)              | (1 230)         | (1 230)            | (7)               | -   | (5)                 | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 4 359           | 491             | 233                  | 233             | 233                | 398               | -   | 1 510               | -                   |
| Cash/cash equivalents at the year end:           | 2   |                 | 4 359           | 1 046           | 1 515                | 1 515           | 1 515              | 1 680             |   | 1 510               | 1 510               |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Abaqulusi(KZN263) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 116 649         | 186 531         | 178 483              | 178 483         | 178 483            | 240 104           | 199 192   | 212 346             | 225 676             |
| Government - operating                           | 1   |                 | 29 751          | 93 008          | 75 579               | 75 579          | 75 579             | 74 025            | 98 311  | 67 762              | 73 838              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (61 865)        | (108 628)       | (125 996)            | (125 996)       | (125 996)          | (122 333)         | (113 011)   | (119 044)           | (123 056)           |
| Finance charges                                  |     |                 | (54 178)        | (94 208)        | (36 231)             | (36 231)        | (36 231)           | (96 309)          | (82 522)  | (50 872)            | (48 370)            |
| Transfers and grants                             | 1   |                 | (6 065)         | (14 649)        | (67 889)             | (67 889)        | (67 889)           | (63 906)          | (63 516)  | (70 717)            | (79 959)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>24 293</b>   | <b>62 054</b>   | <b>23 946</b>        | <b>23 946</b>   | <b>23 946</b>      | <b>31 581</b>     | <b>38 454</b>                                       | <b>39 475</b>       | <b>48 130</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (9 163)         | 1 359           |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (31 745)        | (59 043)        | (44 269)             | (44 269)        | (44 269)           | (30 907)          | (36 940)  | (38 975)            | (43 504)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(40 907)</b> | <b>(57 684)</b> | <b>(44 269)</b>      | <b>(44 269)</b> | <b>(44 269)</b>    | <b>(30 907)</b>   | <b>(36 940)</b>                                     | <b>(38 975)</b>     | <b>(43 504)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | (215)           | (82)            |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(215)</b>    | <b>(82)</b>     | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>          | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>(16 829)</b> | <b>4 288</b>    | <b>(20 323)</b>      | <b>(20 323)</b> | <b>(20 323)</b>    | <b>675</b>        | <b>1 514</b>  | <b>500</b>          | <b>4 626</b>        |
| Cash/cash equivalents at the year begin:         | 2   |                 | 9 242           | (966)           | 3 322                | 3 322           | 3 322              | 3 322             | 3 997   | 5 511               | 6 010               |
| Cash/cash equivalents at the year end:           | 2   |                 | (7 588)         | 3 322           | (17 001)             | (17 001)        | (17 001)           | 3 997             | 5 511   | 6 010               | 10 636              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Nongoma(KZN265) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 20 275          | 4 919                | 4 919           | 4 919              | 3 360             | 13 998  |                     |                     |
| Government - operating                           | 1   |                 |                 | 25 892          | 40 445               | 40 445          | 40 445             | 56 938            | 84 282  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (21 766)        | (25 549)             | (25 549)        | (25 549)           | (25 410)          | (45 822)  |                     |                     |
| Finance charges                                  |     |                 |                 | (8 678)         | (12 131)             | (12 131)        | (12 131)           | (16 238)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    | (743)             |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | 15 722          | 7 684                | 7 684           | 7 684              | 17 907            | 52 458  | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (9 456)         | (4 142)              | (4 142)         | (4 142)            | (11 627)          | (32 351)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | (9 456)         | (4 142)              | (4 142)         | (4 142)            | (11 627)          | (32 351)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 | 760             |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | 760             | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | 7 026           | 3 542                | 3 542           | 3 542              | 6 280             | 20 107  | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 | (1 695)              | (1 695)         | (1 695)            |                   | 3 518   | 23 624              | 23 624              |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 7 026           | 1 847                | 1 847           | 1 847              | 6 280             | 23 624  | 23 624              | 23 624              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Ulundi(KZN266) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 209 399         | 53 578               | 53 578          | 53 578             | 256 489           | 65 924  | 155 921             | 165 123             |
| Government - operating                           | 1   |                 |                 |                 | 71 509               | 71 509          | 71 509             |                   | 58 551  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 20 790  |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 800   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (211 282)       | (55 342)             | (55 342)        | (55 342)           |                   | (125 993)   | (155 484)           | (164 657)           |
| Finance charges                                  |     |                 |                 |                 | (69 567)             | (69 567)        | (69 567)           | (241 072)         |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | (1 883)         | 177                  | 177             | 177                | 15 417            | 20 073  | 437                 | 465                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (650)           |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | (650)           | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | (2 532)         | 177                  | 177             | 177                | 15 417            | 20 073  | 437                 | 465                 |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 11 764          | 9 832                | 9 832           | 9 832              | 9 832             |   | 20 073              | 20 510              |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 9 231           | 10 010               | 10 010          | 10 010             | 25 249            | 20 073  | 20 510              | 20 975              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Zululand(DC26) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 37 382          | 56 085           | 66 089               | 66 089          | 66 089             | 47 130            | 29 139  | 30 945              | 32 771              |
| Government - operating                           | 1   |                 | 246 865         | 403 664          | 358 824              | 358 824         | 358 824            | 757 250           | 430 382   | 502 027             | 556 298             |
| Government - capital                             | 1   |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (82 316)        | (158 530)        | (437 318)            | (437 318)       | (437 318)          | (237 170)         | (306 824)   | (303 256)           | (297 053)           |
| Finance charges                                  |     |                 | (25 318)        | (142 358)        |                      |                 |                    | (229 315)         |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>176 614</b>  | <b>158 861</b>   | <b>(12 405)</b>      | <b>(12 405)</b> | <b>(12 405)</b>    | <b>337 896</b>    | <b>152 696</b>                                      | <b>229 717</b>      | <b>292 016</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 | 57              |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 15 000          | 53 758           | 13 000               | 13 000          | 13 000             | 4 000             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (85 111)        | (232 572)        | (595)                | (595)           | (595)              | (120 494)         | (226 038)   | (278 919)           | (311 236)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(70 053)</b> | <b>(178 814)</b> | <b>12 405</b>        | <b>12 405</b>   | <b>12 405</b>      | <b>(116 494)</b>  | <b>(226 038)</b>                                    | <b>(278 919)</b>    | <b>(311 236)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                  |                      |                 |                    | 131               |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (2 305)         | (971)            |                      |                 |                    | (44)              |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(2 305)</b>  | <b>(971)</b>     | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>87</b>         | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>104 255</b>  | <b>(20 924)</b>  | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>221 489</b>    | <b>(73 342)</b>                                     | <b>(49 202)</b>     | <b>(19 220)</b>     |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | <b>29 779</b>    |                      |                 |                    | <b>19 973</b>     | <b>(73 342)</b>                                     | <b>(73 342)</b>     | <b>(122 544)</b>    |
| Cash/cash equivalents at the year end:           | 2   |                 | <b>104 255</b>  | <b>8 855</b>     |                      |                 |                    | <b>241 463</b>    | <b>(73 342)</b>                                     | <b>(122 544)</b>    | <b>(141 764)</b>    |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umhlabuyalingana(KZN271) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 1 217           | 4 747           | 2 639                | 2 639           | 2 639              | 4 093             | 2 879   | 3 097               | 3 323               |
