

Karoo Hoogland Municipality
Notes to the Financial Statements for the year ended 30 June 2014

	2014	2013
	R	R
Financial assets exposed to credit risk at year end are as follows:		
Long term receivables	5 507 578	4 566 180
Receivables from exchange transactions	228 566	203 412
Receivables from non-exchange transactions	1 441 030	2 027 152
Cash and cash equivalents	3 131 182	658 238
Unpaid conditional grants and subsidies	415 639	415 639
	10 723 994	7 870 621

(e) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the treasury maintains flexibility in funding by maintaining availability under the credit lines.

The entity's risk to liquidity is a result of the funds available to cover future commitments. The Municipality manages liquidity risk through an on-going review of future commitments and credit facilities.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period at the financial year end to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Karoo Hoogland Municipality
Notes to the Financial Statements for the year ended 30 June 2014

	2014	2013
	R	R
41 Financial Instruments		
In accordance with GRAP 104 the financial instruments of the municipality are classified as follows:		
41.1 Financial assets		
Financial instruments at amortised cost		
Long term receivables	5 507 578	4 566 180
Receivables from exchange transactions	228 566	203 412
Current portion of long term receivables		
Cash and cash equivalents	3 131 182	658 238
Unpaid conditional grants	415 639	415 639
Total carrying amount of financial assets	9 282 965	5 843 469
42.2 Financial liability		
Financial instruments at amortised cost		
Long term liabilities	2 170 439	2 253 665
Payables from exchange transactions	6 988 166	10 540 074
Current portion of long term liabilities	83 226	74 965
Cash and cash equivalents		
Unspent public contributions		
	9 241 830	12 868 704
43 Events after the reporting date		
No such instances.		
44 In-kind Donations and Assistance		
The municipality did not receive any in-kind donations or assistance during the year under review.		

APPENDIX A - Unaudited
 KAROO HOOGLAND MUNICIPALITY
 SCHEDULE OF EXTERNAL LOANS AS AT 30 JUNE 2014

EXTERNAL LOANS	Rate	Number	Redeemable	Balance at 30/06/2013	Balance at 30/06/2013 Restated	Received during the period	Redeemed written off during the period	Balance at 30/06/2014
ANNUITY LOAN								
DBSA	5%	102367/1	31 December 2026	3 017 029	3 017 029	-	145 397	2 871 632
Total Annuity Loans				3 017 029	3 017 029	-	145 397	2 871 632

APPENDIX B - Unaudited
KAROO HOOGLAND MUNICIPALITY
DISCLOSURES OF GRANTS AND SUBSIDIES IN TERMS OF MFMA, 56 OF 2003

Grant Description	Balance at 41 456	Contributions during the year	Correction of error	Operating Expenditure during the year Transferred to Revenue	Capital Expenditure during the year Transferred to Revenue	Total Expenditure during the year Transferred to Revenue	Grants Withheld	Balance at 30 Junie 2014	Unspent 30 Junie 2014 (Creditor)	Unpaid 30 Junie 2014 (Debtor)
	R	R	R	R	R	R	R	R	R	R
UNSPENT CONDITIONAL GOVERNMENT GRANTS AND RECEIPTS										
National Government Grants										
Integrated Electrification Programme	-	1 000	-	-	-	-	-	1 000.00	1 000.00	-
Financial Management Grant	-	1 651 000.00	-	1 650 000.00	-	1 650 000.00	-	1 000.00	1 000.00	-
Municipal Infrastructure Grant	-	12 033 282.80	-	1 765 354.18	10 266 928.62	12 032 282.80	-	1 000.00	1 000.00	-
Municipal Systems Improvement Grant	-	891 000.00	-	890 000.00	-	890 000.00	-	1 000.00	1 000.00	-
LG SETA Skills Development Grant	-	37 327.79	-	37 327.79	-	37 327.79	-	-	-	-
Total National Government Grants	-	14 613 610.59	-	4 342 681.97	10 266 928.62	14 609 610.59	-	4 000.00	4 000.00	-
Provincial Government Grants										
Expanded Public Works Programme	-	1 001 000.00	-	1 000 000.00	-	1 000 000.00	-	1 000.00	1 000.00	-
Library Services	(415 639.42)	902 000.00	-	901 000.00	-	901 000.00	-	(414 639.42)	1 000.00	(415 639.42)
Total Provincial Government Grants	(415 639.42)	1 903 000.00	-	1 901 000.00	-	1 901 000.00	-	(413 639.42)	2 000.00	(415 639.42)
Other Grants										
District Municipality Surplus funds	-	24 369.49	-	24 369.49	-	24 369.49	-	-	-	-
NALA	-	-	-	-	-	-	-	-	-	-
Total Other Grants	-	24 369.49	-	24 369.49	-	24 369.49	-	-	-	-
Equitable Share										
		13 390 000.00		13 390 000.00		13 390 000.00				
TOTAL GOVERNMENT GRANTS	(415 639.42)	29 930 980.08	-	19 658 051.46	10 266 928.62	29 924 980.08	-	(409 639.42)	6 000.00	(415 639.42)