| Government - operating                           | 1   |                 | 13 780          | 32 274          | 46 309               | 46 309          | 46 309             | 52 518            | 63 353  | 74 095              | 85 825              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (5 153)         | (11 689)        | (16 239)             | (16 239)        | (16 239)           | (10 467)          | (13 659)  | (14 703)            | (15 812)            |
| Finance charges                                  |     |                 | (9 668)         | (11 573)        | (11 797)             | (11 797)        | (11 797)           | (10 151)          | (14 026)  | (14 543)            | (15 619)            |
| Transfers and grants                             | 1   |                 | (1 746)         | (3 611)         | (4 048)              | (4 048)         | (4 048)            | (7 085)           | (3 415)   | (3 676)             | (3 953)             |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (1 569)         | 10 147          | 16 864               | 16 864          | 16 864             | 28 909            | 35 132  | 44 270              | 53 764              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 2 050           | 18              | 2 595                | 2 595           | 2 595              | (7 372)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (2 411)         | (8 452)         | (18 514)             | (18 514)        | (18 514)           | (19 744)          | (25 388)  | (31 550)            | (38 746)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (361)           | (8 434)         | (15 919)             | (15 919)        | (15 919)           | (27 116)          | (25 388)  | (31 550)            | (38 746)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (1 930)         | 1 713           | 945                  | 945             | 945                | 1 793             | 9 744   | 12 720              | 15 018              |
| Cash/cash equivalents at the year begin:         | 2   |                 | 529             | (2 649)         | (936)                | (936)           | (936)              | (936)             | 9 744   | 9 744               | 22 464              |
| Cash/cash equivalents at the year end:           | 2   |                 | (1 401)         | (936)           | 9                    | 9               | 9                  | 857               | 9 744   | 22 464              | 37 482              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Jozini(KZN272) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 12 563          | 20 681          | 7 344                | 7 344           | 7 344              | 46 600            | 5 130   | 5 392               | 5 640               |
| Government - operating                           | 1   |                 | 9 894           | 41 976          | 57 914               | 57 914          | 57 914             | 76 267            | 71 030  | 98 675              | 111 270             |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (5 423)         | (23 023)        | (26 081)             | (26 081)        | (26 081)           | (56 191)          | (25 238)  | (26 814)            | (28 402)            |
| Finance charges                                  |     |                 | (13 596)        | (28 190)        | (19 642)             | (19 642)        | (19 642)           | (30 844)          | (25 526)  | (31 221)            | (36 320)            |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>3 438</b>    | <b>11 444</b>   | <b>19 535</b>        | <b>19 535</b>   | <b>19 535</b>      | <b>35 833</b>     | <b>25 396</b>                                       | <b>46 032</b>       | <b>52 188</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 4 000           | (6 739)         | (2 000)              | (2 000)         | (2 000)            | (6 000)           | (2 000)   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (4 570)         | (10 459)        | (17 146)             | (17 146)        | (17 146)           | (21 465)          | (36 772)  | (46 846)            | (53 067)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(570)</b>    | <b>(17 198)</b> | <b>(19 146)</b>      | <b>(19 146)</b> | <b>(19 146)</b>    | <b>(27 465)</b>   | <b>(38 772)</b>                                     | <b>(46 846)</b>     | <b>(53 067)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>2 868</b>    | <b>(5 754)</b>  | <b>389</b>           | <b>389</b>      | <b>389</b>         | <b>8 368</b>      | <b>(13 376)</b>                                     | <b>(814)</b>        | <b>(878)</b>        |
| Cash/cash equivalents at the year begin:         | 2   |                 | 806             | 5 426           | 1 000                | 1 000           | 1 000              | (757)             | 1 000   | (12 376)            | (13 191)            |
| Cash/cash equivalents at the year end:           | 2   |                 | 3 674           | (327)           | 1 389                | 1 389           | 1 389              | 7 611             | (12 376)  | (13 191)            | (14 069)            |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: The Big 5 False Bay(KZN273) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 7 417           | 2 769           | 11 604               | 11 604          | 11 604             | 5 879             | 8 378   | 831                 | 869                 |
| Government - operating                           | 1   |                 | 2 415           | 16 570          | 15 249               | 15 249          | 15 249             | 17 427            | 11 697  | 1 023               | 1 075               |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (4 882)         | (6 300)         | (7 168)              | (7 168)         | (7 168)            | (11 378)          | (9 829)   | (919)               | (973)               |
| Finance charges                                  |     |                 | (5 616)         | (9 976)         | (8 039)              | (8 039)         | (8 039)            | (3 407)           | (2 667)   | (578)               | (606)               |
| Transfers and grants                             | 1   |                 |                 |                 | (1 637)              | (1 637)         | (1 637)            |                   | (985)   | (82)                | (82)                |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (667)           | 3 063           | 10 010               | 10 010          | 10 010             | 8 521             | 6 594   | 276                 | 282                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | (2 243)         | (1 550)              | (1 550)         | (1 550)            | 2 700             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (2 477)         | (5 724)              | (5 724)         | (5 724)            | (6 132)           | (9 464)   | (828)               | (870)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | (4 720)         | (7 274)              | (7 274)         | (7 274)            | (3 432)           | (9 464)   | (828)               | (870)               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (667)           | (1 657)         | 2 737                | 2 737           | 2 737              | 5 089             | (2 870)   | (552)               | (587)               |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 1 736           | 90                   | 90              | 90                 |                   |   | (2 870)             | (3 422)             |
| Cash/cash equivalents at the year end:           | 2   |                 | (667)           | 79              | 2 827                | 2 827           | 2 827              | 5 089             | (2 870)   | (3 422)             | (4 009)             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Hlabisa(KZN274) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 725             | 2 628           | 9 898                | 9 898           | 9 898              | 18 989            | 18 989  | 11                  | 12                  |
| Government - operating                           | 1   |                 | 7 774           | 41 459          | 45 652               | 45 652          | 45 652             | 49 529            | 49 529  | 64                  | 72                  |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (9 281)         | (12 742)        | (55 550)             | (55 550)        | (55 550)           | (18 664)          | (18 664)  | (53)                | (57)                |
| Finance charges                                  |     |                 | (5 294)         | (10 835)        |                      |                 |                    | (17 571)          | (17 571)  | (19)                | (22)                |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (6 076)         | 20 509          | -                    | -               | -                  | 32 282            | 32 282  | 4                   | 6                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 5 754           | 491             |                      |                 |                    | 312               | 312   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (6 168)         | (11 107)        |                      |                 |                    | (22 771)          | (22 771)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (414)           | (10 615)        | -                    | -               | -                  | (22 458)          | (22 458)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (6 490)         | 9 894           | -                    | -               | -                  | 9 824             | 9 824   | 4                   | 6                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 26              |                      |                 |                    | 5 527             | 5 527   | 15 351              | 15 355              |
| Cash/cash equivalents at the year end:           | 2   |                 | (6 490)         | 9 921           |                      |                 |                    | 15 351            | 15 351  | 15 355              | 15 361              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Mtubatuba(KZN275) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 14 648          | 18 279          | 32                   | 32              | 32                 | 21 537            | 32 600  | 41 493              | 38 965              |
| Government - operating                           | 1   |                 | 7 786           | 17 078          | 20                   | 20              | 20                 | 26 415            | 26 635  | 27 391              | 31 145              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (11 723)        | (15 627)        | (33)                 | (33)            | (33)               | (18 231)          | (19 216)  | (31 458)            | (34 603)            |
| Finance charges                                  |     |                 | (9 605)         | (16 585)        | (7)                  | (7)             | (7)                | (20 354)          | (22 980)  | (17 000)            | (19 000)            |
| Transfers and grants                             | 1   |                 | (1 700)         | (798)           |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | (595)           | 2 346           | 12                   | 12              | 12                 | 9 366             | 17 039  | 20 426              | 16 507              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 | 6                    | 6               | 6                  |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 4 200           | (1 938)         | (6)                  | (6)             | (6)                | 835               |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (5 088)         | (528)           | (14)                 | (14)            | (14)               | (6 637)           | (15 920)  | (16 000)            | (17 000)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (888)           | (2 466)         | (14)                 | (14)            | (14)               | (5 802)           | (15 920)  | (16 000)            | (17 000)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 | 4                    | 4               | 4                  |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 23              | 63              |                      |                 |                    | 33                |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (44)            | (223)           | (1)                  | (1)             | (1)                | (534)             | (490)   | (460)               | (460)               |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | (22)            | (159)           | 3                    | 3               | 3                  | (502)             | (490)   | (460)               | (460)               |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 1 504           | (280)           | 1                    | 1               | 1                  | 3 062             | 629   | 3 966               | (953)               |
| Cash/cash equivalents at the year end:           | 2   |                 | 1 484           | (299)           | 1                    | 1               | 1                  | (579)             | 500   | 1 129               | 5 095               |
|  |     |                 | (20)            | (579)           | 1                    | 1               | 1                  | 2 483             | 1 129   | 5 095               | 4 142               |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umkhanyakude(DC27) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 30 664          | 166 710          | 61 337               | 61 337          | 61 337             | 297 209           | 34 621  | 36 549              | 38 562              |
| Government - operating                           | 1   |                 | 167 921         | 243 586          | 92 498               | 92 498          | 92 498             | 240 511           | 291 884   | 152 535             | 166 719             |
| Government - capital                             | 1   |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (22 020)        | (128 265)        | (68 491)             | (68 491)        | (68 491)           | (283 839)         | (82 689)  | (91 011)            | (100 171)           |
| Finance charges                                  |     |                 | (58 735)        | (151 931)        | (79 482)             | (79 482)        | (79 482)           | (138 239)         | (93 155)  | (98 918)            | (104 746)           |
| Transfers and grants                             | 1   |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>117 829</b>  | <b>130 099</b>   | <b>5 862</b>         | <b>5 862</b>    | <b>5 862</b>       | <b>115 642</b>    | <b>150 660</b>                                      | <b>(845)</b>        | <b>365</b>          |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (2 551)         | (8 890)          | 659                  | 659             | 659                |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (96 399)        | (127 735)        | (3 600)              | (3 600)         | (3 600)            | (105 215)         | (154 627)   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(98 950)</b> | <b>(136 625)</b> | <b>(2 941)</b>       | <b>(2 941)</b>  | <b>(2 941)</b>     | <b>(105 215)</b>  | <b>(154 627)</b>                                    | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 | 4 121            |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 213             |                  |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (2 110)         | (660)            | (2 865)              | (2 865)         | (2 865)            |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(1 898)</b>  | <b>3 461</b>     | <b>(2 865)</b>       | <b>(2 865)</b>  | <b>(2 865)</b>     | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                  |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | -               | 16 982          | (3 066)          | 56                   | 56              | 56                 | 10 428            | (3 967)   | (845)               | 365                 |
| Cash/cash equivalents at the year end:           | 2   | -               | 2 208           | (2 969)          | (6 034)              | (6 034)         | (6 034)            | (6 034)           | (43 887)  | (47 854)            | (48 699)            |
|  |     |                 | 19 190          | (6 035)          | (5 978)              | (5 978)         | (5 978)            | 4 394             | (47 854)  | (48 699)            | (48 334)            |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Mfolozi(KZN281) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 2 858           |                 | 8 914                | 8 914           | 8 914              | 6 066             | 6 989   | 7 776               | 8 059               |
| Government - operating                           | 1   |                 | 18 053          |                 | 43 237               | 43 237          | 43 237             | 44 496            | 33 191  | 37 377              | 40 904              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 12 355  | 14 654              | 17 939              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 60  | 193                 | 98                  |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (19 126)        |                 | (18 228)             | (18 228)        | (18 228)           | (11 342)          | (37 460)  | (42 376)            | (46 350)            |
| Finance charges                                  |     |                 |                 |                 | (13 348)             | (13 348)        | (13 348)           | (29 073)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    | (373)             |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>1 785</b>    | -               | <b>20 575</b>        | <b>20 575</b>   | <b>20 575</b>      | <b>9 775</b>      | <b>15 135</b>                                       | <b>17 624</b>       | <b>20 650</b>       |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    | (0)               |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (1 632)         |                 | (18 713)             | (18 713)        | (18 713)           | (9 766)           | (15 135)  | (17 624)            | (20 650)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(1 632)</b>  | -               | <b>(18 713)</b>      | <b>(18 713)</b> | <b>(18 713)</b>    | <b>(9 767)</b>    | <b>(15 135)</b>                                     | <b>(17 624)</b>     | <b>(20 650)</b>     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 153             |                 | 1 862                | 1 862           | 1 862              | 8                 | 0   | -                   | -                   |
| Cash/cash equivalents at the year end:           | 2   |                 | (2 254)         |                 | 1 967                | 1 967           | 1 967              | 112               | 112   | 112                 | 112                 |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uMhlathuze(KZN282) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07          | 2007/08         | 2008/09          | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|------------------|-----------------|------------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome  | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 719 869          | 805 629         | 970 896          | 1 486 349            | 1 486 349        | 1 486 349          | 1 152 665         | 1 314 381   | 1 568 998           | 1 888 998           |
| Government - operating                           | 1   | 91 941           | 104 350         | 150 409          | 188 840              | 188 840          | 188 840            | 197 065           | 156 947   | 176 456             | 194 249             |
| Government - capital                             | 1   |                  |                 |                  |                      |                  |                    |                   | 96 588  | 143 261             | 167 215             |
| Interest   |     |                  |                 |                  |                      |                  |                    |                   | 3 486   | 3 676               | 3 877               |
| Dividends  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (142 778)        | (164 778)       | (200 931)        | (361 825)            | (361 825)        | (361 825)          | (338 272)         | (1 302 271)   | (1 545 693)         | (1 840 126)         |
| Finance charges                                  |     | (471 905)        | (523 545)       | (757 851)        | (620 300)            | (620 300)        | (620 300)          | (748 669)         | (102 094)   | (93 344)            | (84 804)            |
| Transfers and grants                             | 1   | (94 124)         | (88 464)        | (91 883)         | (126 040)            | (126 040)        | (126 040)          | (128 335)         | (682)   | (723)               | (766)               |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>103 003</b>   | <b>133 192</b>  | <b>70 640</b>    | <b>567 024</b>       | <b>567 024</b>   | <b>567 024</b>     | <b>134 454</b>    | <b>166 355</b>                                      | <b>252 631</b>      | <b>328 643</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 43 867           | 39 248          | 39 609           | 37 768               | 37 768           | 37 768             | 21 394            | 600   | 335                 | 234                 |
| Decrease in other non-current receivables        |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (150 000)        | 150 000         | 70 000           |                      |                  |                    | 10 000            |   |                     |                     |
| <b>Payments</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     | (215 356)        | (239 011)       | (435 187)        | (590 096)            | (590 096)        | (590 096)          | (266 551)         | (234 827)   | (217 910)           | (394 856)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(321 489)</b> | <b>(49 763)</b> | <b>(325 578)</b> | <b>(552 328)</b>     | <b>(552 328)</b> | <b>(552 328)</b>   | <b>(235 157)</b>  | <b>(234 227)</b>                                    | <b>(217 575)</b>    | <b>(394 622)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     | 310 000          |                 | 380 000          | 188 349              | 188 349          | 188 349            | 188 000           |   |                     |                     |
| Borrowing long term/refinancing                  |     |                  |                 |                  |                      |                  |                    |                   | 100 000   | 73 099              | 22 441              |
| Increase (decrease) in consumer deposits         |     | 199              | 4 211           | (479)            | (1 778)              | (1 778)          | (1 778)            | 733               | 1 968   | 2 263               | (2 287)             |
| <b>Payments</b>                                  |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (46 983)         | (70 398)        | (92 643)         | (154 045)            | (154 045)        | (154 045)          | (150 244)         | (76 464)  | (89 118)            | (107 219)           |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>263 216</b>   | <b>(66 187)</b> | <b>286 878</b>   | <b>32 526</b>        | <b>32 526</b>    | <b>32 526</b>      | <b>38 489</b>     | <b>25 504</b>                                       | <b>(13 756)</b>     | <b>(87 065)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                  |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 18 497           | 63 227          | 85 519           | 70 915               | 70 915           | 70 915             | 43 175            | (43 760)  | (86 128)            | (64 828)            |
| Cash/cash equivalents at the year end:           | 2   | 63 227           | 80 469          | 117 459          | 118 137              | 118 137          | 118 137            | (19 039)          | (86 128)  | (64 828)            | (217 872)           |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Ntambanana(KZN283) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 2 973           | 2 891                | 2 891           | 2 891              | 2 130             | 729   |                     |                     |
| Government - operating                           | 1   |                 |                 | 18 141          | 26 905               | 26 905          | 26 905             | 37 731            | 59 451  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (17 341)        | (5 368)              | (5 368)         | (5 368)            | (4 746)           | (51 733)  |                     |                     |
| Finance charges                                  |     |                 |                 | (2 003)         | (25 700)             | (25 700)        | (25 700)           | (12 833)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | 1 770           | (1 272)              | (1 272)         | (1 272)            | 22 282            | 8 447   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 |                      |                 |                    |                   | (8 475)   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | (8 475)   | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   | 28  |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | 28  | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | 1 770           | (1 272)              | (1 272)         | (1 272)            | 22 282            | (0)   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 |                      |                 |                    |                   |   | (0)                 | (0)                 |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 1 770           | (1 272)              | (1 272)         | (1 272)            | 22 282            | (0)   | (0)                 | (0)                 |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uMlalazi(KZN284) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 53 457          | 58 729          | 85 916          | 90 444               | 90 444          | 90 444             | 79 807            | 90 091  | 112 179             | 126 450             |
| Government - operating                           | 1   | 34 645          | 39 563          | 54 618          | 81 716               | 81 716          | 81 716             | 84 162            | 52 548  | 63 524              | 69 883              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 600   | 600                 | 600                 |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (34 750)        | (40 584)        | (47 215)        | (112 400)            | (112 400)       | (112 400)          | (114 524)         | (101 964)   | (114 958)           | (131 052)           |
| Finance charges                                  |     | (63 706)        | (64 860)        | (79 405)        | (30 000)             | (30 000)        | (30 000)           | (30 893)          | (5 304)   | (5 684)             | (6 020)             |
| Transfers and grants                             | 1   | (760)           | (479)           |                 | (200)                | (200)           | (200)              |                   | (46 488)  | (55 493)            | (58 982)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>(11 115)</b> | <b>(7 630)</b>  | <b>13 915</b>   | <b>29 560</b>        | <b>29 560</b>   | <b>29 560</b>      | <b>18 553</b>     | <b>(10 517)</b>                                     | <b>168</b>          | <b>879</b>          |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 23              | 22              | 24              | 24                   | 24              | 24                 | 10 265            |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | 25 282          | 23 926          | 9 829           | 5 800                | 5 800           | 5 800              | 3 506             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     | (8 811)         | (18 741)        | (22 404)        | (42 545)             | (42 545)        | (42 545)           | (32 432)          |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>16 494</b>   | <b>5 207</b>    | <b>(12 552)</b> | <b>(36 721)</b>      | <b>(36 721)</b> | <b>(36 721)</b>    | <b>(18 662)</b>   | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 | 1 000                | 1 000           | 1 000              | 1 354             |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     | 95              | 92              | (19)            | 96                   | 96              | 96                 | 55                |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (671)           | (606)           | (270)           | (270)                | (270)           | (270)              | (140)             |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(576)</b>    | <b>(514)</b>    | <b>(289)</b>    | <b>826</b>           | <b>826</b>      | <b>826</b>         | <b>1 269</b>      | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | <b>4 802</b>    | <b>(2 938)</b>  | <b>1 074</b>    | <b>(6 335)</b>       | <b>(6 335)</b>  | <b>(6 335)</b>     | <b>1 160</b>      | <b>(10 517)</b>                                     | <b>168</b>          | <b>879</b>          |
| Cash/cash equivalents at the year begin:         | 2   | 3 950           | 3 950           | 1 012           | 2 085                | 2 085           | 2 085              | 2 085             |   | (10 517)            | (10 349)            |
| Cash/cash equivalents at the year end:           | 2   | 3 950           | 1 012           | 2 085           | (4 250)              | (4 250)         | (4 250)            | 3 245             | (10 517)  | (10 349)            | (9 470)             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: Mthonjaneni(KZN285) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 7 741           |                 | 20 932               | 20 932          | 20 932             | 33 629            | 22 424  | 35 340              | 20 278              |
| Government - operating                           | 1   |                 | 7 310           |                 | 26 688               | 26 688          | 26 688             | 32 004            | 18 086  | 18 086              | 29 410              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (12 918)        |                 | (33 696)             | (33 696)        | (33 696)           | (53 868)          | (48 138)  | (48 138)            | (35 470)            |
| Finance charges                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 2 134           | -               | 13 924               | 13 924          | 13 924             | 11 765            | (7 628)   | 5 288               | 14 218              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    | 3 357             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (1 689)         |                 | (9 912)              | (9 912)         | (9 912)            | (10 192)          | (8 895)   | (8 895)             | (10 370)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (1 689)         | -               | (9 912)              | (9 912)         | (9 912)            | (6 835)           | (8 895)   | (8 895)             | (10 370)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 445             | -               | 4 012                | 4 012           | 4 012              | 4 930             | (16 523)  | (3 607)             | 3 848               |
| Cash/cash equivalents at the year begin:         | 2   |                 | 13 156          |                 | 1 000                | 1 000           | 1 000              | 8 810             | 1 000   | (15 523)            | (19 130)            |
| Cash/cash equivalents at the year end:           | 2   |                 | 13 601          |                 | 5 012                | 5 012           | 5 012              | 13 740            | (15 523)  | (19 130)            | (15 282)            |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Nkandla(KZN286) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 10 293          | 2 170           | 3 930                | 3 930           | 3 930              | 2 995             | 17 115  | 19 180              | 22 396              |
| Government - operating                           | 1   |                 | 19 747          | 32 278          | 42 226               | 42 226          | 42 226             | 55 161            | 53 847  | 59 662              | 67 374              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (14 979)        | (14 961)        | (18 941)             | (18 941)        | (18 941)           | (16 363)          | (21 672)  | (23 510)            | (24 886)            |
| Finance charges                                  |     |                 | (13 854)        | (9 963)         | (15 038)             | (15 038)        | (15 038)           | (12 173)          | (28 467)  | (28 763)            | (29 518)            |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 1 207           | 9 525           | 12 176               | 12 176          | 12 176             | 29 621            | 20 822  | 26 569              | 35 366              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 3 427           |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (9 846)         | (9 593)         | (12 873)             | (12 873)        | (12 873)           | (6 551)           | (14 872)  | (17 886)            | (21 748)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (6 419)         | (9 593)         | (12 873)             | (12 873)        | (12 873)           | (6 551)           | (14 872)  | (17 886)            | (21 748)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | (5 212)         | (68)            | (697)                | (697)           | (697)              | 23 069            | 5 950   | 8 683               | 13 618              |
| Cash/cash equivalents at the year begin:         | 2   |                 | 825             | 540             | (931)                | (931)           | (931)              | 473               | (1 628)   | 4 322               | 13 005              |
| Cash/cash equivalents at the year end:           | 2   |                 | (4 388)         | 473             | (1 628)              | (1 628)         | (1 628)            | 23 542            | 4 322   | 13 005              | 26 623              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: uThungulu(DC28) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07          | 2007/08          | 2008/09         | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|------------------|------------------|-----------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome  | Audited Outcome  | Audited Outcome | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 93 638           | 75 250           | 120 621         | 56 971               | 56 971           | 56 971             | 261 659           | 56 971  | 60 387              | 64 015              |
| Government - operating                           | 1   | 221 445          | 328 452          | 197 002         | 425 373              | 425 373          | 425 373            | 299 041           | 425 373   | 495 290             | 615 894             |
| Government - capital                             | 1   |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Interest   |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Dividends  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (44 942)         | (48 468)         | (53 220)        | (114 499)            | (114 499)        | (114 499)          | (74 743)          | (114 499)   | (123 653)           | (133 545)           |
| Finance charges                                  |     | (181 666)        | (209 405)        | (315 279)       | (282 194)            | (282 194)        | (282 194)          | (404 786)         | (282 194)   | (252 411)           | (260 544)           |
| Transfers and grants                             | 1   | (9)              | (6 274)          | (10 635)        |                      |                  |                    | (4 220)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>88 467</b>    | <b>139 556</b>   | <b>(61 512)</b> | <b>85 651</b>        | <b>85 651</b>    | <b>85 651</b>      | <b>76 950</b>     | <b>85 651</b>                                       | <b>179 613</b>      | <b>285 820</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     | 330              |                  |                 | (48)                 | (48)             | (48)               | (4)               | (48)  | (53)                | (56)                |
| Decrease in other non-current receivables        |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (69 860)         | (39 479)         | 165 506         | 22 513               | 22 513           | 22 513             | (40 740)          | 22 513  | 24 217              | 26 187              |
| <b>Payments</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     | (74 425)         | (78 420)         | (118 037)       | (148 647)            | (148 647)        | (148 647)          | (137 560)         | (148 647)   | (198 764)           | (309 394)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(143 955)</b> | <b>(117 899)</b> | <b>47 469</b>   | <b>(126 182)</b>     | <b>(126 182)</b> | <b>(126 182)</b>   | <b>(178 303)</b>  | <b>(126 182)</b>                                    | <b>(174 600)</b>    | <b>(283 263)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                  |                  | 30 000          |                      |                  |                    | 46 000            |   |                     |                     |
| Borrowing long term/refinancing                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                  |                  |                 | 588                  | 588              | 588                | 49                | 588   | 644                 | 710                 |
| <b>Payments</b>                                  |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (6 551)          | (1 510)          |                 | (15 117)             | (15 117)         | (15 117)           | (7 090)           | (15 117)  | (15 117)            | (15 118)            |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(6 551)</b>   | <b>(1 510)</b>   | <b>30 000</b>   | <b>(14 529)</b>      | <b>(14 529)</b>  | <b>(14 529)</b>    | <b>38 959</b>     | <b>(14 529)</b>                                     | <b>(14 473)</b>     | <b>(14 408)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                  |                  |                 |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 91 843           | 29 802           | 49 949          | 317 321              | 317 321          | 317 321            | 65 906            | 317 321   | 262 261             | 252 801             |
| Cash/cash equivalents at the year end:           | 2   | 29 803           | 49 949           | 65 906          | 262 261              | 262 261          | 262 261            | 3 511             | 262 261   | 252 801             | 240 950             |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Mandeni(KZN291) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 24 081          | 26 669          | 33 307               | 33 307          | 33 307             | 35 938            | 41 933  |                     |                     |
| Government - operating                           | 1   |                 | 65 438          | 48 708          | 102 137              | 102 137         | 102 137            | 94 128            | 54 156  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 82 448  |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 804   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (27 457)        | (27 372)        | (43 837)             | (43 837)        | (43 837)           | (38 638)          | (71 604)  |                     |                     |
| Finance charges                                  |     |                 | (43 852)        | (21 655)        | (31 478)             | (31 478)        | (31 478)           | (31 847)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 | (496)           |                      |                 |                    |                   | (4 140)   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 18 210          | 25 854          | 60 130               | 60 130          | 60 130             | 59 582            | 103 597   | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 | 392             |                 | 5 400                | 5 400           | 5 400              |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (17 448)        | (14 573)        | (65 041)             | (65 041)        | (65 041)           | (41 794)          | (82 448)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (17 056)        | (14 573)        | (59 641)             | (59 641)        | (59 641)           | (41 794)          | (82 448)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | (217)           | (57)            | 5                    | 5               | 5                  | (19)              |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (518)           | (1 199)         | (676)                | (676)           | (676)              | (287)             | (612)   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | (734)           | (1 256)         | (671)                | (671)           | (671)              | (307)             | (612)   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 420             | 10 025          | (182)                | (182)           | (182)              | 17 481            | 20 537  | -                   | -                   |
| Cash/cash equivalents at the year end:           | 2   |                 | 3 737           | 8 269           | 9 138                | 9 138           | 9 138              | 9 138             | 9 000   | 29 537              | 29 537              |
|  |     |                 | 4 157           | 18 293          | 8 956                | 8 956           | 8 956              | 26 619            | 29 537  | 29 537              | 29 537              |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: KwaDukuza(KZN292) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 146 525         | 495 857         | 391 406         | 691 105              | 691 105          | 691 105            | 712 186           | 616 101   | 716 107             | 837 203             |
| Government - operating                           | 1   | 774             | 38 294          | 26 578          | 164 551              | 164 551          | 164 551            | 57 307            | 202 615   | 323 566             | 398 316             |
| Government - capital                             | 1   |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (41 029)        | (190 211)       | (96 126)        | (429 006)            | (429 006)        | (429 006)          | (142 883)         | (185 358)   | (203 321)           | (223 425)           |
| Finance charges                                  |     | (84 137)        | (245 578)       | (237 243)       | (240 482)            | (240 482)        | (240 482)          | (450 306)         | (461 107)   | (530 222)           | (637 795)           |
| Transfers and grants                             | 1   | (1 107)         | (986)           | (164)           |                      |                  |                    | (6 167)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>21 026</b>   | <b>97 376</b>   | <b>84 451</b>   | <b>186 168</b>       | <b>186 168</b>   | <b>186 168</b>     | <b>170 137</b>    | <b>172 251</b>                                      | <b>306 129</b>      | <b>374 298</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                  |                    |                   | 1 885   | 2 036               | 2 199               |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | (10 000)        | (27 000)        | (5 660)         |                      |                  |                    | (52 000)          | 363   | (10 000)            | (10 500)            |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     | (12 386)        | (58 107)        | (77 745)        | (226 554)            | (226 554)        | (226 554)          | (55 154)          | (276 072)   | (295 608)           | (366 525)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(22 386)</b> | <b>(85 107)</b> | <b>(83 405)</b> | <b>(226 554)</b>     | <b>(226 554)</b> | <b>(226 554)</b>   | <b>(107 154)</b>  | <b>(273 824)</b>                                    | <b>(303 572)</b>    | <b>(374 826)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 | 7 589           | 5 433           | 80 609               | 80 609           | 80 609             | 11 857            | 86 160  | 20 000              | 20 000              |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | 1 653           | 1 668           |                      |                  |                    | 2 839             | 2 841   | 2 000               | 2 100               |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (3 092)         | (18 450)        | (15 754)        | (15 493)             | (15 493)         | (15 493)           | (18 269)          | (8 119)   | (9 177)             | (5 250)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>(3 092)</b>  | <b>(9 208)</b>  | <b>(8 653)</b>  | <b>65 116</b>        | <b>65 116</b>    | <b>65 116</b>      | <b>(3 573)</b>    | <b>80 882</b>                                       | <b>12 823</b>       | <b>16 850</b>       |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | (4 452)         | 3 061           | (7 607)         | 24 730               | 24 730           | 24 730             | 59 409            | (20 691)  | 15 380              | 16 322              |
| Cash/cash equivalents at the year end:           | 2   | 23 745          | 18 664          | (7 607)         | 93 247               | 93 247           | 93 247             | 58 315            | 219 574   | 234 954             | 251 276             |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Ndwedwe(KZN293) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 3 137           | 4 084           | 13 815               | 13 815          | 13 815             | 8 650             | 87 590  | 87 840              |                     |
| Government - operating                           | 1   |                 | 37 430          | 42 328          | 43 628               | 43 628          | 43 628             | 49 532            |   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 3 000   | 3 000               |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (12 920)        | (37 885)        | (15 000)             | (15 000)        | (15 000)           | (58 167)          | (49 664)  | (54 164)            |                     |
| Finance charges                                  |     |                 | (11 713)        | (1 671)         | (22 386)             | (22 386)        | (22 386)           |                   | (506)   | (506)               |                     |
| Transfers and grants                             | 1   |                 |                 |                 | (5 111)              | (5 111)         | (5 111)            |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 15 934          | 6 857           | 14 946               | 14 946          | 14 946             | 15                | 40 420  | 36 170              | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   | 209   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 2 784           | 6 000           | (500)                | (500)           | (500)              | 9 622             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (6 210)         | (3 956)         | (14 000)             | (14 000)        | (14 000)           | (14 970)          | (36 176)  | (36 676)            |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (3 426)         | 2 044           | (14 500)             | (14 500)        | (14 500)           | (5 348)           | (35 967)  | (36 676)            | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    | (399)             | (890)   | (890)               |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | (399)             | (890)   | (890)               | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 12 509          | 8 901           | 446                  | 446             | 446                | (5 732)           | 3 563   | (1 396)             | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 1 510           | 2 253           | 2 466                | 2 466           | 2 466              | 2 466             | 3 563   | 3 563               | 2 167               |
| Cash/cash equivalents at the year end:           | 2   |                 | 14 019          | 11 154          | 2 912                | 2 912           | 2 912              | (3 266)           | 3 563   | 2 167               | 2 167               |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Maphumulo(KZN294) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 18 133          | 2 848           | 2 281                | 2 281           | 2 281              | 13 126            | 3 092   |                     |                     |
| Government - operating                           | 1   |                 | 6 242           | 31 831          | 43 552               | 43 552          | 43 552             | 38 525            | 49 474  |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (2 368)         | (7 157)         | (17 005)             | (17 005)        | (17 005)           | (11 033)          | (16 499)  |                     |                     |
| Finance charges                                  |     |                 | (19 393)        | (34 020)        | (12 800)             | (12 800)        | (12 800)           | (55 363)          | (20 854)  |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    | (450)             |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>2 615</b>    | <b>(6 498)</b>  | <b>16 028</b>        | <b>16 028</b>   | <b>16 028</b>      | <b>(15 194)</b>   | <b>15 213</b>                                       | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | 10 137          | 1 435                | 1 435           | 1 435              | 15 032            | 650   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 | (22 463)             | (22 463)        | (22 463)           | (1 227)           | (20 343)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | <b>10 137</b>   | <b>(21 028)</b>      | <b>(21 028)</b> | <b>(21 028)</b>    | <b>13 805</b>     | <b>(19 693)</b>                                     | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    | 25                |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | <b>25</b>         | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | <b>2 615</b>    | <b>3 639</b>    | <b>(5 000)</b>       | <b>(5 000)</b>  | <b>(5 000)</b>     | <b>(1 365)</b>    | <b>(4 480)</b>                                      | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 719             | 282             | 3 921                | 3 921           | 3 921              | 2 579             | 3 921   | (559)               | (559)               |
| Cash/cash equivalents at the year end:           | 2   |                 | 3 334           | 3 921           | (1 079)              | (1 079)         | (1 079)            | 1 214             | (559)   | (559)               | (559)               |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: iLembe(DC29) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 122 133         | 48 304          | 68 436           | 60 059               | 60 059           | 60 059             | 122 053           | 108   | 108                 |                     |
| Government - operating                           | 1   | 142 980         | 182 700         | 234 184          | 257 857              | 257 857          | 257 857            | 326 147           | 186   | 186                 |                     |
| Government - capital                             | 1   |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                  |                      |                  |                    |                   | 21  | 21                  |                     |
| Dividends  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (53 783)        | (52 539)        | (60 507)         | (134 236)            | (134 236)        | (134 236)          | (71 715)          | (308)   | (308)               |                     |
| Finance charges                                  |     | (128 671)       | (62 584)        | (111 689)        | (42 125)             | (42 125)         | (42 125)           | (145 592)         | (13)  | (13)                |                     |
| Transfers and grants                             | 1   |                 | (15 961)        | (30 486)         |                      |                  |                    | (16 311)          |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>82 659</b>   | <b>99 920</b>   | <b>99 938</b>    | <b>141 555</b>       | <b>141 555</b>   | <b>141 555</b>     | <b>214 583</b>    | <b>(6)</b>  | <b>(6)</b>          | <b>-</b>            |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     | 27 723          |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     | (80 650)        | (75 261)        | (114 849)        | (120 553)            | (120 553)        | (120 553)          | (136 751)         |   |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>(52 926)</b> | <b>(75 261)</b> | <b>(114 849)</b> | <b>(120 553)</b>     | <b>(120 553)</b> | <b>(120 553)</b>   | <b>(136 751)</b>  | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     | 5 330           |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     | (3 161)         | (11 811)        | (1 683)          | (11 938)             | (11 938)         | (11 938)           | (3 477)           |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>2 169</b>    | <b>(11 811)</b> | <b>(1 683)</b>   | <b>(11 938)</b>      | <b>(11 938)</b>  | <b>(11 938)</b>    | <b>(3 477)</b>    | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   | 2 198           | 12 848          | (16 594)         | 9 064                | 9 064            | 9 064              | 74 355            | (6)   | (6)                 | -                   |
| Cash/cash equivalents at the year end:           | 2   | 34 100          | 12 848          | (14 643)         | 24 667               | 24 667           | 24 667             | 59 713            | (6)   | (12)                | (12)                |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less



Kwazulu-Natal: Ingwe(KZN431) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 9 984           | 7 922                | 7 922           | 7 922              | 32 134            | 12 410  | 5 820               | 4 530               |
| Government - operating                           | 1   |                 |                 | 39 558          | 56 634               | 56 634          | 56 634             | 43 871            | 42 801  | 51 095              | 64 559              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 13 776  | 16 569              | 20 146              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 997   | 1 046               | 1 094               |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (9 678)         | (16 856)             | (16 856)        | (16 856)           | (21 581)          | (34 054)  | (36 113)            | (39 941)            |
| Finance charges                                  |     |                 |                 | (12 929)        | (8 728)              | (8 728)         | (8 728)            | (25 819)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 | (3 745)         | (5 396)              | (5 396)         | (5 396)            | (1 720)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | 23 190          | 33 576               | 33 576          | 33 576             | 26 886            | 35 930  | 38 417              | 50 388              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | (2 112)         |                      |                 |                    | (13 850)          |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (20 096)        | (33 547)             | (33 547)        | (33 547)           | (14 356)          | (32 188)  | (32 226)            | (37 501)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | (22 208)        | (33 547)             | (33 547)        | (33 547)           | (28 206)          | (32 188)  | (32 226)            | (37 501)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 | 8               |                      |                 |                    | 1 339             |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | 8               | -                    | -               | -                  | 1 339             | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | 990             | 29                   | 29              | 29                 | 18                | 3 742   | 6 191               | 12 887              |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 202             |                      |                 |                    | 827               |   | 3 742               | 9 933               |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 1 193           | 29                   | 29              | 29                 | 845               | 3 742   | 9 933               | 22 820              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Kwa Sani(KZN432) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 7 317           | 14 569          | 12 539               | 12 539          | 12 539             | 38 629            | 14 471  | 12 979              | 13 765              |
| Government - operating                           | 1   |                 | 9 257           | 23 844          | 10 462               | 10 462          | 10 462             | 21 073            | 12 223  | 12 647              | 13 375              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 14 058  | 22 886              | 29 589              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 400   | 400                 | 400                 |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (4 026)         | (10 551)        | (8 890)              | (8 890)         | (8 890)            | (31 181)          | (25 198)  | (25 897)            | (27 007)            |
| Finance charges                                  |     |                 | (8 801)         | (10 881)        | (11 429)             | (11 429)        | (11 429)           | (14 879)          | (116)   | (100)               | (83)                |
| Transfers and grants                             | 1   |                 | (291)           | (1 256)         |                      |                 |                    | (1 088)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 3 456           | 15 725          | 2 682                | 2 682           | 2 682              | 12 554            | 15 838  | 22 915              | 30 039              |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | 158             | (10 212)        | (2 300)              | (2 300)         | (2 300)            | (3 824)           |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (4 245)         | (5 170)         |                      |                 |                    | (8 386)           | (15 197)  | (22 886)            | (29 589)            |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (4 087)         | (15 382)        | (2 300)              | (2 300)         | (2 300)            | (12 211)          | (15 197)  | (22 886)            | (29 589)            |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (219)           | (224)           | (306)                | (306)           | (306)              | (219)             | (321)   | (338)               | (355)               |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | (219)           | (224)           | (306)                | (306)           | (306)              | (219)             | (321)   | (338)               | (355)               |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | (850)           | 119             | 75                   | 75              | 75                 | 124               | 321   | (309)               | 95                  |
| Cash/cash equivalents at the year end:           | 2   |                 | 1 382           | 178             | 21                   | 21              | 21                 | 21                | 20  | 341                 | 32                  |
|  |     |                 | 532             | 297             | 97                   | 97              | 97                 | 145               | 341   | 32                  | 127                 |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Greater Kokstad(KZN433) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 |                 | 64 098          | 162 894              | 162 894         | 162 894            | 158 674           | 199 875   | 205 935             | 197 749             |
| Government - operating                           | 1   |                 |                 | 10 443          | 33 923               | 33 923          | 33 923             | 53 814            | 37 655  | 24 392              | 52 332              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 |                 | (34 105)        | (157 148)            | (157 148)       | (157 148)          | (129 642)         | (236 615)   | (229 844)           | (249 669)           |
| Finance charges                                  |     |                 |                 | (429)           |                      |                 |                    |                   |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | -               | 40 007          | 39 669               | 39 669          | 39 669             | 82 846            | 915   | 483                 | 412                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 | (8 136)         |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 | (26 287)        | (39 669)             | (39 669)        | (39 669)           | (78 722)          | (915)   | (483)               | (412)               |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | -               | (34 423)        | (39 669)             | (39 669)        | (39 669)           | (78 722)          | (915)   | (483)               | (412)               |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 | (1 369)         |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 | (3 000)         |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | (4 369)         | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | -               | 1 215           | -                    | -               | -                  | 4 124             | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 |                 |                      |                 |                    | (4 559)           |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   |                 |                 | 83 187          |                      |                 |                    | (435)             |   |                     |                     |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Ubulhebezwe(KZN434) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     | 934             |                 | 13 560          | 50 155               | 50 155          | 50 155             | 70 785            | 15 520  | 16 464              | 17 440              |
| Government - operating                           | 1   |                 |                 | 30 044          | 6 955                | 6 955           | 6 955              | 19 024            | 38 180  | 42 442              | 46 460              |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   | 20 474  | 17 408              | 21 167              |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   | 1 358   | 1 374               | 1 391               |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     | (2 172)         |                 | (16 340)        | (23 587)             | (23 587)        | (23 587)           | (16 912)          | (47 388)  | (52 565)            | (52 420)            |
| Finance charges                                  |     | (2 200)         |                 | (24 251)        | (28 470)             | (28 470)        | (28 470)           | (62 297)          |   |                     |                     |
| Transfers and grants                             | 1   |                 |                 | (1 943)         | (4 448)              | (4 448)         | (4 448)            | (2 317)           | (24 602)  | (21 431)            | (25 642)            |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | <b>(3 438)</b>  | <b>-</b>        | <b>1 071</b>    | <b>605</b>           | <b>605</b>      | <b>605</b>         | <b>8 284</b>      | <b>3 541</b>  | <b>3 691</b>        | <b>8 397</b>        |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 |                 |                 |                      |                 |                    |                   | (3 541)   | (3 691)             | (8 397)             |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>-</b>          | <b>(3 541)</b>                                      | <b>(3 691)</b>      | <b>(8 397)</b>      |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 | (605)                | (605)           | (605)              |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>(605)</b>         | <b>(605)</b>    | <b>(605)</b>       | <b>-</b>          | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | <b>(3 438)</b>  | <b>-</b>        | <b>1 071</b>    | <b>-</b>             | <b>-</b>        | <b>-</b>           | <b>8 284</b>      | <b>-</b>  | <b>-</b>            | <b>-</b>            |
| Cash/cash equivalents at the year begin:         | 2   |                 |                 | 2 087           |                      |                 |                    | 3 731             |   |                     |                     |
| Cash/cash equivalents at the year end:           | 2   | <b>(1 745)</b>  |                 | 3 158           |                      |                 |                    | 12 015            |   |                     |                     |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Umzimkhulu(KZN435) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09         | Current year 2009/10 |                 |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget      | Adjusted Budget | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 12 421          | 25 005          | 26 234               | 26 234          | 26 234             | 10 981            | 19 270  |                     |                     |
| Government - operating                           | 1   |                 | 50 899          | 92 834          | 97 164               | 97 164          | 97 164             | 86 354            | 110 827   |                     |                     |
| Government - capital                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Interest   |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Dividends  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (14 280)        | (24 115)        |                      |                 |                    | (27 686)          | (31 695)  |                     |                     |
| Finance charges                                  |     |                 | (25 950)        | (30 352)        |                      |                 |                    | (63 789)          | (48 145)  |                     |                     |
| Transfers and grants                             | 1   |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | 23 091          | 63 372          | 123 398              | 123 398         | 123 398            | 5 860             | 50 258  | -                   | -                   |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                 | 515                  | 515             | 515                | 129               | 300   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 |                 |                 | 3 148                | 3 148           | 3 148              |                   | 2 000   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (21 786)        | (43 265)        |                      |                 |                    | (41 253)          | (52 558)  |                     |                     |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | (21 786)        | (43 265)        | 3 663                | 3 663           | 3 663              | (41 125)          | (50 258)  | -                   | -                   |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 |                 |                 |                      |                 |                    |                   |   |                     |                     |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | -               | -               | -                    | -               | -                  | -                 | -   | -                   | -                   |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     | -               | 1 305           | 20 107          | 127 062              | 127 062         | 127 062            | (35 265)          | -   | -                   | -                   |
| Cash/cash equivalents at the year begin:         | 2   |                 | 925             | 13 905          | 2 893                | 2 893           | 2 893              | 2 893             | 553   | 553                 | 553                 |
| Cash/cash equivalents at the year end:           | 2   |                 | 2 231           | 34 012          | 129 955              | 129 955         | 129 955            | (32 371)          | 553   | 553                 | 553                 |

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

Kwazulu-Natal: Sisonke(DC43) - Table A7 Budgeted Cash Flows for 4th Quarter ended 30 June 2010

| Description                                      | Ref | 2006/07         | 2007/08         | 2008/09          | Current year 2009/10 |                  |                    |                   | 2010/11 Medium Term Revenue & Expenditure Framework |                     |                     |
|--|-----|-----------------|-----------------|------------------|----------------------|------------------|--------------------|-------------------|---|---------------------|---------------------|
|  |     | Audited Outcome | Audited Outcome | Audited Outcome  | Original Budget      | Adjusted Budget  | Full Year Forecast | Pre-audit Outcome | Budget Year 2010/11                                 | Budget Year 2011/12 | Budget Year 2012/13 |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Ratepayers and other                             |     |                 | 18 748          | 33 257           | 43 248               | 43 248           | 43 248             | 94 163            | 105 813   | 92 648              | 84 919              |
| Government - operating                           | 1   |                 | 193 751         | 236 242          | 421 257              | 421 257          | 421 257            | 236 845           | 165 514   | 182 488             | 199 713             |
| Government - capital                             | 1   |                 |                 |                  |                      |                  |                    |                   | 149 654   | 132 900             | 171 002             |
| Interest   |     |                 |                 |                  |                      |                  |                    |                   | 9 000   | 8 000               | 7 000               |
| Dividends  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Suppliers and employees                          |     |                 | (41 839)        | (39 467)         | (71 687)             | (71 687)         | (71 687)           | (52 186)          | (246 981)   | (252 787)           | (309 525)           |
| Finance charges                                  |     |                 | (80 230)        | (93 342)         | (95 107)             | (95 107)         | (95 107)           | (129 272)         | (4 647)   | (3 970)             | (4 267)             |
| Transfers and grants                             | 1   |                 |                 |                  |                      |                  |                    | (3 205)           |   |                     |                     |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> |     | -               | <b>90 430</b>   | <b>136 690</b>   | <b>297 711</b>       | <b>297 711</b>   | <b>297 711</b>     | <b>146 345</b>    | <b>178 352</b>                                      | <b>159 279</b>      | <b>148 842</b>      |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Proceeds on disposal of PPE                      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in non-current debtors                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease in other non-current receivables        |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Decrease (increase) in non-current investments   |     |                 | (360)           | (37 000)         |                      |                  |                    | 7 963             | 15 000  | 8 000               | 7 000               |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Capital assets                                   |     |                 | (57 402)        | (83 742)         | (317 444)            | (317 444)        | (317 444)          | (180 526)         | (222 116)   | (142 909)           | (182 755)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> |     | -               | <b>(57 762)</b> | <b>(120 742)</b> | <b>(317 444)</b>     | <b>(317 444)</b> | <b>(317 444)</b>   | <b>(172 563)</b>  | <b>(207 116)</b>                                    | <b>(134 909)</b>    | <b>(175 755)</b>    |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>       |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Receipts</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Short term loans                                 |     |                 |                 |                  | 23 000               | 23 000           | 23 000             |                   | 30 800  | 15 000              |                     |
| Borrowing long term/refinancing                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Increase (decrease) in consumer deposits         |     |                 | (7)             |                  |                      |                  |                    |                   |   |                     |                     |
| <b>Payments</b>                                  |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Repayment of borrowing                           |     |                 | (1 463)         | (1 733)          | (1 721)              | (1 721)          | (1 721)            | (606)             | (2 401)   | (3 151)             | (3 151)             |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> |     | -               | <b>(1 469)</b>  | <b>(1 733)</b>   | <b>21 279</b>        | <b>21 279</b>    | <b>21 279</b>      | <b>(606)</b>      | <b>28 399</b>                                       | <b>11 849</b>       | <b>(3 151)</b>      |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      |     |                 |                 |                  |                      |                  |                    |                   |   |                     |                     |
| Cash/cash equivalents at the year begin:         | 2   |                 | 31 199          | 14 216           | 1 545                | 1 545            | 1 545              | (26 824)          | (364)   | 36 219              | (30 064)            |
| Cash/cash equivalents at the year end:           | 2   |                 | 3 213           | 98 080           | 1 545                | 1 545            | 1 545              | 129 821           | 8 103   | 7 739               | 43 958              |
|  |     |                 | 34 411          | 112 296          | 1 545                | 1 545            | 1 545              | 102 997           | 7 739   | 43 958              | 13 894              |

## References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less